

Wistron Corporation
2019 CSR Report



Editorial Policy

Welcome to the eleventh issue of the “Corporate Sustainability and Social Responsibility (CSR) Report” published by the Wistron Corporation (Wistron). This report is published in both Chinese and English and has been posted on our website for free downloading (<https://www.wistron.com>). We hope that the greater transparency in this report will provide all stakeholders with a better understanding of Wistron's practices and achievements in fulfilling our CSR obligations in 2019.

Period Covered

The Corporate Sustainability and Social Responsibility (CSR) Report for the preceding year is published by Wistron on an annual basis. The previous report was published in May, 2019. This report covers Wistron's CSR management policy, key issues, actions and performance for 2019 (January 1 ~ December 31, 2019).

Scope and Boundary

The scope of the information disclosed in this report covers performance in economic, environmental and social topics with no major change comparing to the previous report. The organizational boundary of this report encompasses Wistron's operations in Taiwan and its main global manufacturing plants. The boundary covers as follows:

- Wistron Corporation (Neihu Headquarters)
- Wistron Corporation (Hsichih Office Complex)
- Wistron Corporation (Hsinchu Plant)
- Wistron InfoComm (Kunshan) Co. (Kunshan Plant)

- Wistron InfoComm (Taizhou) Co. (Taizhou Plant)
- Wistron InfoComm (Zhongshan) Co. (Zhongshan Plant)
- Wistron InfoComm (Chongqing) Co. (Chongqing Plant)
- Wistron InfoComm (Chengdu) Co. (Chengdu Plant)
- Wistron Mexico S.A. de C.V. (Mexico Plant)
- Wistron InfoComm (Czech) s.r.o. (Czech Plant)
- Wistron Optronics (Kunshan) Co., LTD (Kunshan Opt Plant)

Guideline for Report

The preparation of this report followed GRI Standards developed by the Global Reporting Initiative (GRI). The contents of this report have been verified by an independent third party based on the AA1000 standards and comply with GRI Standards core level requirements.

Contact Wistron

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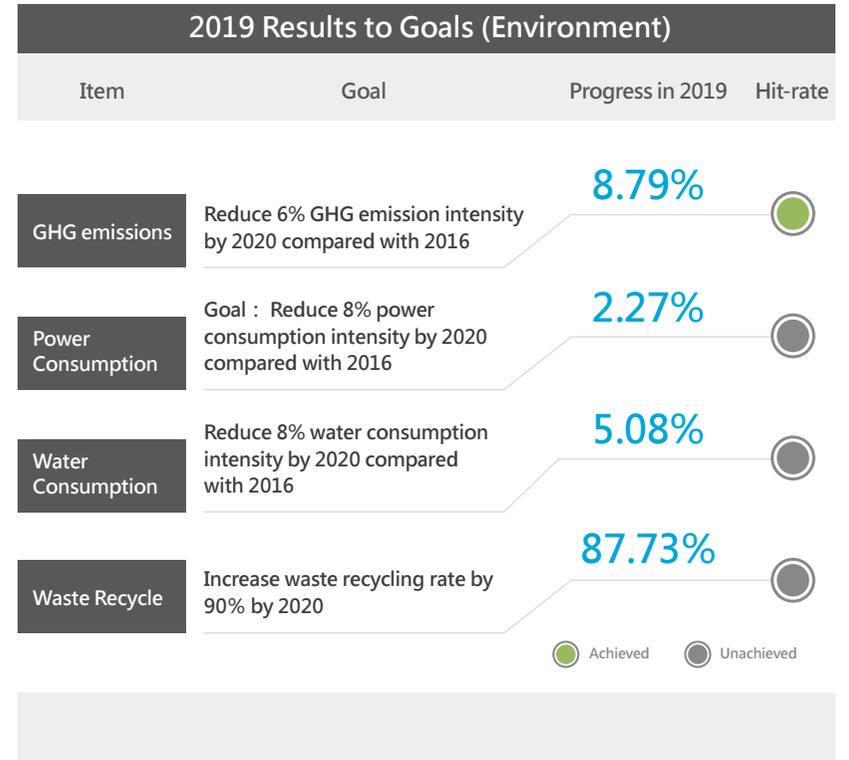
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Performance Summary

Aspects	Performance Indicators	Unit	2019	2018
Economic	Total Revenue	Millions of NTD	878,255	889,536
	Earnings per Share	NTD	2.40	1.76
	Total sales Volume	Per unit/Piece/ Items	155,269,412	137,832,990
Environmental	Total Greenhouse Gas (GHG) Emissions - Scope 1 - Scope 2	Tons-CO2 equivalent (CO ₂ e)	431,678.22	430,291.35
	29,128.46		27,308.29	
			402,549.76	402,983.06
	GHG Emission per Unit-revenue	Kilotons/Billion NTD	0.52	0.50
	Total Water Consumption	Cubic Meter	5,454,358	5,394,448
	Water Consumption per Unit-revenue	Kilotons/Billion NTD	6.54	6.30
	Total Waste Generation	Tons	43,520.84	44,026.78
	Waste Generation per Unit-revenue	Kilotons/Billion NTD	0.052	0.051
	Total Environmental Expenditures	Millions of NTD	273	295
Social	Ratio of Local Employees Serving as Managers to All Managers	Percentage (%)	83.9	85
	Ratio of Local Employees in the Department Manager (or above) Positions		58.9	56.2
	Total Amount of Social Investment - Charity and Sponsorships	Millions of NTD	37.92	36.47
	- Charitable Activities of the Employee Welfare Committee/Company		29.87	31.79
	- Employee Participation in Charitable Activities		5.94	2.93
	2.11		1.75	



■ A Message from the Chairman & Vice Chairman

In 2019, the world has seen major changes and challenges in the areas of politics, economy, society, technology, and even climate, including trade dispute uncertainties in the external environment, which not only affected the growth of global trade but also compelled multinational manufacturers to review the global layout, engendering a slow growth momentum. Even in face of such massive challenges, Wistron remains consistently proactive in delivering excellent economic performance, and has also achieved tangible outcomes from the promotion of corporate governance, environment, society, innovation value, and other aspects of sustainable development. Our internal organization was also restructured during this critical year wherein alternation of generations is initiated through the position of CEO to actively recruit and foster young professional talents.

Pursuing Sustainable Value and Strengthening Corporate Governance

To deepen the vision of corporate sustainable development, fulfill corporate social responsibilities, and promote economic, environmental, and social advancements to achieve the goal of sustainable development, Wistron has setup an ESG Committee in 2019, upgrading corporate sustainability and social responsibilities to board level, so that the most effective resources are provided as committee members participate from a top-down approach to establish the overall strategic direction for CSR. Additionally, a Nominating Committee has been established to strengthen corporate governance and improve board functions.

From 2017 to 2019, Wistron has received MSCI ACWI ESG rating of AA for three consecutive years. The Company was also ranked top 5% in the 5th Corporate Governance Evaluation implemented by the Taiwan Stock Exchange (TWSE) and was selected as a constituent stock in the FTSE4Good TIP Taiwan ESG Index. Wistron was also awarded Commonwealth Magazine's Excellence in Corporate Social Responsibility in the large enterprise category for the 10th time and was awarded the 2019 Corporate Sustainability Report Bronze Award from TCSA.

Simon Lin /
Chairman & CSO
Wistron Corporation



Placing Value on Environmental Sustainability and Humanity Education

Wistron focuses its environmental sustainability on the impact of its core competencies, continues to persist in the promotion of product green design, green manufacturing, and green supply chains, and extends this level of persistence to green energy development, including investment in clean energy funds, investment in the development of electric vehicles that utilize new energy sources, and recycling of 2000 tons of post-consumer plastic from Wistron's green resource business unit to provide circular economy and resource reuse services for brand customers.

In 2019, Wistron has improved in various aspects of environmental sustainability: As compared to 2016, carbon intensity was reduced by 8.79%, energy consumption intensity was reduced by 2.27% effectively saving more than 1418.08 kWh of electricity, water consumption intensity was reduced by 5.08%, and waste recovery rate has reduced by 87.73%.

Expanding Social Engagement and Impact

In 2019, Wistron expanded its response to 12 of the 17 UN Sustainable Development Goals (SDGs), using SDGs as the direction of its corporate sustainable development to enhance the quality of human life and environment through promoting the universal application of science and technology. In particular, the Wistron Foundation also responded to the four goals of No Poverty, Quality Education, Clean Water and Sanitation, and Life on Land, fulfilling Wistron's altruistic commitment through focusing on the two main aspects of humanities and the environment in hopes of achieving harmony and balance between people, society, and the natural environment.

Wistron continues to deepen its industry-academia cooperation in the second year of Gap of Learning & Field (GOLF), and incorporates more enterprises and schools to showcase the social impact of enterprises on campus talent education. In 2019, a total of 21 enterprises and 46 universities participated, creating mutually beneficial outcomes for industry-academia integration, young student cultivation, and enterprise talent appointments.

Continuing to promote digital transformation and value innovation

In light of the global digital transformation trend and artificial intelligence era, Wistron's digital transformation makes use of digital technology to accelerate areas of product development, manufacturing, supply chains, and human resource digital management systems. Meanwhile, the Company caters to the three aspects of employee care, employee performance, and employee development to create an environment in which employees can continue to grow and learn, and slowly build their own transformation model that improves efficiency, reduces cost, and acquires benefits through digital transformation to provide better products and services.

As population structure changes, chronic patients increase, and enterprises impact the society, Wistron actively explores new market opportunities in an effort to strive toward providing smart services in the areas of education, health care, transportation, and workplace. In 2019, the Company is committed to developing education cloud services, smart telehealth care, self-driving car operation and information integration platform system, cloud system management service, data analysis service, smart office and Industry 4.0 smart manufacturing to elevate customer experience, improve communication functions, and facilitate business decisions to develop valuable innovations in the form of novel business operations and business models.

Preparing for Climate Change Risks and Increasing Use of Renewable Energy

According to the Global Risks Report 2019 published by the World Economic Forum, climate-related issues (extreme weather events, failure of climate change mitigation and adaptation, and natural disasters) are among the top major risks in the world. Factors causing climate change problems are closely related to energy use and carbon emission; hence, effectively managing energy and increasing use of renewable energy are key issues warranting our immediate attention.

Wistron has over the years continuously installing solar panels in its plants and using hydropower in some part of its plant, which resulted in an annual increase in the use of renewable energy. However, as climate change continues to pose risks to business operations, Wistron is working on medium- and long-term greenhouse gas emission reduction goals, promising to increase the use of renewable energy to mitigate climate change risks.

From a sustainable perspective, Wistron's sustainable development is closely integrated with our digital vision of "technology powerhouse for better life & environment." It uses four major areas: "corporate governance", "environmental protection", "social integration", and "innovative value" as the core of Wistron's sustainability strategies, and integrates the UN SDGs in our core business activities as the direction for corporate sustainable development.

Going forward, Wistron is about to enter its third decade, and Wistron's corporate sustainability report is also officially entering the second decade, meaning that all of our employees and stakeholders should work hand-in-hand together to protect the well-being of our future generations and to make use of technology and innovation capacity to treat our plant with kindness and jointly create a sustainable value to improve the overall quality of life.

Robert Hwang /
Vice chairman & President
Wistron Corporation

ROBERT HWANG



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Company Profile



About Wistron

Wistron Corporation is a global leading technology service provider (TSP) supplying innovative ICT (information and communications technology) products, service solutions, and systems to top branded companies worldwide.

Our product and service lines include PCs, server/storage/networking systems, display products, communication devices, after-sales services, and electronics scrap recycling, as well as cloud and display vertical integration solutions. From initial product conceptualization, volume manufacturing and after-sales repairing to end-of-life products recycling, Wistron supports customers with the products and related services reaching international standards for innovation and quality levels.

With 80,000 employees in various R&D, manufacturing and after-sales service facilities in North America, Europe, and Asia.

Wistron was listed as a Fortune Global 500 company in 2011, 2012, 2018, and 2019. Since 2009, Forbes Magazine has included Wistron among Global 2000 for 11 consecutive years (2009-2019). Forbes Magazine also ranked Wistron in Forbes Asia FAB 50 for Asia's best publicly listed companies during 2007, 2008, and 2009.

Wistron values corporate sustainability and social responsibility gravely. Since 2017, Wistron has been rated AA by MSCI ESG for sustainable practices in terms of environmental, social, and governance factors in the sector of technology hardware, storage and peripherals industry.

In addition, The CommonWealth Magazine presented Wistron the "Excellence in Corporate Social Responsibility" awards for 10 consecutive years from 2010 to 2019. In 2019, Wistron received Bronze Award of Taiwan Corporate Sustainability Report.

Wistron Quick Facts

- Established in 2001
- Major OEM/ODM for global top-10 ICT brands
- Principal beliefs: Customer Focus, Integrity, Innovation, and Pursuit of Excellence
- Revenue reached NTD 878.3 billion in 2019
- Headquarters located in Taipei, Taiwan, with global operating sites in Asia, North America and Europe
- Approximately over 80,000 employees across the world

Products & Services

Wistron possesses strong capabilities in R&D and technical innovation. Alongside the growth driven by the development of diverse information and communication products, we provide products that are both high value-added and environmentally friendly. In recent years, Wistron has been dedicated to transforming into a well-rounded Technology Service Provider (TSP). To better fulfill the needs of our customers as the trend of cloud computing continues to thrive, Wistron offers technical service platforms and solutions, connecting hardware like computers and smart devices to cloud data systems through software services.

Current main products and technical services:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Notebook computers • Smart phones and handheld devices • Desktop computers and All-in-One (AIO) computers • Display products • Voice over Internet Protocol (VoIP) phones • Servers and network storage facilities | <ul style="list-style-type: none"> • Industrial application devices (IPC and Rugged devices) • After-sales services • Green recycling services • LCM services (Display components) • Educational technology services • Medical devices, Medical AI and Big Data services |
|---|--|

Global Operations

In order to reach out to the international market, our manufacturing, after-sales services and R&D centers are mainly distributed in North America, Europe, Asia, etc., which provide comprehensive product development and customer service. Through an excellent operating system supported by the R&D center based in Taiwan and every overseas operation site, Wistron grows steadily. For more details, please visit our website (<https://www.wistron.com>).



Awards & Recognition

In view of promoting corporate value and social image, Wistron actively strives for certifications as well as meeting CSR-related ratings and evaluations conducted by local organizations and governments.

- Ranked top 5% of “2018 (the fifth year) Corporate Governance Evaluation”
- Ranked No. 7 in revenue among Taiwan manufacturing companies on the CommonWealth Magazine 2000 list in 2018
- Fortune Global 500 Company
- Forbes Global 2000 Company
- Awarded CommonWealth Magazine Excellence in Corporate Social Responsibility - Large enterprises sector
- Won the award for corporate sustainability reporting in the Taiwan Corporate Sustainability Awards (TSCA)
- Received MSCI ESG ratings: AA (MSCI ACWI index constituents technology hardware, storage, and peripherals)



Participation in External Organizations

Wistron establishes memberships and good relationships with cross industrial and interdisciplinary organizations, and broadens communication and participation levels so as to grasp the international pulse and trends. Close relationships with outside organizations supports our continuous growth in various areas.

The organizations that we have joined in 2019 are listed below:

- Responsible Business Alliance (RBA)
- Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)
- Taipei Computer Association (TCA)
- Allied Association for Science Park Industries
- Information Service Industry Association of R.O.C. (CISA)
- Taiwan Academia Industry Consortium (TAIC)
- International Electronics Manufacturing Initiative (iNEMI)
- Nanotechnology and Micro System Association (NMA)
- Electronics Mfg & Quality Tech.
- Network of Intelligence Camera Ecosystem (NICE)
- Taiwan Elderly Care Industry Association (TECIA)
- Taiwan Auxiliary Industry Development Association (TATIA)

Communication and Interaction with Stakeholders

Identifying Stakeholders and Material Issues

In order to communicate with different stakeholders effectively, since 2010 we have initiated materiality analysis procedures. Since 2017 the scope and boundary of identifying aspects were included by referring to GRI Standards. The key steps are shown as follows:



Step 1 : Identify stakeholders

Stakeholder identification is primarily performed by Wistron' s Corporate Sustainability and Social Responsibility (CSR) Management System Implementation Committee. We refer to the five principles used to identify the stakeholders by AA1000 SES (Stakeholder Engagement Standards, 2011), including dependency, responsibility, influence, diverse perspectives, and tension. Based on the average weight on each principle, the stakeholders are classified into eight groups in total, including customers, employees, shareholders/investment institutions, suppliers, government units, non-profit organizations/ communities, media, and others.

Step 2 : Establish communication objectives

Since its founding Wistron has been devoted to its corporate philosophy of "Altrusim". We are also committed to various efforts supporting corporate sustainability. While pursuing continuous business growth, we are fully aware that

our operating strategies must take into account the impact on society and the environment. At the same time, we must consider all stakeholders' interests and concerns. Therefore we focus on corporate governance, environmental protection, social inclusion, and innovation value as our four objectives for sustainability.

Step 3 : Collect sustainability issues

Utilizing various topics of GRI Standards indexes as the foundation, we have added important communication issues over the past years to form the scope of sustainability issues in Wistron.

Step 4 : Conduct materiality analysis and determine priorities

We conduct materiality questionnaire surveys with identified stakeholders. A total of 211 questionnaires were collected in 2019, which were used to understand the concerns of the above stakeholders toward each issue. Regarding any concerns raised by stakeholders, questionnaire surveys were conducted among committee members and internal participants to understand the impact on the company' s operations as determined by taking the economic, environmental, and social dimensions into consideration.

Step 5 : Determine the scope and boundary of material topics

Wistron shall encompass all topics of the value chain relevant to our organization based on activities, products, and services as well as to whether the relationship-related impacts occur internally or externally.

Step 6 : Review and discussion

After the materiality analysis results, the Report Compiling Team will conduct a discussion to determine the material issues that should take priority for disclosure.

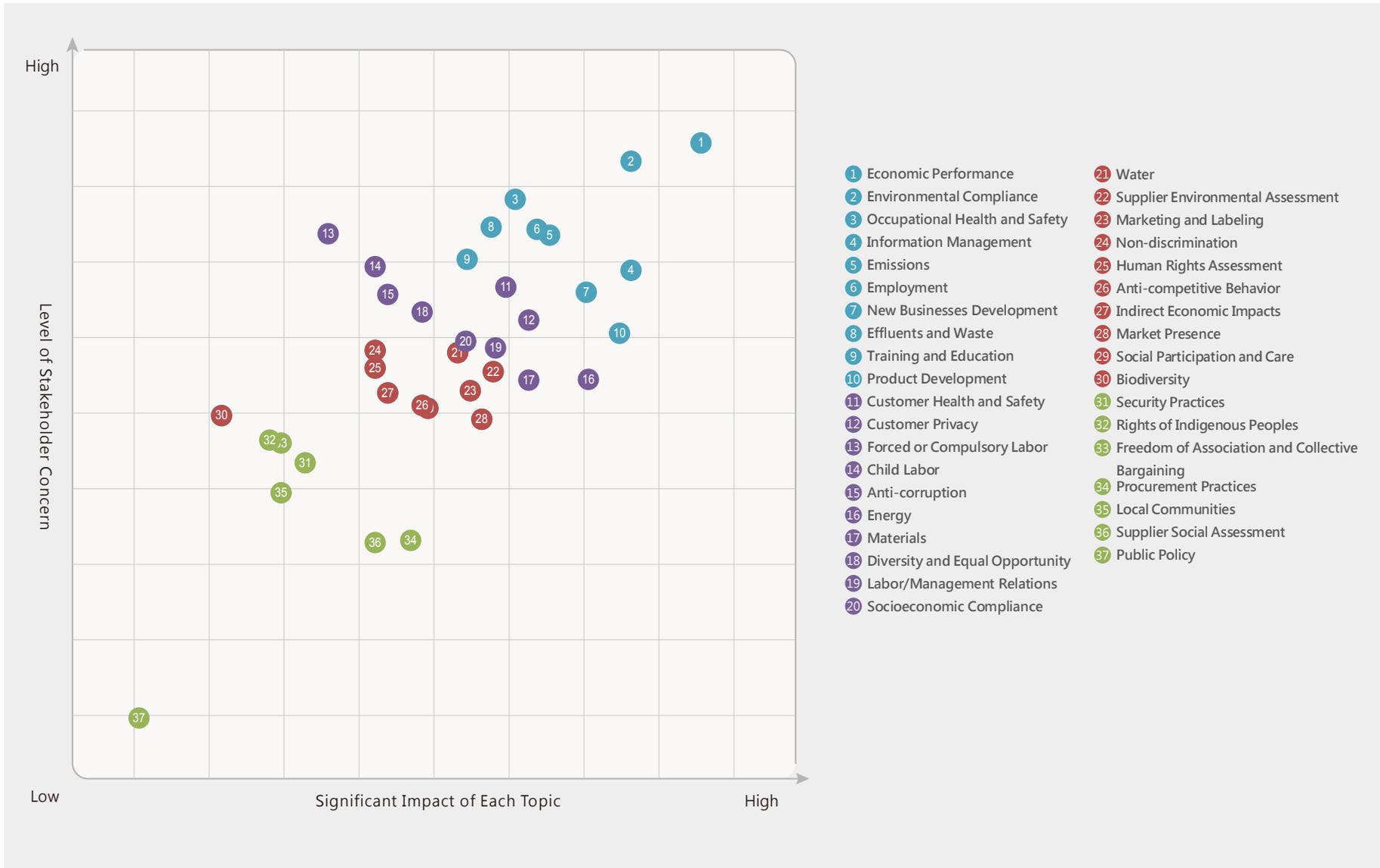
Identify the Scope and Boundary of Material Topics

Category	Material Topics	Chapter in 2019 CSR Report	Response to UN Sustainable Development Goals (SDGs)	Boundary		
				Internal	External	
					Supplier	Customer
Economic	Economic Performance	Economic Performance	SDG8 (Decent Work and Economic Growth) SDG13 (Climate Action)	V		V
	Market Presence	Employment and Compensation Policies	SDG8 (Decent Work and Economic Growth)	V		V
	Anti-competitive	Anti-competitive Behavior		V	V	V
	Anti-corruption	Anti-corruption and Principle of Integrity		V	V	V
Environmental	Material	Materials Management	SDG12 (Responsible Consumption and Production)	V	V	V
	Energy	Energy Management	SDG9 (Industry Innovation and Infrastructure) SDG7 (Affordable and Clean Energy)	V	V	V
	Water	Water Resource Management	SDG12 (Responsible Consumption and Production)	V		V
	Emission	Greenhouse Gas Emission Management	SDG13 (Climate Action)	V		V
	Effluents and Waste	Waste Management, Effluents Management	SDG12 (Responsible Consumption and Production)	V		V
	Environmental Compliance	Environmental Management and Compliance		V		V
	Supplier Environmental Assessment	Supplier' s Social Responsibility Management		V	V	V
Social	Employment	Recruiting and Cultivating Talent and Teams		V		
	Labor/Management Relations	Employee Care	SDG8 (Decent Work and Economic Growth)	V		
	Occupational Health and Safety	Employee Care	SDG3 (Good Health and Well-being)	V	V	V
	Training and Education	Recruiting and Cultivating Talent and Teams	SDG4 (Quality Education)	V		
	Diversity and Equal Opportunity	Recruiting and Cultivating Talent and Teams	SDG8 (Decent Work and Economic Growth)	V		

Identify the Scope and Boundary of Material Topics

Category	Material Topics	Chapter in 2019 CSR Report	Response to UN Sustainable Development Goals (SDGs)	Boundary		
				Internal	External	
					Supplier	Customer
Social	Non-discrimination	Human Rights and Anti-Discrimination	SDG5 (Gender Equality)	V		
	Child Labor	Child Labor and Underage Workers	SDG8 (Decent Work and Economic Growth)	V	V	V
	Forced or Compulsory Labor	Forced or Compulsory Labor	SDG8 (Decent Work and Economic Growth)	V	V	V
	Customer Health and Safety	Sustainable Product Design and Development		V		V
	Products and Service Labeling	Sustainable Product Design and Development		V		V
	Customer Privacy	Protecting Customer Confidentiality		V		V
	Human Rights Assessment	Human Rights and Anti-Discrimination	SDG5 (Gender Equality)	V		
	Socioeconomic Compliance	Compliance		V		V
Other	Product Development	Creating Added-Value Products	SDG9 (Industry Innovation and Infrastructure)	V	V	V
	New Business Development	New Business Development		V		V
	Information Management	Information Management		V		V
	Social Participation and Care	Social Participation and Care; Wistron Foundation		V		

Material Topic Analysis



Stakeholders' Communication Methods and Frequency

Stakeholder	2019 Stakeholders' Issues of Concern	Communication Methods and Channel	Communication Frequency	Our Response	Report Corresponding Chapters
Customers	Product quality/ price/delivery time	Regular business review meetings with customers	Quarterly or semi-annually	We actively improve and respond to customers' problems and include these problems in our management focus	A Focus on Product Liability and Product Quality Management
	R&D/project capacity	Regular business review meetings with customers	Quarterly or semi-annually	We actively improve and respond to customers' problems and include these problems in our management focus	A Focus on Product Liability and Product Quality Management
	Management of restricted materials	Customers provide a list of restricted materials	According to customer requirements	Wistron will incorporate customers' requirements regarding restricted materials and dates of compliance in its management focus and request that employees follow accordingly	Sustainable Product Design and Development
	Green products	Customers provide green product specifications	According to customer requirements	Wistron will include customer-requested specifications in product designs	Sustainable Product Design and Development
	Innovative products	We communicate requirements for innovative products in meetings with customers or through mail	According to customer requirements	Wistron will include customer requirements for innovation in product designs	Creating Added-value Products
	Supply chain management	We review procurement guidelines and questionnaires provided by customers or participate in meetings on specific issues	According to customer requirements	We recruit new suppliers according to customer requirements on environmental and social responsibilities, including suppliers' hazardous substance process controls and social responsibility management in our supplier assessment, and request that new suppliers sign necessary statements.	Supplier's Social Responsibility Management
Employees	Kick-off meeting	Wistron convenes kick-off meeting and encourage employees to participate in this meeting	Annually	Annual kick-off meeting is a direct approach to informing employees of the company's annual goals and expectations	Valuing Internal Communication Channel to Listen to Employees' Voices
	Staff meeting of different business departments	We organize staff meetings and invite specific management-level employees to participate in these meetings	Monthly	Regular staff meetings ensure direct communication enabling management employees to better understand the company's status	Valuing Internal Communication Channel to Listen to Employees' Voices

Stakeholders' Communication Methods and Frequency

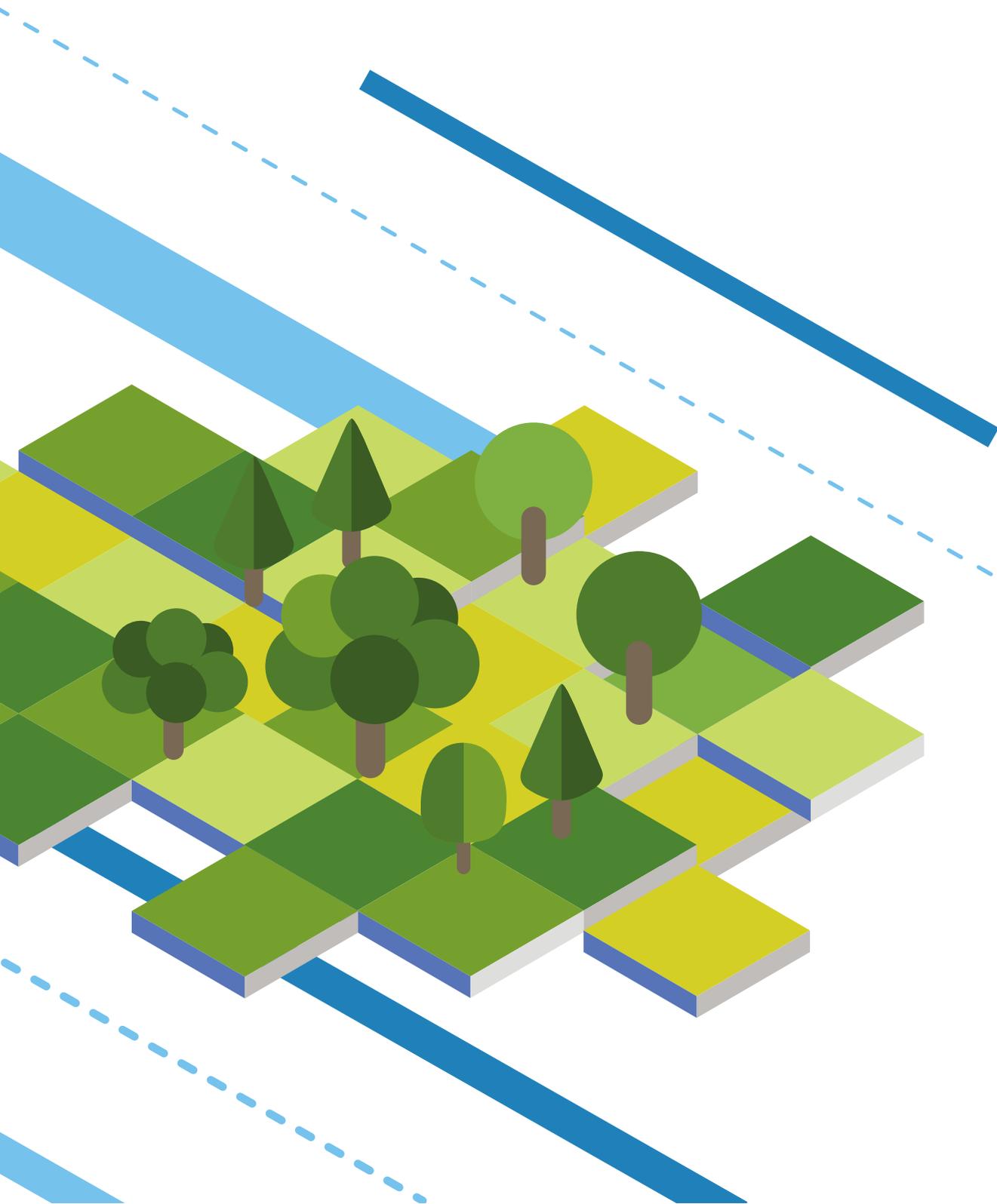
Stakeholder	2019 Stakeholders' Issues of Concern	Communication Methods and Channel	Communication Frequency	Our Response	Report Corresponding Chapters
Employees	Supervisor training	New supervisor training is organized according to the number of new supervisors for the year to help new supervisors	Quarterly and contingent on the number of new supervisors	Regular training for new supervisors enables new supervisors to become acquainted with their job and responsibilities in the shortest time possible	Talent Cultivation and Career Development
	New employee guidance	Orientation is provided to new employees on the day they report for duty. We host new employee seminars every six months to keep abreast of new employee status from their beginning day and of relevant suggestions	New employees attend orientation on the day they report for duty. New employee satisfaction is surveyed one week after they report for duty. New employee training is conducted in the month after the employee reports for duty. A new employee seminar is organized every six months	Orientation on the first day of their job provides new employees an overview of the company. Regular new employee seminars give us updates on new employees' situation and the chance to help them if necessary.	Talent Cultivation and Career Development
	Supervisor counseling and communication	Regular training on supervisor communication and counseling skills as well as one-one-one meetings improve the relationship and understanding between supervisors and subordinates.	Monthly	Regular one-on-one meetings improve the supervisor-subordinate relationship.	Valuing Internal Communication Channel to Listen to Employees' Voices
	Performance communication	Before semi-annual performance reviews, supervisors must conduct performance interviews with their subordinate so that both parties obtain a full understanding of their performance status	Semi-annually	Through periodic performance interviews, supervisors and employees are able to become aware of areas of improvement in job performance	Valuing Internal Communication Channel to Listen to Employees' Voices
	Welfare planning and budget resolution and implementation	Set up welfare committees in Taiwan offices and organize quarterly welfare committee meetings to review activities arranged by the committee	Quarterly	Regular welfare committee meetings ensure adequate monitoring and control over the committee's activities	Social Participation and Care
	Labor meeting (Employee Relationship Promotion Committee)	Employees can express their opinions to employee representatives at the Employee Relationship Promotion Committee	Quarterly	Employees can express their opinions and suggestions to employee representatives at the Employee Relationship Promotion Committee as well as receive feedback	Valuing Internal Communication Channel to Listen to Employees' Voices

Stakeholders' Communication Methods and Frequency

Stakeholder	2019 Stakeholders' Issues of Concern	Communication Methods and Channel	Communication Frequency	Our Response	Report Corresponding Chapters
Employees	Employee health care	Collaborate with health management centers or hospitals to organize health checkups for employees	Annually	Through yearly health checks, the Company's employees are able to receive updates on their health status	Receiving Updates on Health Status, Caring for Employee Health, and Providing a Safe Workplace
Suppliers	Wistron's Supplier Green Procurement Requirements	Green Product Management (GPM) System	Semi-annually	We require our suppliers to comply with Wistron's Supplier Green Procurement Requirements	Supplier's Social Responsibility Management
	Risky supplier greenhouse gas inventory report	Supplier Questionnaire Platform (SQP) system	Annually	We require risky suppliers to submit a greenhouse gas inventory report	Supplier's Social Responsibility Management
	Auditing of risky suppliers' corporate sustainability and social responsibilities	Onsite inspection	Annually	We perform onsite inspections to audit suppliers' corporate sustainability and social responsibilities	Supplier's Social Responsibility Management
	Supplier corporate sustainability and social responsibilities	Supplier seminar	Annually	We require suppliers to fulfill Wistron's corporate sustainability and social responsibilities	Supplier's Social Responsibility Management
	Supplier price competitiveness and perpetual stable supply	Wistron team partnership meetings	Annually	We require our suppliers to maintain price competitiveness and perpetual stable supply	Supplier's Social Responsibility Management
Shareholders/ Investment Institutions	Corporate Governance	Company (quarterly/annual) financial reports, annual reports, investor seminars, annual shareholders' meetings, investor meetings, material information on the Market Observation Post System, corporate sustainability reports, and the company website	Periodic or non-scheduled	We continue to disclose corporate governance related information via the aforementioned communication channels	
	Financial performance and profitability			We produce relevant financial statements according to international accounting standards and provide an analysis and explanation of financial figures for each period.	
	Business strategy and outlook/ industrial changes			We describe the Company's short-, mid- and long-term business goals and investment strategies	
	Dividend policy			We describe the Company's dividend policies and factors that influence the amount of remuneration distributed	

Stakeholders' Communication Methods and Frequency

Stakeholder	2019 Stakeholders' Issues of Concern	Communication Methods and Channel	Communication Frequency	Our Response	Report Corresponding Chapters
Competent authority for securities	Operating effects and efficiency	Official documents	Non-scheduled	We submit relevant reports regularly in pursuant to the requirements of the competent authorities	
	Reports are reliable, timely, transparent, and conform to relevant norms	Company website and Market Observation Post System	Non-scheduled	We submit relevant reports regularly in pursuant to the requirements of the competent authorities	
	Compliance with relevant legislations	Questionnaires and related briefings	Non-scheduled	We submit relevant reports regularly in pursuant to the requirements of the competent authorities	
Non-profit organizations/ communities (Including environment and charity groups)	Level of concern and support for the environment and diversified education	On-site inspection, project meeting, semi-annual/annual report	Non-scheduled	We outsource or sponsor projects that meet the principles of the foundation We solicit participation from corporate volunteers	Wistron Foundation
	Social Care	We organize all types of charity connections and implement and promote participation of the people of Wistron in charity events through charity activities and the "Charity" section on the charity network.	Public projects: Non-scheduled Blood donation activity: Twice quarterly "Charity" section on charity network: Daily	We continue to host charity events, which forges ties between employees and charity events	
	The performance of Taiwanese electronic manufacturers in carbon reduction and use of renewable energy	We communicate through evaluation reports, email, and meetings.	Non-scheduled (2019: 10 times)	Wistron continues to increase its use of renewable energy	Climate change and energy management
Media	Operating performance, product innovation, technological development, and sustainable development strategy	Revenue, financial report, online investor conferences, company website, press release, news report transmission and communication	Monthly revenue: 12 times Financial reports: 4 times Press conference: Non-scheduled	We provide information and explanations to the public in accordance with principles of transparency	
Other - Directors (including independent directors)	Business performance, sustainable development and core competitiveness	Board of Directors	7 times in 2019	We publish our Board meetings attendance in Annual report every year and on the MOPS	Corporate Governance
Other - Independent directors	Business performance, sustainable development and core competitiveness	Audit Committee	5 times in 2019	We publish our Audit Committee meetings attendance in Annual report every year and on the MOPS	Corporate Governance



Corporate Governance

- Board of Directors
- Committees
- Compliance
- Political Contributions
- Anti-competitive Behavior
- Protecting Customer Confidentiality

Wistron has a long-standing commitment to superior corporate governance practice. We have endeavored to build an effective company management framework, protect shareholder rights, improve the structure of our Board of Directors, respect the rights of associated partners, and enhance information transparency. We believe a good structure of the Board of Directors is the cornerstone of good corporate governance practice. Therefore, to reinforce the management mechanism of the Board of Directors, independent directors and supervisors have been included on the Board since Wistron's initial public offering in 2003. The independent directors and supervisors are highly experienced and respected professionals in the industry and they ensure that the company adheres to the ethics and legal regulations while pursuing increased growth. In 2009, Wistron took a major step to enhance corporate governance by replacing the Supervisory Board with an Audit Committee, which is formed by the panel of independent directors under the Board and began operation under the governance of the Board of Directors Meeting Guidelines and Audit Committee Charter. And with the understanding that the compensation system for the directors and management is a key link between the company and risk management, in 2011, Wistron's Board of Directors made a resolution to set up the Compensation Committee and the Compensation Committee Charter. Establishment of this Committee brought Wistron's corporate governance practices a step forward.

Board of Directors

In accordance with the Articles of Incorporation, Wistron's Board of Directors consists of seven to nine Directors, who will be elected by the shareholders' meeting from the director candidate list via the candidate nomination system. Each Director will serve an office term of three years and may be re-elected.

Currently the Board is composed of nine members with rich operations experience and reputation in the industrial circle, which also includes legal and financial expertise for overall consideration, including five independent directors whose qualifications are in compliance with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies". The general directors include Mr. Simon Lin (Hsien-Ming Lin), who is the Chairman and CSO of Wistron, Mr. Robert Huang (Po-Tuan Huang), who is the Vice Chairman and President of Wistron, Mr. Haydn Hsieh (Hong-Po Hsieh), who is the Chairman and CSO of Wistron NeWeb Corp., and Mr. Philip Peng (Chin-Bing Peng), who is the President and Director of iD SoftCapital Corp., The five independent directors include Mr. Jack Chen (Yu-Liang Chen), who is the Chairman of Spirox Corp., Mr. S.J. Paul Chien (Shyur-Jen Chien), who is the Chairman of FUCHU General Contractor Corp., Mr. C.H. Chen (Che-Hsiung Chen), who is the independent Director of ProLight Opto Technology Corp., Mr. Christopher Chang (Liang-Chi Chang), who is the Chairman of Continental Development Corp., and Mr. Sam Lee (Ming-Shan Lee), who is the Chairman of MagiCapital (Taiwan) Ltd. The company's Chairman is elected by the Board of Directors and represents the company externally. Please refer to our website and annual reports for the detailed biography of each member of the Board.

The Board is required to hold at least one meeting each quarter, and a total of 7 board meetings were held in 2019. The Board is the highest government unit in the company, which is mainly responsible for improving supervision function and strengthening the management mechanism. The Board members oversee the operations team to ensure that the team strictly abides by all regulations and enhances information transparency. Moreover, it instructs the operation teams in major decision-making instances by using its own experience, so as to achieve sustainable operations for the company and further guarantee the shareholders' rights and interests. If any board member or the represented entity has a stake in any matter of the meeting, which may cause harm to the corporate benefits, the said member shall not join the discussion and voting, nor practice the voting right on behalf of another board member. The management

team regularly reports to the Board regarding the operations, development strategies, and other important issues, so as to maintain smooth and open communications with the Board.

Committees

Audit Committee

One of the major functions of Wistron's Audit Committee is to develop a risk management system that monitors the company's potential risks. The scope of this mandate includes verifying the adequacy and accuracy of financial statements, appointing (and dismissing) certified public accountants and assessing their independence and performance, overseeing the integrity of internal controls, evaluating the company's compliance with legal or regulatory requirements, and monitoring the company's existing or potential risks. In addition, the general auditor, senior accounting officers, and certified accountant must attend the Committee's meetings every quarter to report on the status of internal audits and financial performance, as well as the most recent developments in pertinent regulations.

The Audit Committee may by resolution engage lawyers, auditors and/or other professional consultants to seek independent advice within the scope of its authorization. The Audit Committee may also establish direct communication with the internal auditors, certified accountants and/or the management teams. The Audit Committee is required to hold a meeting at least once each quarter, and a total of 6 Audit Committee Meetings were held in 2019. Please refer to the Annual Report and Market Observation Post System (MOPS) for details.

Compensation Committee

Wistron's Compensation Committee is given the authority to establish and review compensation policies for the company's directors and senior management. The policies are linked with the company's performance and goals, designed to recruit and retain high quality personnel and enhance competitiveness. The compensation for Wistron's directors is set up according to the Article of Incorporation and the actual payments are made according to the duties, attendance rate at the Board meetings, and performance of each director. In case of any revisions, they shall be submitted for resolution at the Shareholder's Meeting, so as to evaluate the management performance of the highest governing unit. The compensation package for each senior manager includes a fixed component of wage, three Chinese festival grants paying, and benefits and a variable component of bonus, dividends (cash/stock) and stock options. The fixed terms aim to maintain the company's competitiveness at a certain level and the variable terms are considered based on the company's and the individual's performance. When the company and individual's performance is higher, the ratio of the variable terms to the fixed terms will also be higher. The assessment standards are based on the extent to which the annual goals are achieved, which include annual financial targets (revenues, profits, etc.), market/customer, and the growth and development of the organization and personnel. In the beginning of each year, the Compensation Committee sets the assessment items, goals, and weight ratios, taking internal and external development into consideration. The compensation for the managers is assessed based on personal performance and the terms are evaluated before forwarding to the Board of Directors for approval.

Wistron's Compensation Committee is required to hold a meeting at least twice a year. The Committee is composed of three members and all the members are independent directors. The independent director Mr. S J Paul Chien (Shyur-Jen Chien) was unanimously elected by all Committee members to serve as convener and Chairman of the meeting. The Committee members are required to invite the company's the Chairman of the Board to attend the meetings. However, the members of the Compensation Committee should excuse themselves from the meetings if the issues to be discussed involve personal interests. The Committee may also request directors, managerial officers of relevant departments, internal auditors, accountants, legal consultants, and other personnel to attend the meetings and provide them with pertinent and necessary information. A total of 6 Compensation Committee Meetings were held in 2019. For the attendance records, please refer to the Annual Report and Market Observation Post System.

Nominating Committee

Wistron's board of directors approved the establishment of "Nominating Committee" on December 19, 2019. The authority of "Nominating Committee" is to construct and to review the candidates of the directors, executives and the members of committees under the board of directors, and to construct and to review the setup and operation of committees.

The Nominating Committee will hold meetings whenever deemed necessary. The Committee is composed of four members with the Chairman and all independent directors of the Compensation Committee of Wistron. The independent director Mr. Christopher Chang (Liang-Chi Chang) was unanimously elected by Committee members to serve as convener and Chairman of the meeting. The Committee may request management-level personnel of relevant departments, internal auditors, accountants, legal consultants or other personnel of the Company to attend the meeting and provide related information as required, provided such delegates shall leave upon any discussion or voting being conducted.

ESG Committee

For the implement of sustainability, the Board of Directors established "ESG Committee" on December 19, 2019 to propose and enforce the corporate social responsibility policies, systems (or relevant management guidelines), and concrete promotional plans.

The Company's "ESG Committee" is chaired by Mr. Robert Huang (Po-Tuan Huang), who is the Vice Chairman and President of Wistron, and is supervised by Mr. Sam Lee (Ming-Shan Lee), who is the Independent Director of Wistron, and is also composed of senior executives of Wistron including Mr. Frank F.C. Lin, who is the Chief of Staff of Wistron, Mr. Jeff Lin, who is the Wistron Technologies CEO, Mr. David Shen, who is the Wistron Smart Devices CEO, Mr. Donald Huang, who is the Chief Technology Officer of Wistron, and Mr. Kenny Wang, who is the Chief Digital Officer of Wistron.

Political Contributions

Wistron has always remained politically neutral, objective and detached from public policy. We do not participate in any form of lobbying. We do not take part in the activities of political parties or related organizations. Employees have the freedom to express their political beliefs, and are encouraged to fulfill their civic duty, and vote for their preferred candidate during elections. No political contributions are made by Wistron from 2016 to 2019.

Anti-competitive Behavior

Valuing ethical corporate management as an enterprise's most basic social responsibility, the Company has established its best practices for operational integrity, mandating that business activities shall be conducted in accordance with applicable fair trade/competition laws and regulations, without involving price fixing, bid rigging, establishment of output restrictions and quotas, or share or divide markets by allocating clients, suppliers, territories, or lines of commerce.

In business operations, Wistron fully understands that compliance with fair trade is an integral part of commercial activities. We strictly abide by applicable laws and regulations in all aspects. From 2016 to 2019, Wistron was not sanctioned by the competent authority for anti-competitive behavior, anti-trust, or monopolistic practices.

Protecting Customer Confidentiality

"Protecting customer's confidentiality and adhering to the principle of good faith" is one of our commitments. We have stipulated "Codes of Ethical Conduct" to establish and cultivate the value and culture of integrity among employees. We have strict policies and internal control mechanisms to protect the confidentiality of information provided by our customers. In addition to managing all hardware and software containing technical information and customer information related to intellectual property rights, confidentiality agreements will be signed with the customers and suppliers to protect confidential information. "Protecting Customer Confidentiality" has also been included as a part of the new employee training program. Through training and management, Wistron ensures

that every employee adheres to our confidentiality commitment in their dealings with customers. There were no substantiated complaints concerning breaches of customer privacy and losses of customer data in 2019.

Compliance

Since 2001, Wistron has diligently complied with all relevant regulations to set up its internal operations and governance. After public listing, the company has tracked the development of new regulations closely and requires all subsidiaries to strictly abide by them. The company sets goals to strengthen our core values, maintain a high level of integrity, ensure that the employees observe the company's ethical standards when conducting business and daily operations, and maintain a good reputation to win the trust and respect of our customers, suppliers and the general public. To achieve these goals, Wistron developed the "Codes of Ethical Conduct", which serves as a set of guidelines for all employees and executives. The company keeps a continuous watch on the domestic and international policies that may have an impact on the company's finances and businesses and put in place a set of risk management procedures to respond to any potential impacts. Also, we continuously enhance employees' legal awareness through training and education. Wistron had never been subjected to significant monetary or non-monetary penalties due to any failure to comply with the relevant regulations from 2016 to 2019.



Sustainability and Innovation

Sustainable Development Strategy
Corporate Sustainability and Social
Responsibility Management
Risk Management
Creating High Shareholder Returns

Sustainable Development Strategy



Corporate Sustainability

Since its establishment, Wistron upholds the business philosophy including altruism and commits to corporate sustainable development. We are fully aware that in the pursuit of the company's continuous growth, our operating strategy must take into account impacts on society and the environment. At the same time, we consider the issues of concern to all stakeholders, with concentrated focus on four dimensions of sustainability: corporate governance, environmental protection, social inclusion, and innovation value.

Wistron views CSR as the long-term business goal of its business transformation and engages in structural changes on the basis of this goal in hopes of maximizing the societal impact of corporations. We integrate the United Nations Sustainable Development Goals (SDGs) into our core business activities and implement these goals step-by-step to bolster our corporate competitive advantages and create sustainable values for corporate governance, environment, society, and innovation.

Sustainable Development Strategy

In 2015, all members of the United Nations adopted the 2030 Sustainable Development Agenda, which provides a common blueprint for the peace and prosperity of mankind and the planet for the present and in the future. At its core are 17 Sustainable Development Goals and 169 specific targets which serve as the implementation direction, aiming to jointly promote the vision set up for human survival and sustainable development before 2030.

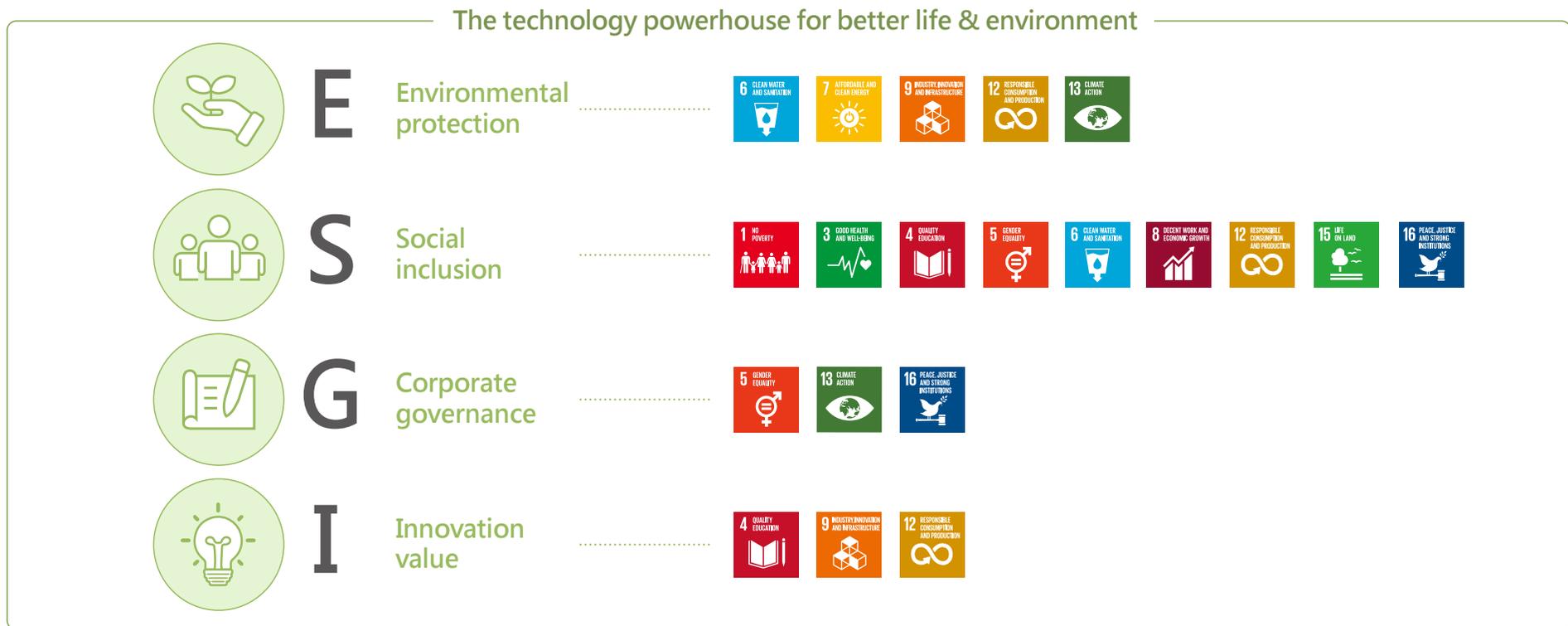
The scope of Wistron's sustainable strategy includes four major areas --corporate governance, environmental protection, social inclusion, and innovative value-- and follows the United Nations Sustainable Development Goals as the direction for our corporate sustainable development. By promoting the universal application of technology, we help people to solve economic, social, and environmental issues in more innovative ways, in turn improving the quality of life and the environment.

Visions and Blueprint of Sustainability

Our vision : The technology powerhouse for better life & environment.
 Wistron is committed to abiding by environmental and energy regulations that are associated with our activities, products, and services, as well as customer demands. We interact with stakeholders to mitigate the environmental impact of the company's operations, subsequently achieving the goals of ecological balance and corporate sustainable operations.

Response to UN Sustainable Development Goals

Although not a UN Global Compact participant, Wistron pays close attention to the 17 sustainable development goals (SDGs) of the United Nations. In 2018, Wistron began responding to 8 of the 17 goals and 4 additional goals, (total of 12 goals in 2019: No Poverty, Clean Water and Sanitation, Life on Land, and Peace and Justice Strong Institutions). Combined with the company's direction of sustainable development, Wistron's corporate sustainability and social responsibility focuses on four aspects referencing the United Nations' Sustainable Development Goals: 1) corporate governance, 2) environmental protection, 3) social inclusion, and 4) sustainability and innovation.



Response to UN Sustainable Development Goals in CSR Report



Corporate Sustainability and Social Responsibility Management

In 2019 Wistron continued to improve our corporate governance and implement CSR based on our philosophy of altruism and the major corporate beliefs of customer focus, integrity, innovation, and pursuit of excellence. Specific measures included aggressively engaging stakeholders, appointing a Corporate Governance Officer, and establishing a Nominating Committee and ESG (Environment, Society, and Governance) Committee. We were recognized for corporate governance measures and ranked in the top 5% of the 5th Corporate Governance Evaluation conducted by the Taiwan Stock Exchange. We also gained the AA rating by MSCI ESG for sustainable practices in terms of environmental, social, and governance factors.

In order to implement corporate social responsibility, Wistron's Board of Directors established "Corporate Social Responsibility Best Practice Principles" which clearly defined four major principles. The four principles are: exercising corporate governance, fostering a sustainable environment, preserving public welfare, and enhancing the disclosure of corporate social responsibility information. In addition, the ESG Committee is chaired by Vice Chairman & President who reports to the Board of Directors annually on the implementation and performance of the Wistron CSR program as well as the plans and goals for the coming year.

Corporate Sustainability and Social Responsibility Management Policies

Our policy:

Wistron is committed to establishing a corporate sustainability and social responsibility (CSR) management system that will exceed local regulatory and ethical standards. The development of high-quality green products and services will also be complemented by protection of the environment, employee health, safety and human rights in order to protect stakeholders' interests.

Wistron's corporate sustainability and social responsibility management system covers five management systems including quality, green products, environmental protection, occupational safety and health, and social responsibilities. Each management system is established by adopting a corresponding international standard such as ISO9001, IECQ QC080000, ISO14001/14064-1/50001, OHSAS18001, SA8000/RBA. The contents are described as follows:

Quality Management System

Wistron values customers and the quality of products and services. Wistron follows international quality standards during R&D and manufacturing processes in order to deliver defect-free, competitive products and services to its customers on time.

Green Product Management System

In order to reduce the environmental load caused by a product during its life cycle, while developing the product, Wistron upholds the concept of green product design for energy conservation, material reduction, hazardous substance

restriction, and recycling. In addition, Wistron follows international regulations and customer requirements while striving to simplify design, production, and operation processes to achieve Earth-friendly, sustainable products.

Environmental Management System

Wistron understands that its activities, products, and services will influence the environment. To minimize the impact to the environment, Wistron is committed to the zero usage of restricted and banned materials and substances, the conservation of energy usage, and the implementation of recycling programs for our wastes. Through our green product program, we carefully select raw materials and suppliers and actively promote pollution reduction by adopting Earth-friendly technologies wherever feasible.

Occupational Safety and Health Management System

Wistron is fully aware of the hazards and risks in the workplace that affect all employees and others (including temporary staff, contractors, visitors and others) working within the company's control area. In order to prevent injury and unhealthy incidents from happening to our employees, we will continue to enhance our occupational safety and health management system to ensure that employees work in a healthy and harm-free environment.

Social Accountability Management System

Wistron is committed to abiding by social responsibility related international laws and regulations. We continuously respect employee rights and improve the benefits of our employees while fulfilling our social responsibility by establishing an honest, healthy, and safe operating environment.

ESG Committee

In order to deepen corporate sustainability, fulfill social responsibility initiatives, and to promote economic, environmental, and social advancement for purposes of sustainable development, in 2019, we established our ESG (Environment, Society and Governance) Committee which is directly responsible to the Board of Directors.

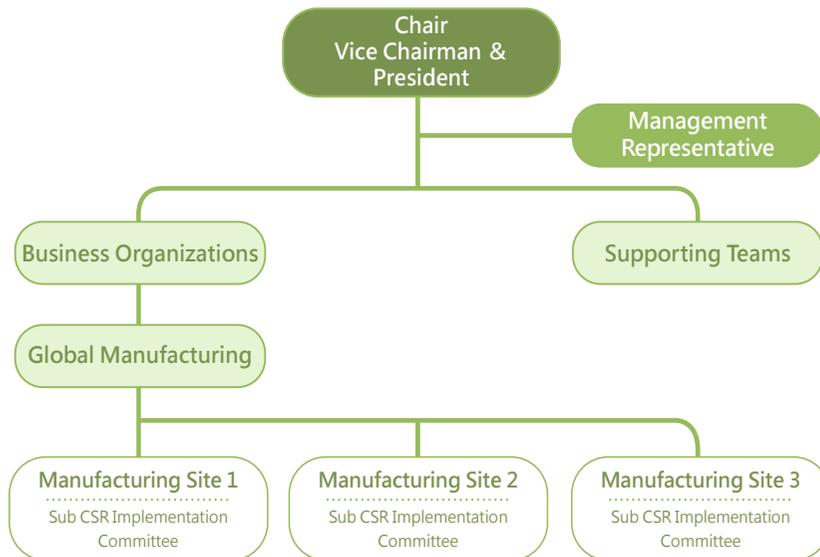
The chairman is Wistron's Vice Chairman & President. Reporting to the Board of Directors on a periodic bases, the ESG Committee is composed of an independent director and senior executives. The committee is responsible for the overall planning of corporate social responsibility, sustainable development direction and goals, related management policies, and monitoring specific implementation plans. Meanwhile, the "Corporate Social Responsibility Best Practice Principles" was revised to serve as the highest guiding principles for corporate social responsibility.

Furthermore, The original CSR Management System Implementation Committee and CSR Report Editorial Committee now reports to the ESG Committee.



The Corporate Sustainability and Social Responsibility (CSR) Management System Implementation Committee is also chaired by the Vice Chairman & President of the Company, with the rest of the Committee composed of tier-one executives. The committee is responsible for coordinating and formulating policies, objectives and directions of the CSR management system as well as monitoring the implementation of CSR. The head of each production site also chairs a local site CSR Committee to ensure the proper implementation of the CSR Management System in various locations.

CSR Management System Implementation Committee



The CSR Management System Implementation Committee updates and publishes its organization and responsibilities at the beginning of each year and convenes a CSR Management System kick-off meeting every year in January to announce the system's directions and plans for that year. Based on the management system's spirit of continuous improvement, internal audits are planned and executed each year to verify that the management system is being implemented as needed; the results of which are reported to upper management. An annual CSR reporting kick-off meeting is organized in September. By planning and implementing the CSR management system and publishing CSR reports, Wistron examines overall performance in promoting CSR.

In addition, Wistron ESG Committee, CSR Management System Implementation Committee and CSR Report Editorial Committee organizes periodic and non-periodic in-house discussion meetings and training programs that focus on issues of concern to stakeholders and related questionnaire responses. In 2019, we overall convened more than twenty meetings on stakeholder engagement regarding topics including but not limited to the environment, corporate social responsibility, health and safety, or sustainability development, such as improvement and communication of external mainstream ESG assessment results, response to CDP questionnaires, renewable energy assessments, training and rollout programs for CSR and ISO, etc.

Risk Management



Wistron’s organizational management system and internal control system facilitates taking the initiative to respond to risks associated with operations. In addition to each operating team reviewing and analyzing the financial status and financial performance, and assessing operational risks at monthly operations meetings, the internal control system is supervised by the auditing office to carry out risk control, and reports regularly to the Board of Directors. The analysis and evaluation of each risk is detailed in the company’s annual report every year.

Operational Risk Management

To protect stakeholders’ rights and benefits, Wistron focuses on the performance of its core businesses and never engages in high-risk investments. We endeavor to use existing facilities to improve our production capacity and quality and ensure rigorous assessment of the risks and benefits of new technologies. We also have proper response measures in place for protection of information security. The prevalence of cloud applications prompts Wistron to not only accelerate our business development but also convene annual strategic development meetings to discuss future long-term development operating strategies that facilitate transforming Wistron into a comprehensive provider of products and services.

Financial Risk Management

The drastic fluctuation in the global financial market, exchange rates, interest rates, and even product prices have instigated more challenges to business operations because a slight negligence may erode profits and subsequently jeopardize shareholder equity. In response, our financial department has established Guidelines for the Management of Derivative Transactions, in which hedging instruments, evaluation procedures, and various financial instruments (including spot/forward contracts or swaps, and options) are stipulated for risk mitigation. As export products account for approximately 99% of Wistron's revenue, and most exported products and raw materials procurement are

quoted in U.S. dollars, most of our foreign currency transactions are offset against regular payments for the incoming materials procurement to achieve automatic currency hedging. In the future, we will continuously reinforce the mechanism of payments and collections for foreign currency creditor rights, and use tools, such as derivatives and other financial products, to conduct risk hedging under the terms of proper risk management regulations.

Information Management

Strategy	Goals	Result
Implement mission critical application systems every year, which can maintain function to guarantee uninterrupted corporate operation	RPO of SC2 Services <= 4 hours RTO of SC2 Services <=24 hours	RPO=0.9 hour RTO=19.95 hours
Conduct network and system penetration test every year	All vulnerabilities must be fixed for a completion rate of 100%	100%
Implement social engineering drill every six (6) months	<15% of employees that click on socially engineered emails	H1:14.5% H2:12.9%
Continue to maintain the operation of the ISO 27001 Information Security Management System	Pass externally audited certification every year	Passed
Continue to maintain the operation of the ISO 20000 Information Service Management System	Pass externally audited certification every year	Passed

Sustainable Development

Disaster recovery exercise for mission critical applications

To ensure the company's mission critical applications (Service Class 2-Business Critical) continue to operate to support business continuity, we conduct discovery recovery exercise for mission critical application once a year. The outcomes for the past three years are as follows:

Policy of Backup Data Center	Outcomes		
	2017	2018	2019
RPO of SC2 Services <= 4 hours	1.73 hours	1.35 hours	0.9 hour
RTO of SC2 Services <=24 hours	21.13 hours	22.5 hours	19.95 hours

*RPO: Recovery Point Objective
(Maximum tolerable data loss time in the event of disaster incident)

*RTO: Recovery Time Objective
(Maximum tolerable information service recovery time after disaster incident)

Introduce the ISO 20000 Information Service Management System

Wistron obtained the Information Technology Service Management System ISO/IEC 20000-1:2011 certification in February 2018, the first-class IT service management and internationally IT management standards for enterprise which guarantee that the ITIL operation meets the required standards. The ISO/IEC 20000-1:2011 management system can help organizations to keep pace with the rapidly changing demands of different industries and customers and improve the ITIL framework for fulfilling business growth requirements.

ISO/IEC 20000-1 can change how internal or outsourced IT services are executed. The benefits are:

1. Achieving best practice standards for international IT management.
2. Supporting IT services to realize enterprise goals.
3. Integrating personnel, processes, and technologies in support of enterprise goals.
4. Using control measures to assess and maintain the usual service standard.
5. ISO/IEC 20000-1:2011 and ITIL compatibility for continuous improvement.

Information Security

Introduce the ISO 27001 Information Security Management System

To protect the company's intellectual property (including confidential information) and customer's confidential information and sustain the company's competitive advantage, Wistron has been conducting yearly internal self-audits and external third-party audits ever since it obtained the ISO/IEC 27001:2013 information security management system certification in August 2017. The purpose of these audits is to ensure that the company correctly implements the ISO/IEC 27001:2013 management systems. Every three years, the company also reapplies for the certification to keep its ISO/IEC 27001:2013 status.

Network and System Penetration Test

To protect company and personal information as well as internal/external communication systems and minimize the impact on company operations caused by human and natural factors such as leakage, theft, sabotage or other incidents, Wistron conducts regular penetration tests on our network and systems to reduce information risk. The purpose of these probes is to understand and evaluate the security of the organizational network environment and systems, identify current security level and effectiveness as well as acquire information that can be used for security vulnerabilities elimination, technology improvement, and security consolidation.

Summary of Information Risk Management Strategies and Methods

Information Risk Management Issues	Strategies and Methods
Conduct regular penetration test for assessment.	Define factors that threaten organizational information and assets security so as to understand potential risks and problems.
Develop remedial measures to correct vulnerabilities or threats.	Test whether internal information suffers from possible disclosure, manipulation, or leakage.
Implement education and training programs for internal employees and inform contractors of the Wistron Information Security Statement.	Ensure the most effective allocation of the hardware and software resources of basic information security equipment to improve the effective application of information security.
Establish basic information security facilities.	Ensure periodical security strategies or information security investment costs. Provide information security assessment to strengthen overall safety of networks and systems.

Strength Information Security Awareness

To ingrain the concept of information security in the minds of every employee, the company provides an interactive e-learning program and conducts social engineering simulations and rehearsals semi-annually to enhance employees' awareness and vigilance in information security.

Climate Change Risk Management

Organizational Structure of Climate Change Risk Management:

The ESG Committee is the highest-level climate change risk management committee at Wistron. The chairman of this committee is responsible for overseeing and conducting risk control and regularly reports to the Board of Directors.

Climate-Related Risks and Opportunity Management Process:

Every year the Wistron CSR Management System Implementation Committee conducts assessments for climate-related risks and opportunities. The main process is as follows:



Definition of substantial financial impact when identifying or assessing climate-related risks:

The results of the risk and opportunity analysis are determined based on the product of possible probability (P), impact consequence (C), and effectiveness of existing management measures (E). The results are divided into three risk levels: low, medium, and high. For impact consequence (C) the degree of impact divides the property loss financial amount into five levels (very insignificant, slight, medium, significant, and extremely significant) for consideration. Risks classified as high or medium are listed as major risks; therefore, preventive measures and improvement plans must be developed.

According to TCFD's (Task Force on Climate-related Financial Disclosure) classification of climate risks and opportunities, we have listed the main transformation risks, physical risks, and potential opportunities as shown in the attached table:

Risk Aspect	Risk Type	Major Risks	Effects / Impacts	Mitigation / Adaptation Practices or Opportunities
Transformation Risk	Policies and Regulations	<ul style="list-style-type: none"> Total greenhouse gas regulation and carbon trading systems (such as the implementation of the greenhouse gas reduction and management law). Renewable energy policies and development regulations. Countries levy environmental taxes, energy taxes and carbon taxes. 	Increased operating costs (such as higher regulatory compliance costs, increased insurance costs, or increased administrative costs).	<ul style="list-style-type: none"> Establish a complete inventory of greenhouse gas emissions from manufacturing bases around the world, conduct annual greenhouse gas inventory and conduct impartial third-party verification. Assess and improve renewable energy goals. Establish environmental protection tax operating procedures, appoint a designated responsible personnel, and implement the application procedure according to the specified dates / pay attention to relevant international laws and regulations on energy efficiency of the product in order to meet customer specifications.
	Technology	Technology	<ul style="list-style-type: none"> Customers request the use of renewable energy. Increased international demand for renewable energy. 	<ul style="list-style-type: none"> Increase self-built solar panels and invest in clean energy funds. Assess and improve renewable energy goals.
	Market	<ul style="list-style-type: none"> Increased demand for renewable energy certificates has driven more green power to move towards free market transactions. Changes in consumer behavior (such as rising green consumption). 	<ul style="list-style-type: none"> Increase the research and development on technology for energy storage and renewable energy inventory. Increased demand for green power has led to increased operating costs. 	Actively develop products or services that are more energy efficient, more environmentally friendly, and more cost effective.

Risk Aspect	Risk Type	Major Risks	Effects/Impacts	Mitigation / Adaptation Practices or Opportunities
Transformation Risk	Reputation	Stakeholders are paying more attention to CSR (for example, the company's ESG evaluation is becoming increasingly important).	<ul style="list-style-type: none"> The rise of ESG investments has led to increased operating costs (such as higher regulatory compliance costs, increased insurance costs, or increased administrative costs). Company investors (foreign investors) will decide whether to invest based on CSR performance. 	<ul style="list-style-type: none"> Respond to the CDP questionnaire every year, in addition to disclosing relevant information such as carbon emissions, also use this opportunity to review and strengthen carbon management capabilities. Actively respond to mainstream ESG concerns: draw up ESG strategies, set specific goals, and combine with evaluation and financial performance.
Physical Risks	Acute Natural Factors	<ul style="list-style-type: none"> Extreme weather and natural disasters. Peak electricity consumption in summer causing power outages and blackouts. 	<ul style="list-style-type: none"> The frequency and intensity of extreme weather / natural disasters and peak power consumption increase, causing disasters, affecting business operations and productivity. 	<ul style="list-style-type: none"> Plan and operate continuous risk management mechanisms to improve disaster response capabilities. For the locations of Wistron's office areas, plants, and supply chains, conduct a physical risk analysis and assessment and prepare a disposal plan.
	Chronic Natural Factors	<ul style="list-style-type: none"> Future temperatures will rise by 1° C to 2° C. Lack of water resources. 	Increased operating costs (such as water shortages, increased electricity bills, or power outages).	<ul style="list-style-type: none"> Assess 1.5° C carbon reduction commitments and management. Assess and introduce ISO 14046 international water footprint standards and establish water footprint information and assessment.
	Upstream	Supplier's ability to manage climate change.	Extreme weather or natural disasters affect supply chain production and transportation, leading to supply disruptions and affecting production.	<ul style="list-style-type: none"> In order to reduce the burden and impact of raw materials on the environment during the product life cycle, request all the supply chains to implement the RBA requirements. Establish the supply chain mitigation and adaptation capabilities for climate change. Introduce alternative suppliers to ensure supply chain deliveries and spread out the risk.
	Downstream	<ul style="list-style-type: none"> Product life cycle assessment (e.g. transportation, repair, disposal, and recycling). Product safety. 	Consumers are paying more attention to and choosing to purchase low-carbon environmentally friendly products.	<ul style="list-style-type: none"> Carry out investigations on GHG emission information of products by land, sea, air, and air transportation, as well as employee travels. Set up after-sales service and green recycling business to create circular economy value. Establish a waste management mechanism. Ensure stable product quality, meet customer needs, and improve customer satisfaction.

Creating High Shareholder Returns



Economic Performance

The consolidated revenue of Wistron in 2019 remained steady compared to the previous year. From the operation management point of view, we continued to enhance operational efficiency, improve material cost management and production efficiency, and accelerate product innovation and industrial transformation to adapt to the intense competition in the industry.

Relevant financial information of the Company is disclosed in the Financial Performance Overview; our annual report may also be referred to.

Financial Performance Overview

Unit: Millions of NTD

Item	Year	2019	%	2018	%
Revenue		878,255	100	889,536	100
Gross Profit		42,159	4	37,559	4
Operating Costs		28,859	4	26,793	3
Net Profit		13,300	1	10,766	1
Net Profit Before Tax		12,776	1	9,659	1
Income Tax		3,050	-	2,374	-
Consolidated Net Profit After Tax (including minority shares)		9,726	1	7,285	1
Earnings Per Share		2.40	-	1.76	-
Retained Earnings		24,399	-	22,322	-
Personnel Expenses		38,779	-	36,005	-
Employees Bonus		1,165	-	700	-
Cash Dividends		5,681	-	4,227	-
Stock Dividends		-	-	-	-

Total Capitalization of Debt and Equity

Unit: Millions of NTD

Item	Year	2019	%	2018	%
Assets		344,176	100	339,103	100
Shareholder Equity		83,901	24	73,532	22
Short-Term Loans (Note)		59,785	17	61,013	18
Long-Term Loans		15,752	5	20,234	6

[Note] Includes long-term loans due within one year.

Profitability Analysis

Item	Unit	2019	2018
Return on Assets	%	3.9	3.26
Return on Equity	%	12.36	10.41
Ratio to Pay-in Capital	%	44.98	33.98
Net Profit	%	1.11	0.82
Earnings per share	NTD	2.4	1.76

[Note] For more financial information, please visit the Wistron website Home/Investor Services page: <http://www.wistron.com>

Product Sales

Regarding Wistron's product performance in 2019, the growth in monitors, smart products, and part/module business was the most prominent, whereas the sales of other product lines held steady or declined slightly.

Product Sales

Quantity/Unit: Per units/Pcs/Items ValueUnit: Millions of NTD

Year	2019				2018				
	Sales	Domestic		Export		Domestic		Export	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
3C Products	572,603	4,986	85,831,656	772,836	691,958	8,118	76,911,174	795,187	
Other	18,025	324	68,847,128	100,109	37,763	621	60,192,095	85,610	
Total	590,628	5,310	154,678,784	872,945	729,721	8,739	137,103,269	880,797	

New Businesses Development

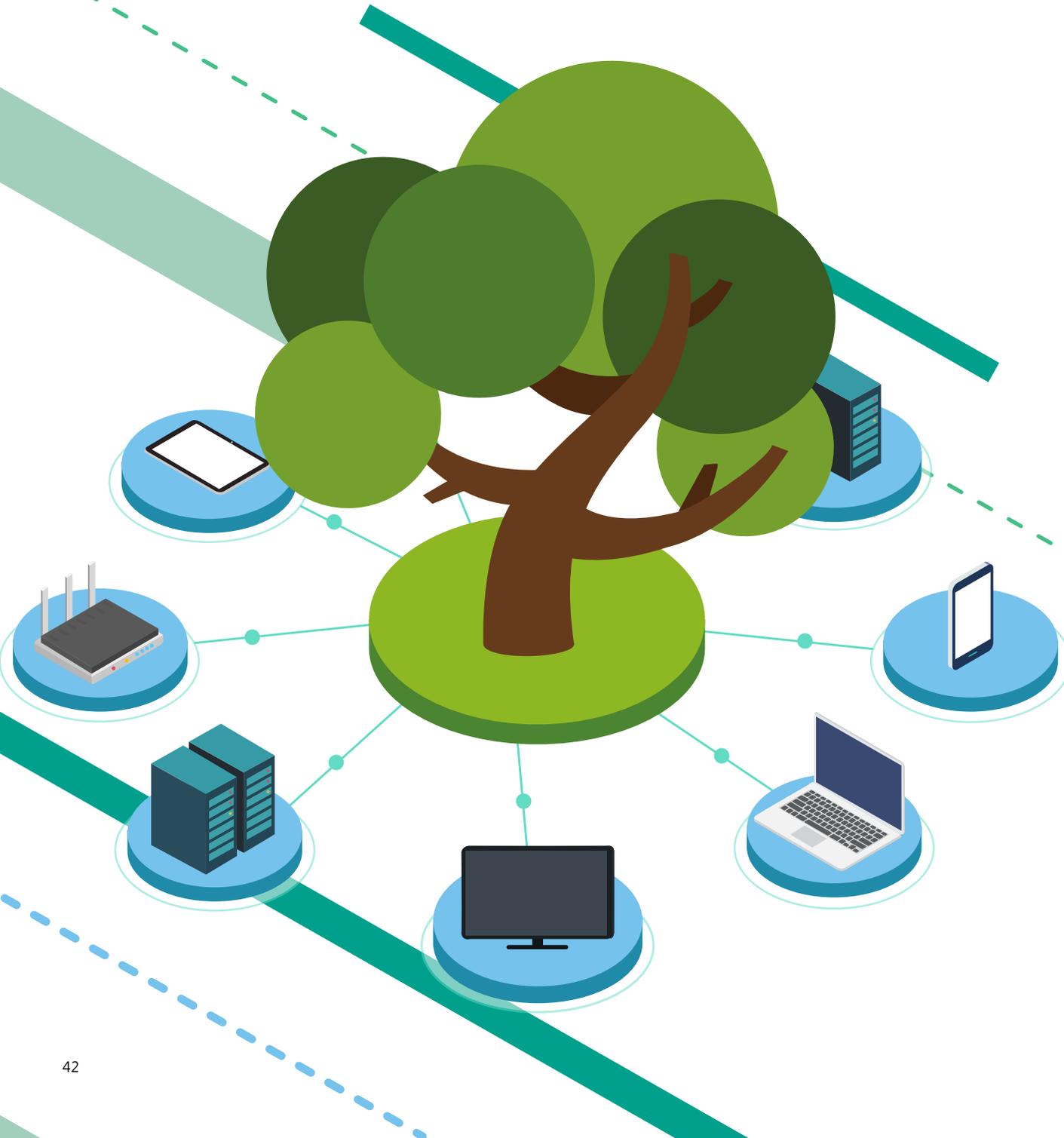
Wistron not only continued to refine its core business performances, but also demonstrated main progress in after-sales service, green recycling business, educational technology service business, and cloud products in 2019 as below:

Name of Business Units	Annual Progress
<p>After-Sales Services (Service Business Group)</p>	<p>Wistron’s customer service offers an after-sales maintenance plan that provides a variety of product solutions to extend product life span and delay product disposal.</p> <p>System Integration</p> <ul style="list-style-type: none"> • Repair centers in the Philippines, China, Czech, and India used a second-generation customer service system to establish a web-based user interface and an integrated database comprising global service information that facilitates data analysis. • Wistron used the Microsoft Power BI tool to automatically generate the data in the second-generation customer service system database into a daily management report sheet for repairs and maintenance operations. • Wistron developed the Cheetah system to integrate customer service internal data as the basic data for system analysis (SPOS, Eagle Eye) and logistics planning. • Wistron developed the Eagle Eye system for more precise prediction of customer demand and inventory. At the end of 2018, the system was introduced to the United States, Europe, and Asia Pacific, reducing inventory and disposal volumes by 13% and 26%, respectively. • Wistron continued to develop the Golden system, which provides the various repair centers of Chongqing Plant in mainland China with the best shipping date according to how status of materials preparation. • Wistron developed the SPOS system, which controls the inventory level and customer service materials requirement by using historical data and ERP system information.
<p>Green Recycling Business</p>	<p>In order to fulfill social responsibilities, Wistron’s green recycling team handles, recycles, and reuses green resources to create maximal profit for customers in the circular economy.</p> <p>Wistron GreenTech Texas (WGTX)</p> <ul style="list-style-type: none"> • WGTX is dedicated to resource recycling and reusing services. After seven years of diligent work, WGTX was highly praised by both the U.S. Environmental Protection Agency and Harvard Business Review for its efforts and contributions to the circular economy of its OEM clients. Additionally, WGTX received the Outstanding Enterprise Performance Award for its local contributions to the city of McKinney, Texas. WGTX successfully disposed of 11,363 metric tons of electronic wastes in 2019. In addition to the existing Closed-Loop Gold applications for recycling and reuse of motherboards, the WGTX cooperated with the Kunshan Recycling Plant in 2019 to provide customers with closed-loop plastic service that recycles plastics and reapplies in recycled plastics in customers’ laptops, desktop computers, and printers. Wistron is also committed to expanding its service targets from the ICT, medical and aviation industries to including OEM customers for whom secured product destruction and recycle service is provided. Wistron joins forces with its customers to protect the global environment and contribute to the circular economy. <p>Kunshan Recycling Plant</p> <ul style="list-style-type: none"> • The Kunshan Recycling Plant is committed to reusing close-loop resources. The Plant delivered approximately 13,512 metric tons of post-consumer recycled (PCR) plastics in 2019. Product lines that use renewable plastic materials include monitor displays, TVs, desktop computers, Internet telephony, set-top box, and other information products. The Kunshan Recycling Plant reduced new plastic use by roughly 4,730 metric tons in 2019, which reflects roughly a reduction of 11,825 metric tons of CO2e emissions based on an average carbon footprint of 2.5 kg/kg CO2e for recycled plastics.

Name of Business Units	Annual Progress
<p>Educational Technology Service Business</p>	<p>Wistron emphasizes the importance of learning. It has teamed up with high-caliber experts in industry, government, academia, and research sectors to develop a total solution for the future of the smart campus program and build an educational platform that facilitates improving the educational quality of campuses in Taiwan.</p> <p>Wistron and the Ministry of Education collaborated in the development of the Fun Education Platform</p> <ul style="list-style-type: none"> • As of the end of 2019, this system has attracted 17,000 registrations and over 830,000 visitors. <p>Wistron cooperated with the Taipei City Government on Taipei CooC-Cloud “CooC Learning system”</p> <ul style="list-style-type: none"> • As of the end of 2019, the Cooc Cloud learning platform has attracted nearly 60,000 users and over 352,000 visitors. <p>Wistron collaborated with the Education Bureau of Kaohsiung City Government to develop the Dr. Live self-learning platform</p> <ul style="list-style-type: none"> • As of the end of November 2019, the Dr. Live Self learning platform has attracted nearly 65,000 registrations and over 2,100,000 visitors <p>Wiedu developed the Cloud Digital Learning Service System</p> <ul style="list-style-type: none"> • The penetration and visibility of the TibaMe program increased. As of the end of 2019, the program has attracted nearly 157,000 registrations and served 60 corporate owners, becoming the largest information cloud training website. Using an OnO model to assist the labor department to successfully build the AI talent training base in Taoyuan and Taipei, Wistron became the key private institution for the Ministry of Economic Affairs responsible for AI training. • Wistron promoted the Gap of Learning & Field (GOLF) and created the CSR value. As of November 2019, 120 courses are offered by 21 enterprises, and 46 universities participated in learning, acquiring the ability to meet industry needs in advance.
<p>Cloud Products: Wiwynn Corporation (Wiwynn)</p>	<p>Wiwynn Corporation (Wiwynn) is a subsidiary of Wistron that provides various product and system solutions for hyperscale data center and cloud infrastructure.</p> <ul style="list-style-type: none"> • Wiwynn was listed on TWSE on March 27, 2019, and is under the supervision of the authorities and investors. Wiwynn has established the Corporate Governance Best Practice Principles, Regulations for Evaluating the Performance of the Board of Directors and Corporate Social Responsibility Best Practice Principles. It will continue to comply with relevant laws and policy implementations to construct a complete corporate governance system for fulfilling corporate government and corporate social responsibilities. • Wiwynn is committed to quality, occupational health and safety management, and the environment, as evident by the following achievements: <ul style="list-style-type: none"> ▪ Wiwynn passed the ISO 9001:2015 certification in 2019, and continues to standardize its organizational and product development processes. ▪ Wiwynn passed the ISO 14001:2015 certification in 2019, and continues to implement and establish effective environmental management systems, and fulfill its promise to the environment. ▪ Wiwynn passed the ISO 45001:2018 certification in 2019, and continues to implement and establish effective occupational health and safety management systems. ▪ Wiwynn passed the IECQ QC080000:2017 certification in 2019, and continues to implement and establish effective hazardous substance process management systems.

Name of Business Units	Annual Progress
<p>Cloud Products: Wiwynn Corporation (Wiwynn)</p>	<ul style="list-style-type: none"> • Wiwynn is an innovative cloud IT infrastructure provider of high quality computing and storage products, plus rack solutions for leading data centers. We aggressively invest in next generation technologies for workload optimization and best TCO (Total Cost of Ownership). As an OCP (Open Compute Project) solution provider and platinum member, Wiwynn actively participates in advanced computing and storage system designs while constantly implementing the benefits of OCP into traditional data centers. Wiwynn not only continues to invest in 48V power technologies but also actively develops liquid cooling technologies. At the OCP Global Summit in 2019, Wiwynn exhibited for the first time a two-phase 48V powers supply solution and two-phase immersion liquid cooling technologies, which can increase cooling efficiency and server density and simultaneously reduce the power used in cooling and data center maintenance costs. These developments serve to prepare us for the increasing power-intensive computing demands in the future and the need for environmental protection. • Wiwynn cultivates the cloud data center industry. Given the high-speed computing demands for AI and deep learning and for the purpose of fostering AI experts in Taiwan, the company continues to cooperate with industries and academic institutions to further hone related techniques. In 2019, Wiwynn donated 13 high-performing servers, which were designed exclusively for AI and deep cloud computing, to help the National Chiao Tung University with establishing an HPC Center. In doing so, Wiwynn hopes to promote the long-term development of National Chiao Tung University Tainan Campus through continuous industry-academia cooperation and integration of software, hardware and services.

Environmental Protection and Green Products

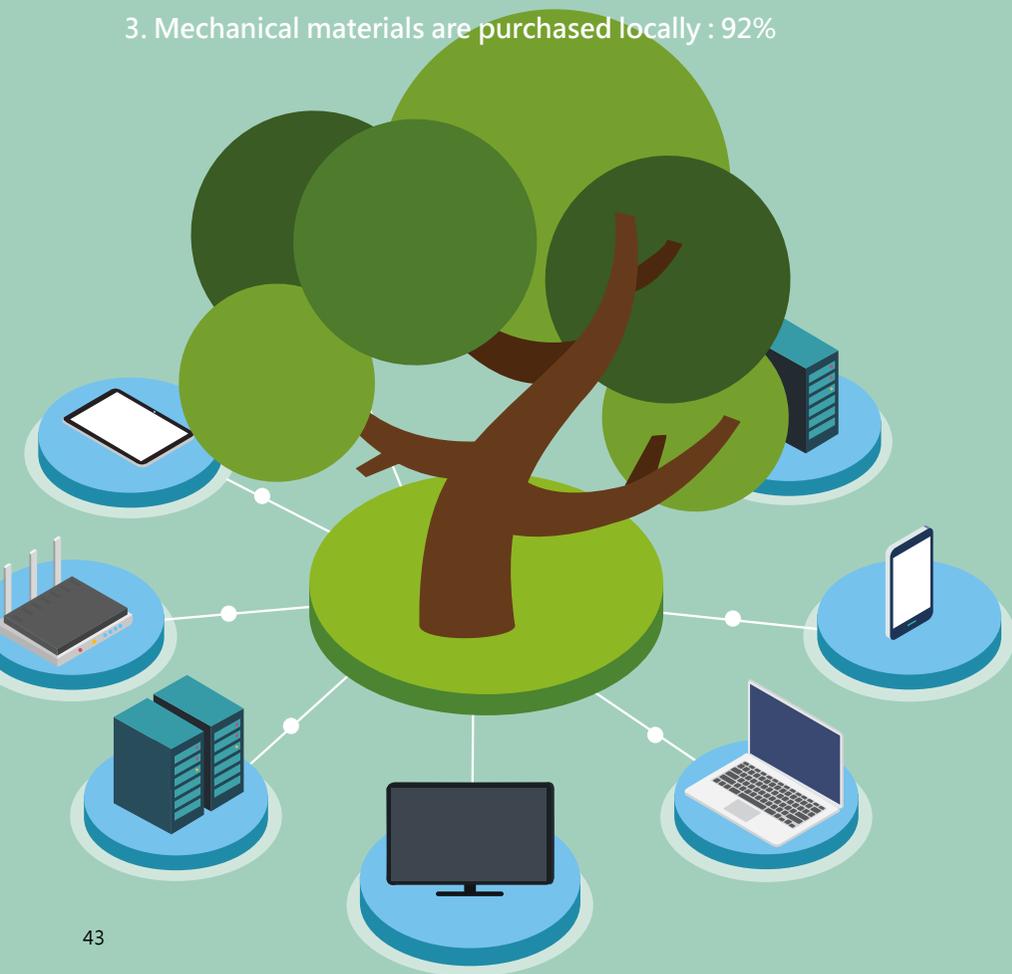


Risks and Opportunities
Climate Change and Energy Management
Natural Resource Management
Waste and Toxic Substance Management

Risks and Opportunities

Annual results

1. No environmental violations in 2019
2. Educate Suppliers to complete their GHG inventory reports: 190 vendors
3. Mechanical materials are purchased locally : 92%



According to The Global Risks Report 2019 published by the World Economic Forum (WEF), currently, six of the top ten global risks are environmental risks. This is an indication that enterprises need to pay more attention to the environmental issues such as: impacts that climate change, energy, and water resources could cause on corporate risk and opportunity management. Therefore, Wistron also hopes to use relevant identification tools or methods to detect possible risks early on, and to grasp new niche markets or opportunities.

Wistron Management Strategy and Focus

1. We continue to pay attention to international environmental issues and identify it in a timely manner to strengthen corporate risk management.
2. Establish evaluation and analysis of climate change risk management for climate change issues.
3. Draw up annual risky supplier management and social responsibility audit plans.
4. All plants have organized environmental safety and health management committees to continue to promote management systems
5. Wistron strictly abides by and supports local environmental laws and regulations concerning air pollution, water pollution, waste, and toxic substances
6. Regular regulation identification and environmental protection promotion activities from time to time

Sustainable Development Goals

Continue to maintain zero environmental violations.

Management Systems and Certification

1. Environmental Management System ISO 14001: All plants. (100%)
2. Hazardous substance process management system IECQ QC 080000: All plants. (100%)

Environmental Management and Compliance

Wistron's Environmental Management and Policy

Wistron's offices and plants worldwide have introduced the ISO 14001 Environmental Management System to ensure that while pursuing both operational and operating performance, we can also strictly adhere to the spirit of environmental management and adopt a sustainable development attitude to reduce the environmental impact of business activities. Furthermore, also actively cooperate with the government environmental policies to improve our performance in environmental management.

Environmental Compliance and Goals

Compliance with the local government's environmental regulations is the minimum threshold for Wistron's environmental management standards. Therefore, we take zero environmental violations as the basic goal, and we regularly monitor laws and regulations, carefully evaluate our compliance with laws, and adopt measures in response to applicable laws and regulations. In 2019, we have not violated any environmental laws and regulations, and there have been no environmental violations and or significant fines [Note].

[Note] Wistron defines a fine of 10 million NTD or more as a significant fine.

Environmental Issue Communication and Grievance

Wistron has a stakeholder area on our official website. Whether its customers, employees, shareholders, suppliers, governmental units, non-profit organizations, and media, all have the corresponding communication channels and communication frequencies. We have standard internal procedures to handle and respond to any environment-related communication issues or complaints as soon as it is received.

Monthly Eco-Friendly Activities

In order to enhance employees' awareness of environmental protection and occupational safety, all Wistron's plants independently conduct monthly eco-friendly activities every year. The activities have wide-ranging contents, including poster promotions, various competitions and commendation activities, so that employees can use different channels to proactively respond to environmental protection activities.

 <p>Emergency Drills</p> <ul style="list-style-type: none"> • Fire drills: 4 sessions, 2105 people • Confined space drills: 2 sessions, 20 people • Chemical drills: 1 sessions, 17 people 	 <p>Knowledge Competition</p> <ul style="list-style-type: none"> • Participating teams: 12 teams, top 3 teams selected • Winning teams: manufacturing support: MA; quality assurance 	 <p>Major Inspections</p> <ul style="list-style-type: none"> • Inspection of key areas: 7 items • Supervisor inspection: 17 items • Improvements: Close 100%
 <p>Knowledge Propagation</p> <ul style="list-style-type: none"> • New posters posted 30 • Accident warning education: played in May-June 	 <p>Zero Injury Competition</p> <ul style="list-style-type: none"> • Number of work-related injuries in the whole plant in May: 0 	 <p>Team Commendation</p> <ul style="list-style-type: none"> • Bonuses and pennants awarded by the top 3 departments together

▲ Kunshan OPT Plant - Monthly Eco-Friendly Activities



▲ Kunshan OPT Plant - Eco-Friendly Month Poster



▲ Kunshan OPT Plant - Safety Knowledge Competition



▲ Kunshan Plant - Environmental Clothing Making Competition



▲ Kunshan Plant - Eco-Friendly Month Poster

Kunshan Plant Eco-Friendly Month Activities

Planning and implementation in May 2019, and divided into 7 major activities. The activities covered topics such as production safety and environmental protection. The event was open to all employees and manufacturers, with a total of 13,298 participants.



▲ Kunshan Plant - Video Production Competition

Chongqing Plant Eco-Friendly Month Activities

November is Eco-Friendly Month of Chongqing Plant, Chongqing Plant strengthened the awareness of safety and environmental protection among all the employees and related contractors through activities such as poster and video promotion, emergency drills, "WeChat" forwarding, and garbage sorting competitions.



▲ Chongqing Plant- Garbage Sorting Competitions



▲ Chongqing Plant- Eco-Friendly Month Poster

Environmental Safety Regulations Compliance Certification Announcement Board

In order to ensure the effectiveness of the environmental safety certifications, the Kunshan Plant launched the certification management system and certification announcement board development in 2019. This would enable the uniform management of the environmental protection and safety related certifications of the entire plant, and can automatically provide reminders on the validity status of the certificates, preventing the expiration of certificates that cannot be processed immediately. It would help the management to know about the latest environmental safety laws and regulations compliance in real time.

EHS 证照合规看板 11:13:04

● 有效/合规 ● 快到期/进行中 ● 过期/不合规

WKS 人员执业证照看板 人员执业证

证照名称	建档	建档	建档/建档	建档	建档
急救员	●	●			
放射工作人员证	●	●		●	●
电工证	●	●			
电焊证	●	●			
压力容器	●	●			
叉车驾驶证	●	●			
电梯安全管理	●	●			
锅炉操作证	●	●			
空调制冷工	●	●			

Expenditure and Benefits Associated with Environmental Protection

In order to keep abreast of Wistron's expenditures and benefits on environmental management issues, we divided environmental management related expenses into separate statistical items as follows:

- (1) Environmental management system certification
- (2) Environmental testing and hazardous substance control
- (3) Promotion, education and training
- (4) Maintenance of environmental protection equipment/facilities
- (5) Waste disposal
- (6) Cost of improvements to energy efficiency
- (7) Personnel cost for the environmental protection division
- (8) Cost for environment-related maintenance, and other related miscellaneous costs

Expenditures	Neihu Headquarter	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Environmental Management System Certification	0	0	0	444,910	637,958	341,509	489,568	493,523	257,466	257,017	178,707	3,100,658
Environmental Testing and Hazardous Substance Control	13,126	24,150	154,666	1,378,506	748,015	251,926	3,838,656	999,648	1,254,258	44,827	12,951	8,720,729
Promotion, Education and Training	0	0	0	336,687	60,248	5,370	0	36,214	0	0	9,794	448,313
Maintenance of Environmental Protection Equipment/Facilities	0	0	34,650	2,253,336	12,447,911	10,068	1,328,073	289,522	389,196	0	815,391	17,568,147
Waste Disposal	0	0	276,150	2,230,182	9,496,192	5,238,071	23,809,602	681,881	777,473	661,925	3,080,839	46,252,315
Cost of Improvements to Energy Efficiency	163,800	1,748,251	90,480	7,516,981	93,969	876,276	15,639,860	3,803,495	1,728,867	0	0	31,661,979
Personnel Cost for the Environmental Protection Division	0	0	0	5,883,735	2,560,925	891,736	10,385,260	1,167,856	2,651,824	911,925	6,746	24,460,006
Cost for Environment Related Maintenance	3,868,000	7,744,785	9,706,027	29,509,054	14,721,878	2,619,387	52,070,643	7,252,660	9,185,970	4,579	72,851	136,755,835
Other Costs	0	0	0	3,796,147	92,207	0	0	0	0	225,741	271,263	4,385,359
Total (NT)	4,044,926	9,517,186	10,261,973	53,349,539	40,859,303	10,234,343	107,561,660	14,724,800	16,245,055	2,106,014	4,448,543	273,353,341

[Note] Exchange Rate: RMB : 4.4747, USD : 30.9130, CZK : 1.3491 , MXN : 1.6067, EUR : 34.6007

Environmental Protection Expenditure and Benefits

Unit: NTD												
Benefits	Neihu Headquarter	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Waste Recycling	0	382,716	1,578,962	33,300,494	17,845,214	1,048,784	60,276,419	29,344,977	39,183,411	7,733,116	645,104	191,339,196
Other	0	0	0	0	0	0	9,401,094	0	0	0	0	9401094.117
Total (NT)	0	382,716	1,578,962	33,300,494	17,845,214	1,048,784	69,677,513	29,344,977	39,183,411	7,733,116	645,104	200,740,290

[Note] Exchange Rate: RMB : 4.4747, USD : 30.9130, CZK : 1.3491 , MXN : 1.6067, EUR : 34.6007

Sustainable Product Design and Development

Wistron's Green Product Policies:

To reduce the impact of our products' life cycles on the environment, during the product development process, we use innovative carbon reduction approaches, pursue material savings, prohibit the use of hazardous materials, and implement green product recycling. We will also remain compliant with international regulations and directives and customer requirements. We are dedicated to the increasing simplification of our design and production processes in order to achieve environmentally-friendly products and environmental sustainability. Wistron promises to not use prohibited substances and raw materials and that the products it produces do not endanger customer health and safety. Wistron takes into account raw material selection, manufacturing process, product use, waste disposal, environmental influence, and potential hazards, so that customer health and safety are not affected.

Strategy	Sustainable development goals	Outcomes(Year)	Goals(Year)
<p>Hazardous substance-free policy To mitigate the adverse effects of our products on customer health and environment, Wistron promises to not use prohibited substances and raw materials.</p>	Complete compliance with hazardous substance-free (HSF) regulations and customer specifications	In 2019, Wistron completely complies with HSF regulations and customer specifications. We did not receive HSF-related customer complaints or negative feedback as a result of violating the law or customer requirements.	Continue to ensure complete compliance with hazardous substance-free (HSF) regulations and customer specifications

In the product development/design phase, Wistron employs a green-design guide, incorporates green product management practices under the framework of the ISO9001 Quality Management System, acquires IECQ QC 080000 management system certifications, and integrates the concept of product life cycle assessment in the QC080000 hazardous substance management system. In response to international environmental laws and customers' product environmental requirements, Wistron formulates the Wistron Hazardous Substance Control Regulations, which regulate and limit the use of environmentally hazardous substances in its product. The purpose of these regulations is to effectively monitor and investigate the level of environmentally hazardous substances in products, ensure that suppliers do not use environmentally hazardous substances, and ultimately mitigate the impact on earth environment and protect people's health and safety.

For the main product (includes sub-materials, etc.), Wistron Hazardous Substance Control Regulations implement control over the following five directions based on regulatory trends and customers' environmental requirements. None of product contain the hazardous substances at a concentration above 0.1% by weight.

1. Environmentally hazardous substances regulated under the EU RoHS Directive
2. Wistron Restricted Substances: Wistron refers to the items under the IEC 62474 Material Declaration developed by the International Electrotechnical Commission and integrates them with the control requirements of different brand customers.
3. Wistron's Reportable Substances: Wistron collects information on the usage of substances that are of concern to Wistron but are not yet prohibited. This information will serve as the basis for assessing when or whether to reduce or prohibit a substance in the future.
4. Halogen-free or low-halogen products control substances: As per customer requests, Wistron introduces halogen-free or low-halogen regulations for specific products.
5. REACH Substances of very high concern (SVHC)

Wistron Hazardous Substance Control Regulations also include rules for battery cells and packaging materials. According to the control regulations for battery cells, considering that battery cells contain a number of chemical substances and the need to avoid leaking of chemical substances, various types of battery cells should be marked with recycling labels in accordance with customer requirements and national requirements, and should be recycled and separated before disposal. According to the packaging material regulations, the main targets of control vary with packaging materials that will be shipped with Wistron's final products, such as corrugated paper boxes, packaging bags, cushions, fixing tools, thin boards, packaging tapes, labels, washers, coatings, and ink.

To effectively implement the prohibited hazardous substance policy and achieve design for environment, Wistron formulates procedures for hazardous substance-free product compliance. These procedures include valid management and monitoring mechanisms to keep our products in line with international and domestic laws and customers' hazardous substance control requirements. Wistron continuously and proactively inspects international laws and keep abreast of customers' requirements for hazardous substances. We conduct semiannual assessments and reviews of amendments to product hazardous substance control regulations, including the quantitative targets (controlled concentration or controlled items) of hazardous substance control. These targets are one of the issues discussed in semiannual meetings regarding control regulations for product hazardous substances.

Wistron designs products by using the product lifecycle management (PLM) and green product management (GPM) systems to ensure that each spare part and packaging material used in products is in compliance with international environmental requirements and customers' regulations for hazardous substances, including but not limited to: international or regional environmental protection regulations (RoHS Directive, Packaging Directive, Battery Directive, REACH (Registration, Evaluation, Authorization and Restriction of Chemical substances)), the environmental requirements of local governments (China RoHS, Japan RoHS, and California Proposition 65), voluntary environmental regulations (China Compulsory Certification (CCC), US Electronic Product Environmental Assessment Tool (EPEAT), etc.), and other requirements (e.g., conflict minerals). Wistron also ensures that the auxiliary materials used in the manufacturing process conform to customer and regulatory requirements. All of Wistron's product lines comply with EU RoHS regulations and requirements stipulated by customers and regional laws. In 2019, all of Wistron's product lines are in complete compliance with HSF regulations and customer specifications. We did not receive HSF-related customer complaints or negative feedback as a result of violating the law or customer requirements.

In addition to avoiding the use of prohibited raw materials, to achieve the strategic goals of reducing resource wastage and designing environmentally friendly products Wistron products are designed and developed by considering waste reduction, using recycled materials and eco-friendly materials, and integrating easy-to-dismantle and recyclable designs.

Strategy	Sustainable development goals	Outcomes (Year)	Goals (Year)
<p>Reduce resource wastage and integrate environmentally friendly design Products are designed by considering waste reduction, using recycled materials and eco-friendly materials, and integrating easy-to-dismantle and recyclable designs.</p>	<p>Complete compliance with the Waste Electrical and Electronic Equipment Directive (WEEE)</p>	<p>In 2019, Wistron achieved the goal of complete compliance with the Waste Electrical and Electronic Equipment Directive (WEEE).</p>	<p>Continue to maintain complete compliance with the Waste Electrical and Electronic Equipment Directive (WEEE)</p>

In response to a circular economy in which recyclable materials are used, in 2019 the average recovery rate of Wistron's products (e.g., laptops, desktop computers and LCD monitors) was 97.75%. Wistron assists brand customers to acquire EPEAT certification. In total, thirty-one mass production products, including laptops and desktop computers received the Silver certification (EPEAT 2018) and twenty-two mass production products obtained the Bronze certification (EPEAT 2018). In 2019, all product lines were in complete compliance with the Waste Electrical and Electronic Equipment Directive (WEEE).

Product Recyclable Packaging Management

Wistron considers waste reduction, recycling, treatment, resource reuse, resource recovery, and renewable resources at the beginning of product design. Wistron also actively cooperates with customers in the design of packaging materials, using recycled papers or electronic manuals to reduce the use of wood. In 2019, the average of packaging composed by recycled materials for Wistron's products (e.g., laptops, desktop computers and LCD monitors) was 86.95%.

Supplier's Social Responsibility Management

As a member of RBA, Wistron roots for RBA's vision and objectives. We promise that all global operation sites will coordinate and comply with RBA's codes of conduct. Furthermore, we will support and encourage the affiliated first level suppliers to adhere to the same codes. In conformation to the common goal, we will utilize RBA's methods and tools as much as possible.

Wistron provides services on R&D and manufacturing of electronic products. In accordance with local procurement strategies for energy-saving and carbon-reducing materials, our suppliers are mainly based in Taiwan, the United States, Japan, South Korea, Europe, China, Thailand, Philippine, Indonesia, Malaysia, and India. The types of suppliers include manufacturers, agents, and distributors. The industrial characteristics of the supply chain are technology intensive, capital intensive, and labor intensive.

Wistron places high regard on suppliers as crucial partners and cooperation with each other establishes a long-term stable supply chain. In addition to considering the technical skills, quality, delivery dates, and price competitiveness

of suppliers, we also require suppliers to endeavor to protect the environment, ensure the safety and health of the environment, emphasize the importance of human rights, and work with us to fulfill corporate sustainability and social responsibilities (CSR). To achieve this goal, we have established a supply chain management process, in which a supplier quality management office is set up to formulate a Standard Inspection Procedure (SIP) according to the R&D(Research and Development) ratified specifications, manage and supervise our suppliers, and evaluate items such as quality, costs, delivery dates, human rights, forced labor, and services. Furthermore, to protect the environment, ensure the health, safety, and human rights of our employees, and secure the rights and interests of our stakeholders, we adopted a CSR management system that manages five major aspects of product quality, green products, environmental protection, occupational safety and health, and social responsibility. In addition to incorporating this system into daily business operations, we also request our suppliers to work with us in implementing various requirements. In product development, Wistron persists in adhering to energy conservation and carbon reduction principles, reducing material use, avoiding the use of hazardous substances, adopting the concept of resource recycling for green products, and prohibiting the use of hazardous substances and conflict minerals to mitigate the environmental impact of its products at all stages of their life cycle. Wistron requires its main raw material suppliers to sign the Declaration of Non-use of Conflict Minerals, which includes tungsten, tantalum, tin, and gold, (90% of our suppliers have signed) and the Declaration of Non-use of Hazardous Substances (90% of our suppliers have signed). The goal is abiding by international laws, regulations, and directives, as well as customer requirements, and endeavoring to simplify design, production, and processes to build a product-friendly environment where sustainability is embraced. Currently, we are using a variety of management systems and mechanisms to execute supply chain management, the details of which are described as follows:

1. New supplier investigation: We manage and evaluate new suppliers in accordance with the Supplier Evaluation Operating Procedure, focusing on the following assessment items: quality, project design, environmental

protection, employee health and safety, and human rights.

2. CSR management system: In accordance with the Supplier CSR Audit Operating Procedure, the Supply Quality Management (SQM) team visits the production base of our suppliers to audit and determine their corporate sustainability and social responsibilities.
3. Quality system audit (QSA): In accordance with the Supplier Quality System Audit Operating Procedure, we visit the production base of our suppliers to audit and determine their quality systems.
4. Quality process audit (QPA): In accordance with the Supplier Quality Process Audit Operating Procedure, we visit the production base of our suppliers to audit and determine their process quality.
5. Supplier performance management (SPM): In accordance with the levels (A–E) of the Supplier Performance Evaluation Regulations, we evaluate the suppliers' product quality, price and delivery date on a monthly basis.

Summary of Supply Chain Management Mechanisms

Item	2017	2018	2019 Targets	2019 Hit Rate	Time / Frequency
New Supplier Investigation	28 suppliers	21 suppliers	19 suppliers	100%	Import of None-AVL Suppliers
CSR Management System	100 suppliers	100 suppliers	110 suppliers	100%	Annual
Quality System Audit (QSA)	100 suppliers	100 suppliers	110 suppliers	100%	Annual
Quality Process Audit (QPA)	100 suppliers	100 suppliers	110 suppliers	100%	Launch New Project
Supplier Performance Management (SPM)	406 suppliers	407 suppliers	480 suppliers	100%	Monthly

Summary of Supplier's Social Responsibility Management

Strategy	Sustainable Development Goals	2019 Outcome (year)	Goal (year)
<p>Supplier risk management:</p> <ul style="list-style-type: none"> Promote and implement specific methods, inspect high-risk suppliers and ask them to improve non-conforming items by a specific deadline, reduce risks. Continuously require suppliers to comply with CSR policy. 	<ul style="list-style-type: none"> Continuously implement on-site inspection of high-risk/key suppliers. Invite supplier partners to participate. Help suppliers to reduce GHG emission. 	<ul style="list-style-type: none"> In 2019, Wistron completed onsite inspection of 110 suppliers, and 99% of suppliers improved non-conforming items. In 2019, Wistron organized a supplier conference. Wistron completed GHG inventory of 190 suppliers. 	<ul style="list-style-type: none"> Wistron aims to complete inspection of 110 suppliers by 2020. Wistron will organize annual supplier conference to communicate with and educate suppliers. <p>Wistron will continuously require suppliers to comply with RBA requirements. Wistron will encourage key suppliers to reduce GHG emission.</p>
<p>Localized management:</p> <ul style="list-style-type: none"> Improve suppliers' core competency. Manage the protection of labor rights and human rights. 	<ul style="list-style-type: none"> Educate suppliers to continuously improve manufacturing process and quality systems. Encourage suppliers to comply with the RBA code of conduct. Purchase mechanical materials (steel, plastic, packaging materials, screws, and solder paste) from local suppliers. 	<ul style="list-style-type: none"> In 2019, Wistron educated 110 suppliers to improve their manufacturing process and quality. In total, 80% of 920 suppliers signed agreement to follow the RBA code of conduct. In 2019, Wistron purchased 90% of its mechanical materials from local vendors. 	<ul style="list-style-type: none"> By 2020, Wistron will educate 110 suppliers to improve their manufacturing process and quality. Wistron will have 82% of suppliers sign an agreement to follow the RBA code of conduct. By 2020, Wistron will purchase 92% of its mechanical materials from local vendors.
<p>Supplier management strategies:</p> <p>We adopt CSR management system that manages five major aspects of quality, green products, occupational safety and health, suppliers' social and ethical responsibility, and environmental protection/sustainable development. In addition to incorporating this system into daily business operations, we also request our suppliers to work with us in implementing various requirements.</p>	<p>Suppliers must sign and follow:</p> <ul style="list-style-type: none"> Declaration of Integrity and Commitment. Declaration of Non-Use of Conflict Minerals (including tungsten, tantalum, tin, gold). Declaration of Non-Use of Environmentally Hazardous Substances. 	<p>In 2019, the number of suppliers who signed agreements and declarations:</p> <ul style="list-style-type: none"> 920 suppliers (80%) signed the Declaration of Integrity and Commitment. 821 of main raw material suppliers signed the Declaration of Non-Use of Conflict Minerals, 90% hit rate (including tungsten, tantalum, tin, gold). No cases of supplier use of conflict minerals have been identified so far. 90% of main raw material suppliers signed the Declaration of Non-Use of Environmentally Hazardous Substances. 	<p>By 2020, the number of suppliers who signed agreements and declarations:</p> <ul style="list-style-type: none"> 82% will sign the Declaration of Integrity and Commitment. 92% will sign the Declaration of Non-Use of Conflict Minerals (including tungsten, tantalum, tin, gold). 92% will sign the Declaration of Non-Use of Environmentally Hazardous Substances.

Wistron is based on the cornerstone of sustainable development, it forms a positive partnership with its suppliers to develop a business philosophy in which both parties depend on each other and share the fruits of business success. Therefore, Wistron advocates the social responsibilities required of entrepreneurship and business owners. Annually, Wistron prepares CSR audit plans for risky suppliers (for Taiwan/China), which are listed under the Department KPI for supplier audit and assessment. The following items are listed under the assessment criteria for new suppliers; namely, respect for human rights, care for labor, environmental protection and fulfillment of social responsibilities. The 2019 achievements are described below:

1. Wistron prepared the 2019 CSR audit plans for 110 suppliers, which were conducted in stages. A site audit and confirmation were also made at the suppliers' premises and the audit results were approved [Notes].
2. Specific practices are included in annual meeting agendas. In the annual Wistron Group Partner Conference, we commend suppliers, who were reported in the Corporate Sustainable Management and Social Responsibility and Greenhouse Gas Inventory Report as having showed outstanding performance. We invited third-party GHG auditors, third party RoHS inspectors, and GHG guidance companies to the 2019 CSR/GHG Supplier Conference to conduct educational training. We also communicate corporate sustainable management and social responsibility management policies. Given the current global environment, Wistron also provides complaint channels to suppliers in Taiwan and China, with the hope of achieving sustainable operations that create a friendly, reciprocated environment where everyone thrives together.
3. As of 2019, 91 suppliers have been registered as Wistron's supplier in the RBA Online website.

[Notes] The audit result with lower than 80 points is Not Approved. In this case, the supplier is required to take corrective action for the unfavorable audit. The supplier also needs to provide feedback on its improvements within one month and apply for re-audit.

If the re-audit result is still Not Approved, the supplier cannot submit an application again within 6 months. If there is a problem in the quality of the supplied material, an alternative material/supplier would be considered as replacement.



▲ The Wistron Group Partner Conference at Mandarin Oriental on August 19, 2019



▲ Investment in public welfare and knowledge platforms on November 18, 2019 Wistron donated NT\$150 million to National Chiao Tung University. International Nobel Prize-level scholars and professors were invited to give speeches, helping Taiwanese students to quickly keep up with international standards.

Summary of Supplier Requirements and Management Practices in 2019

Item	Management Practice
Human Rights	<ul style="list-style-type: none"> • In accordance with the RBA regarding suppliers' management of human rights, 110 suppliers were evaluated and were found to have met the requirements. This reflects a 99% compliance rate, which is adjusted on a yearly basis depending on requirements. (In related to labor / health and safety / environment / ethics / management systems, a total of 180 non-compliance reports were found, including 54 labor, 75 health and safety, environmental 15, ethics 1, 35 management systems.) • In accordance with the RBA, suppliers are encouraged to guarantee employees freedom of association and collective bargaining rights to avoid ill-communication or adverse suppression. No violation incidents occurred for the year. • Suppliers are required to clearly define and support the humane treatment provision specified in the RBA and convey it to laborers, and sign the Declaration of Non-use of Conflict Minerals. A total of 920 companies have signed and abided by the declaration. Those who violate the declaration will have their Wistron supplier qualification canceled. No supplier violations in 2019. • In supplier reviews, all new suppliers (except for customer-designated suppliers) have obtained ISO 9001 Quality Management System/ISO 14001 Environmental Management System certifications, as requested by Wistron. • In 2019, new suppliers will be required to acquire ISO 9001/ISO 14001, IECQ QC 080000, and OHSAS 18001(ISO 45001) verification systems.
Labor Care	<ul style="list-style-type: none"> • In accordance with the RBA, no child laborers are allowed to be employed. Juveniles under 18 years of age are not allowed to engage in any work that may harm their health and safety. If such conditions have been discovered, the suppliers will lose their Wistron supplier qualification. As of the end of 2019, 91 suppliers can access their performance through RBA Online website. No such violation by suppliers has been detected. • The company hosts supplier exchange meetings and demands suppliers never to employ child labor as a solution for manpower shortage or wage issues. • The company promotes gender equality and creates gender-friendly workplace.
Environmental Protection	<ul style="list-style-type: none"> • The company supports its suppliers to reduce their GHG emission • Suppliers are required to provide their GHG inventory reports (190 provided in 2019). Suppliers provided 42 verification statements, 63 CSR reports, and 7 carbon disclosure reports. The target for 2020 is set to 195 suppliers for GHG inventory reports. • New suppliers are required to sign the RBA Code of Conduct to ensure that they will monitor and sort waste before disposal so as to minimize environmental pollution. • The amount of locally purchased mechanical materials is 90%. Wistron will continue to increase local procurement of electronic and mechanical components and focus on reducing GHG emissions.
Social Responsibility Management	<ul style="list-style-type: none"> • The company uses the requirements of social responsibility listed in RBA Code of Conduct as the criteria to choose its suppliers. New suppliers must pass the CSR audit and sign the RBA agreement. • Suppliers are required to strictly follow RBA Code of Conduct and will be monitored by our CSR audit • Wistron encourages suppliers to issue CSR reports. Approximately 63 suppliers issued CSR reports.

Climate Change and Energy Management

Annual Results

Reduction of 2019 GHG emissions intensity: 8.79%
 Reduction of 2019 power consumption intensity: 2.27%
 Renewable energy consumption in 2019: 8.07%



With the increasing international attention to climate change and carbon emissions issues, Wistron also regards greenhouse gas and energy issues as important environmental management priorities. We look forward to achieving the goals of renewable energy through the continuous implementation of energy conservation and carbon reduction activities to reduce the negative impacts of climate change.

Wistron Management Strategy and Focus

Increasing Energy Efficiency

1. We carry out power-saving activities every year to continuously improve the efficiency of electricity use and reduce waste.
2. Inter-plant project teams have been set up to regularly review the effectiveness of power-saving and share relevant experiences with each other.
3. Promotional activities: Unscheduled energy and water conservation promotion
4. Practice management: Energy monitoring, onsite equipment patrol, and meter measurement

Use of Renewable Energy

1. Solar panels have been set up in the plant areas to provide power to the plants.
2. We have signed a contract with a hydropower plant to convert the on-site power source to hydropower.

Related Policies and Commitments

Wistron is committed to purchasing efficient energy equipment to increase our energy performance and actively conserve all types of energy sources. We abide by energy regulations that are associated with our activities, products, and services, as well as customer requirements, with the aim of meeting and surpassing the relevant standards.

Please visit our website for the full content of our policies:
<https://www.wistron.com/CMS/Page/14>

Sustainable Development Goals

1. Continue to reduce greenhouse gas emissions:
 - Middle-term: Reduce absolute GHG emissions 37.8% by 2025 from a 2016 base year (Science Based Target)
 - Short-term: Reduce 6% GHG emissions intensity by 2020 compared with 2016
2. Continuous reduction of power consumption intensity in the plants: Reduce 8% power consumption by 2020 compared with 2016
3. Increase renewable energy usage: Renewable energy usage reaches 20% by 2025

Management Systems and Certification

ISO50001 Energy Management System: Taipei Headquarters, Hsinchu Plant, Chengdu Plant, Zhongshan Plant, Chongqing Plant, Kunshan Plant

ISO 14064-1 Greenhouse Gas Inventory: All plants (100%)

Greenhouse Gas Emission Management

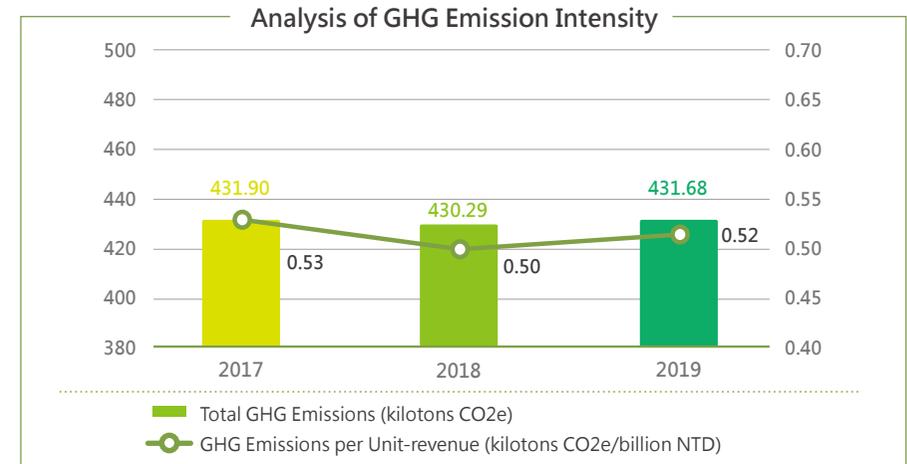
Wistron Greenhouse Gas Emission Management

Wistron conducts a GHG emissions inventory on a yearly basis using the ISO 14064-1 standard, and passes a third-party certification to properly determine the greenhouse gas emission situation. At Wistron, over 90% of GHGs are emitted from the use of electricity, so energy management is the top priority for greenhouse gases. Our offices and plants worldwide are required to promote our greenhouse gas reduction plan in accordance with the company's carbon reduction goals and the respective local greenhouse gas management policies (see the list below).

1. Taiwan plants: Greenhouse Gas Reduction and Management Act
2. China plants: Work Plan for Greenhouse Gas Emission Control during the 13th Five-Year Plan Period, and Interim Measures for the Administration of Voluntary Greenhouse Gas Emission Reduction Transactions
3. European and American regions: law 73/2012 Sb. about GHG

Current Status and Goals of Greenhouse Gas Emissions at Wistron

Wistron reduced its greenhouse gas emissions by 11.48% in 2018 and has reached its original greenhouse gas reduction target goal in advance: In 2020, greenhouse gas emissions per unit of revenue will be reduced by 6% compared to 2016. Therefore, we set our follow-up carbon reduction targets in 2019 according to the science base reduction targets designed by the Science Base Target initiative (SBTi) for enterprises: Reduce absolute GHG emissions 37.8% by 2025 from a 2016 base year, and we will proactively participate in global carbon reduction activities with even more determination. Our 2019 GHG emissions performance has been reduced by 8.81% compare with 2016.



- [Notes]
1. Greenhouse gas emissions intensity and target: based on the GHG emissions of Wistron's main manufacturing plants around the world/plant revenues
 2. GHG emissions for Scopes 1 and 2 only.
 3. For Taiwan area, 2017 Electricity emission factor announced by the Energy Bureau is used and the recalculation using revised electricity emission factors of previous years has been done. The difference is less than 0.8% with no major impact to the energy intensity results, Thus, the data published in corresponding reports remains the same.
 4. We updated the method of revenue calculation for Mexico Plant in 2018, the intensity of greenhouse gas emissions in 2016 and 2017 has been modified as well.

Direct (Scope 1) and Energy Indirect (Scope2) GHG emissions in 2019

Item	Unit: Tons-CO ₂ e											
	Neihu Headquarter	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Scope 1	0.00	184.96	241.52	6,286.60	10,064.58	1,368.69	7,254.89	1,850.09	960.69	915.04	1.40	29,128.46
Scope 2	3,147.29	6,259.44	6,779.45	84,282.46	85,143.04	16,745.57	138,703.61	22,636.72	20,398.00	14,334.01	4,120.18	402,549.76
Total of GHG	3,147.29	6,444.40	7,020.97	90,569.06	95,207.62	18,114.26	145,958.49	24,486.81	21,358.69	15,249.05	4,121.58	431,678.22

- [Note]
1. The based year of each site is listed below:
 - Neihu Headquarter, Hsichih Office Complex, Hsinchu Plant and Taizhou Plant: 2015
 - Zhongshan plant, Kunshan plant, Mexico plant and Czech plant chose: 2012
 - Chongqing Plant and Chengdu Plant: 2013
 - Kunshan OPT Plant: 2016.
 2. The GWP values from the IPCC Fifth assessment reports based on a 100-year timeframe is used
 3. The scope of emission includes factories and dormitories
 4. Operational control criterion is used to define calculation boundary
 5. The calculation of scope 2 for Chengdu Plant and Chongqing Plant include hydropower and purchased electricity

GHG Emissions Information Scope 3: Transportation and Business Travel Emissions

In addition to Scopes 1 and 2, the following items of Scope 3 has also been recorded: GHG emissions from product transportation by land, sea, and air and from employees' business travel by air, in order to enhance the integrity of GHG emissions information.

GHG Scope3 Emission in 2019

Unit: Tons-CO₂e

Item	Taipei Office Complex	Hsinchu Plant	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Total
Business Travel (Aircraft only)	4,035.49	229.51	687.00	20.24	17.86	507.96	42.96	204.51	5,745.53
Product Transportation - Import	0.00	324.06	1,001.76	129.70	14.99	526.76	214.94	429.42	2,641.62
Product Transportation - Export	0.00	1,461.30	2,256.02	16.77	117.63	16,573.77	14,819.07	31,299.59	66,544.13

[Note] 1. Taipei Office Complex includes Neihu Headquarter and Hsichih Office Complex
 2. Business Travel only calculated the emission of air flight; Product Transportation only calculated the emission of air, sea and land shipping operated by Wistron.

Carbon Management: Carbon Disclosure Project

Since 2010 Wistron has participated in the Carbon Disclosure Project (CDP). In recent years, CDP has also incorporated the Task Force on Climate-Related Financial Disclosures (TCFD) framework into the scope of disclosure, strengthening the ratio of climate change issues in the corporate governance, risk and opportunity management, situation analysis, and identification management. In this way, Wistron has also been able to use the CDP assessment results as our sustainable development direction in assessing carbon management.

Wistron's recent performance ratings in the CDP climate change program:

- 2019: C
- 2018: C
- 2017: B

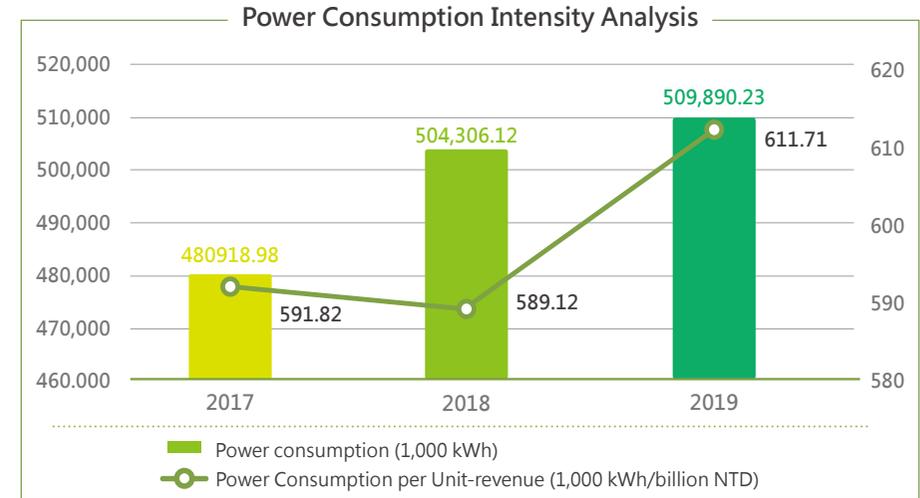
Energy Management

Wistron's Energy Management and Renewable Energy Strategy

Wistron's largest source of energy use is electricity, therefore we adopt energy conservation activities for energy efficiency upgrades and promote the use of renewable energy as the basis for key energy management guidelines. In terms of energy management, we introduced the ISO 50001 Energy Management System to review internal energy consumption hotspots with real-time energy monitoring meters, to keep abreast of the current energy use status of the plants and use it as an energy consumption analysis tool. The energy-conservation units of each plant lead regular energy project meetings, including reviewing the current energy use status and inter-plant energy-saving experience sharing to achieve the continuous improvement of energy consumption efficiency and energy saving. As to renewable energy, we installed solar panel equipment in Zhongshan, Kunshan, and Kunshan OPT plants in China to supply power to the plants. Due to insufficient sunlight efficiency in the Chengdu Plant and Chongqing Plants, we signed hydropower contracts to purchase renewable energy electricity. In the future, we will continue to invest more resources in the field of renewable energy and develop more diversified renewable energy power usage models.

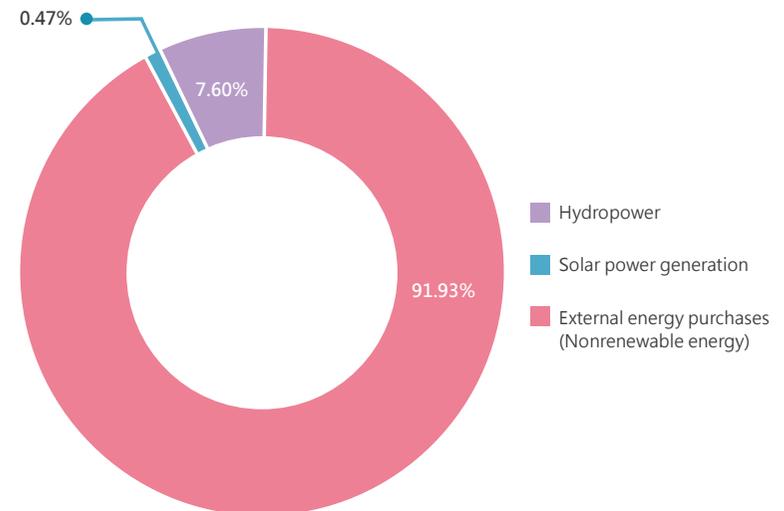
Current Energy Management Status and Goals

Wistron's main energy use includes electricity and fuel (the Czech Plant also require heating systems). We aim to reduce power consumption intensity by 8% per revenue unit by 2020 compared to 2016. In addition, in response to the international trend of renewable energy, we have set new targets for the promotion of renewable energy use: renewable energy use reaching 20% by 2025. Wistron's power consumption intensity decreased by 2.27% in 2019 compare with 2016 ,and the proportion of renewable energy was 8.07%.



- [Notes] 1. Power consumption intensity: Based on the power consumption of Wistron's main manufacturing plants around the world/plant revenues.
 2. We updated the method of revenue calculation for Mexico Plant in 2018, the intensity of power consumption in 2016 and 2017 has been modified as well.

2019 Wistron Power Use Distribution Map



Use of Renewable Energy: Solar Power and Water Heater Equipment

Wistron's Zhongshan Plant, Kunshan Plant, and Kunshan OPT Plant make good use of the plants' roof space for the installation of a large number of solar panels for the plants' power use, or as hot water heating equipment for the dormitories to reduce carbon emissions caused by the use of electricity or natural gas. Our solar panel construction as of 2019 is as follows:

1. Installed capacity: 2,138.18 kW
2. Total coverage area: 11,325 square meters
3. Power generation in 2019: 2,383,895 kWh
4. Total carbon emissions reduced in 2019: 1,944.12 tons

Use of Renewable Energy: Hydropower

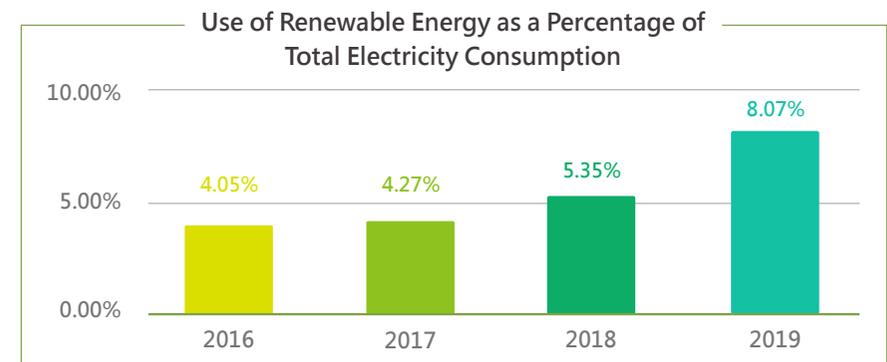
Wistron's Chongqing Plant and Chengdu Plant are less suitable for the installation of solar panels due to natural weather factors. Therefore, we have promoted the outsourcing of hydropower to increase the proportion of renewable energy in the plants. Our hydropower purchase situation in 2019 is summarized as follows:

1. 2019 outsourced hydropower: 38,772,206 kWh
2. Total carbon emissions reduced in 2019: 34,949.27 tons

Overview on The Current Use of Renewable Energy at Wistron

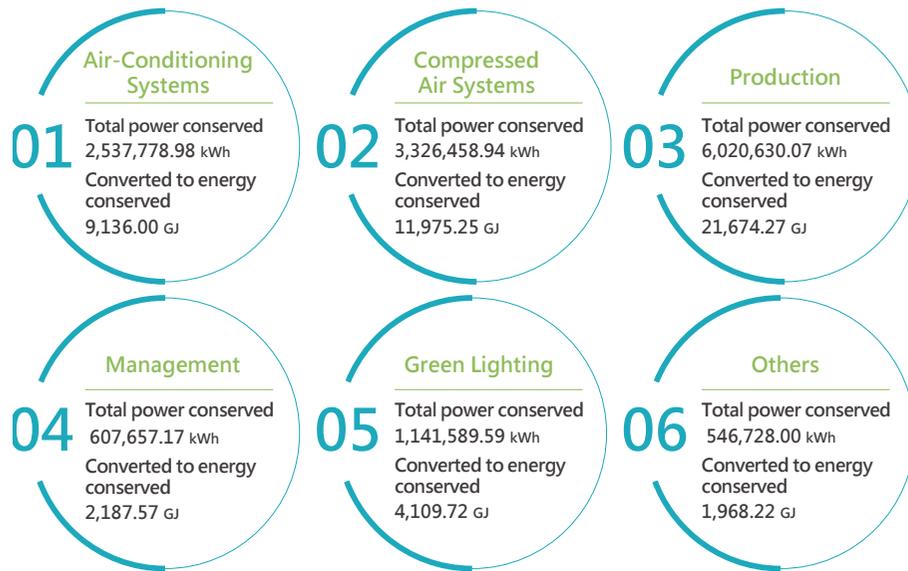
Wistron's total renewable energy use in 2019 is 41,156,101 kWh, accounting for 8.07% of the total electricity consumption, which can reduce carbon emissions by 36,893.39 tons. In order to achieve the goal of continuously upgrading the use of renewable energy, we will continue to find suitable renewable energy channels as our source of energy use, in response to international renewable energy carbon reduction activities.

Solar Power/Water Heater	
Zhongshan Plant	Installed capacity of solar power: 725 kW Coverage of solar water heater: 7,750 square meters
Kunshan Plant	Installed capacity of solar power: 923.38 kWh
Kunshan OPT Plant	Installed capacity of solar power: 489.8 kW Solar Water Heater 308 units
Hydropower	
Chengdu Plant	70% of power consumed in the plant
Chongqing Plant	91% of power consumed in the plant

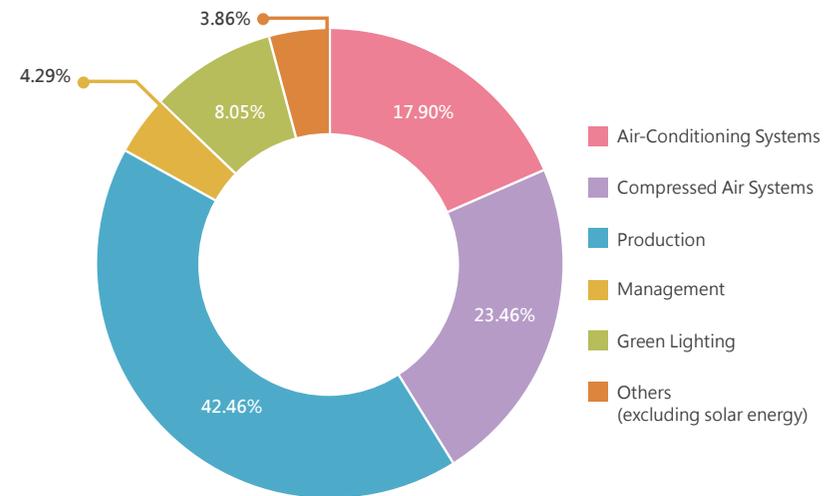


Plant and Office Energy Conservation Measures

To ensure that all of our plants can effectively implement energy management and energy conservation projects, we have appointed facility department or energy task forces for Wistron's plants. In addition to convening regular meetings to review plant status in energy management and the effectiveness of power-saving projects, they also share power-saving experiences. Wistron's energy-saving measures are focused on the six categories of air conditioning systems, compressed air systems, production, management, green lighting, and others. In 2019, there were 107 energy-saving cases and the total power saved was 14,180,843 kWh, which can reduce carbon emissions by about 11,900.32 metric tons. The energy savings in different categories by percentage and the effectiveness of power-saving projects are summarized below.



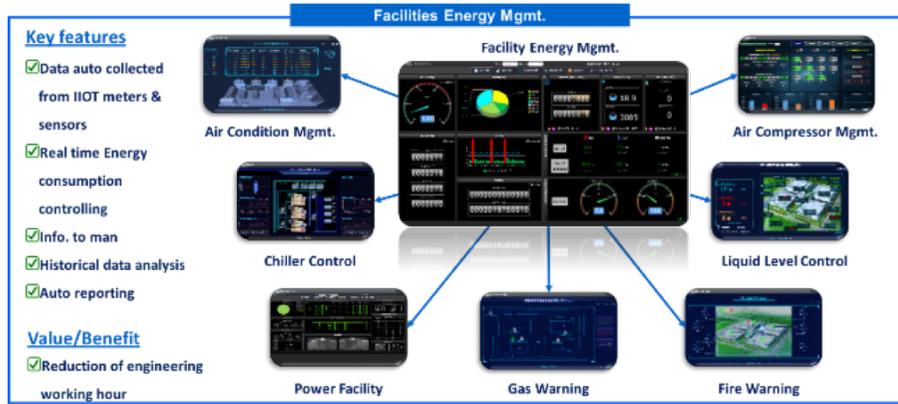
2019 Wistron Power Conservation Distribution Map



Development of Energy & Facility Management System

The Kunshan Plant uses four cores as its main implementation axis to develop a factory information integration system, including air conditioning, chiller, electricity, compressed air, liquid levels, fire alarms, and gas, integrated into a single dashboard platform in order to have access to all information in real time, which is beneficial for follow-up analysis of energy resource efficiency improvement.

1. Promote energy-saving technical improvement enhancement of plant facilities.
2. Use IoT technology to collect real-time operation information of the energy-consuming equipment, and develop an UI visualization.
3. Establish a digitally driven concept of "info to man" to quickly resolve abnormal energy consumption.
4. Use advanced artificial intelligence technology to optimize the setting of plant facilities and achieve energy saving and emission reduction.



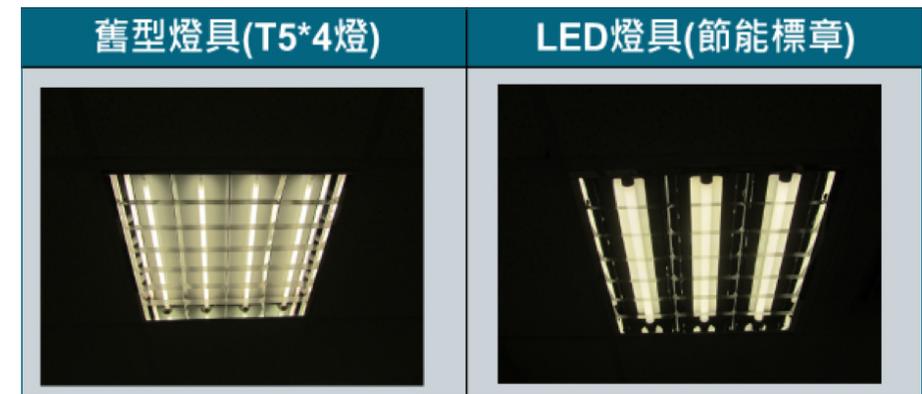
Examples of Energy Conservation Measures Adopted by Wistron

Chongqing Plant: Production line air conditioning air circulation improvement plan
 Added an axial fan to the production line to direct the hot air to the return air outlet of the air conditioner, reducing the overall temperature of the production line, improving the comfort of the production line personnel, and reducing the water temperature of the main water chiller unit. An average of 15,000 kWh per month can be saved.



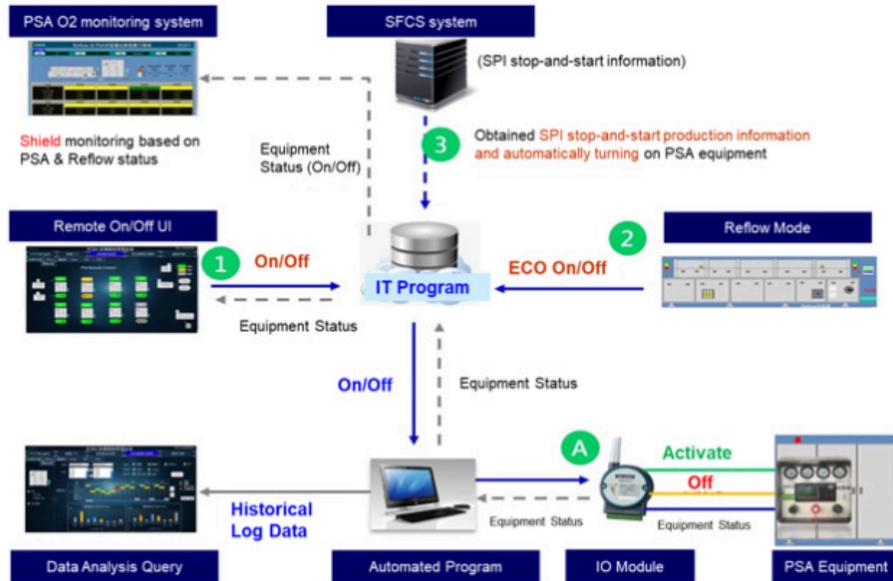
Hsichih Office: Replacement of old lighting equipment
 In 2019, the old T5*4 lighting (power consumption 56W, 2664 lighting units) have been replaced with LED lighting 27W/units in 2019, all lighting unit replacements were completed on October 19. This can reduce electricity consumption by about 210,000 kWh/year (accounting for 3.2% of total electricity consumption of the Hsichih office area), saving about 850,000 NTD in electricity bill per year.

In cooperation with the 2019 subsidy plan of "Country and City Energy Saving Promoting Activities" by the Ministry of Economic Affairs, currently we have received around 200,000 NTD in subsidy (the total subsidy is expected to reach 800,000 NTD), and the recovery period is reduced to 1.1 years.



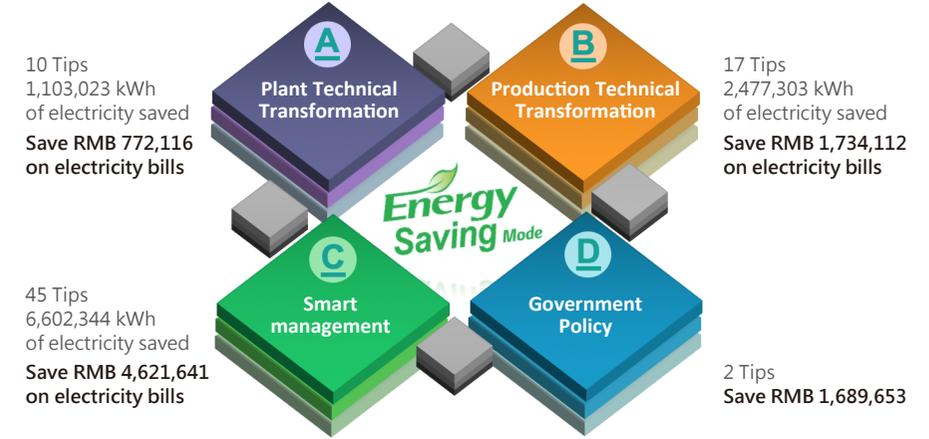
Chengdu Plant: Changed cooling tower fan into inverter system
 Added on a inverter system to the cooling tower to adjust the operating frequency of the cooling tower according to the outdoor temperature, in order to achieve the purpose of energy saving. An average of 13,000 kWh per month can be saved.

Kunshan Plant: Remote controlled on/off switch of nitrogen generator
 Through the IO control module, the IT system integrates the production line data. When not in production or when the line is stopped, the on/off switch of the nitrogen generator can be remotely controlled in real time to achieve the purpose of reducing the air compressor's power consumption.



Taizou Plant: T5 lighting replaced with LED lighting
 T5 lighting was used in office areas and production lines. Since 2019, it has been gradually replaced with LED semi-aluminum and semi-plastic T5 light tubes. The features of this kind of light tubes include: a wide illumination angle, uniform illumination, glare, no flickering, with a variety of wavelengths that can be selected; there is no ultraviolet light and infrared light, and the emitted light has a high color rendering index, high conversion efficiency, energy saving and environmentally friendly, and has a long service life. It is estimated that 170,000 kWh of electricity can be saved every year.

Zhongshan Plant: Effectiveness in Energy Saving Technical Improvement Practice:



Czech Plant: Heat recycling for building temperature adjustment
 The heat energy generated during the long-term testing in the finished product area is recycled and transferred to other areas that require heating, which not only reduces the supply of heating, but also provides employees with a more comfortable working environment.



Energy Consumption Intensity in 2019

Unit : GJ

Item	Energy Consumption
a. Non-renewable Energy	162,415.43
b. Renewable Energy	148,161.96
c. Electricity	1,687,442.86
Total Energy Consumption = a+b+c	1,998,020.25
Energy Intensity (GJ/Billions of NTD)	2,274.99

[Note] 1. The energy intensity is based 2019 revenue (see Financial Performance Overview table)
 2. Item b include the hydroelectric power consumption and the solar power generation

Total Fuel Consumption within Wistron in 2019

Unit : GJ

Item		Neihu Headquarter	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Non-renewable Energy	Diesel	0.00	101.46	7.28	13.30	11,184.86	0.00	0.00	108.97	51.10	127.39	5.89	11,600.25
	Natural Gas	0.00	0.00	0.00	13,812.56	46,079.94	19,802.41	28,538.44	9,742.35	2,381.44	13,474.80	0.00	133,831.94
	Gasoline	0.00	2,516.96	8.08	4,663.44	2,133.30	667.92	1,585.61	1,494.08	1,647.83	149.34	12.57	14,879.13
	Heat	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,099.61	2,099.61
Renewable Energy (GJ)	Hydropower	0.00	0.00	0.00	0.00	0.00	0.00	0.00	82,554.25	57,025.69	0.00	0.00	139,579.94
	Solar Power	0.00	0.00	0.00	3,681.87	1,980.00	0.00	2,920.15	0.00	0.00	0.00	0.00	8,582.02
Purchased Electricity		21,257.52	42,277.61	45,789.91	377,102.74	380,953.20	74,924.25	596,788.55	7,851.98	24,439.58	97,917.37	18,140.13	1,687,442.86
Electricity		21,257.52	42,277.61	45,789.91	380,784.62	382,933.20	74,924.25	599,708.70	90,406.23	81,465.27	97,917.37	18,140.13	1,835,604.82
Total Energy Consumption		21,257.52	44,896.03	45,805.26	399,273.92	442,331.30	95,394.59	629,832.75	101,751.64	85,545.65	111,668.89	20,258.20	1,998,015.75

[Note] 1. The energy consumption statistics are based on the bills sent by the Power Plant and the Natural Gas company, as well as amount of purchased fuel and usage record
 2. 1 kilowatt hour = 1000 Wh = 0.0036 GJ (Use GJ converter from GRI G3.1)
 3. 1 natural gas (kilostere) = 39.01 GJ (Use GJ converter from GRI G3.1)
 4. 1000L diesel = (0.84 ton/1000 L) * (43.33 GJ/ton) = 36.3972 GJ (Use the density of diesel from CPC product specification 0.82 ~ 0.86 Kg / L, and take the median calculation. Use GJ converter from GRI G3.1)
 5. 1000L gasoline = (0.7475 ton/1000 L)*(44.8 GJ/ton) = 33.488 GJ (Use the density of gasoline from CPC product specification 0.72~0.775 Kg / L, and take the median calculation. Use GJ converter from GRI G3.1)
 6. Wistron has not acquired the energy consumption data from its upper and lower suppliers, so no external energy consumption is disclosed
 7. General outsourced power generation structure: Non-renewable energy (nuclear, coal, gas, fuel, combined heat and power) and renewable energy (pumped-storage hydropower, wind and solar energy)

Natural Resource Management

Annual Results

Reduction of 2019 water consumption intensity: 5.08%
There were no incidents of waste leakage in 2019.



With the increasing awareness of environmental sustainability, in addition to paying attention to financial operating performance, companies should also try to avoid causing impacts on the environment. The protection and management of natural resources should also be one of the top considerations, in order to reduce the impact on natural resources in the operation process, as well as reduce on wasting resources.

Wistron Management Strategy and Focus

1. Water recycling plans implemented by plants
2. Each plant set up general affairs, facility affairs and environmental safety units to perform water resources management activities.
3. Strictly abide by and support local environmental laws and regulations.
4. Facility patrol and inspection, and occasional environmental protection promotional activities.

Sustainable Development Goals

1. Continuous reduction of water consumption intensity in the plants:
 - Middle-term: Reduce 20% water consumption intensity by 2025 compared with 2016.
 - Short-term: Reduce 8% water consumption intensity by 2020 compared with 2016.
2. Continuous compliance with regulatory standards for the discharge of wastewater: No incidents of waste leakage in 2019.

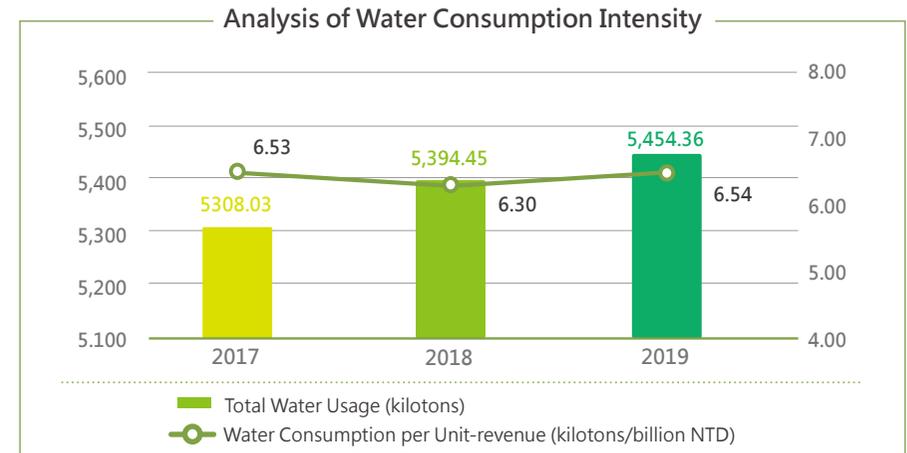
Water Resource Management

Water Resource Management at Wistron

The Wistron plants and offices in Taiwan and China typically use tap water as their water source. In Mexico plant groundwater is used. The Mexico plant is located in an industrial park which is not a preservation zone. In addition, Wistron's water consumption is mainly from domestic usage and some facility equipment (such as: kitchens, toilets, showers, and cooling towers). The product manufacturing process is mostly assembly work. Due to no large demand for water usage, whether water usage or discharge, there is no significant impact on the ecological environment of water resources and their water sources. Nevertheless, we still collect water usage data, regularly perform water quality inspections, and review the current water use situation. We also endeavor to promote various water resources protection activities at all operating sites, including water conservation and water recycling (rainwater, domestic water or process water) with the aim of achieving effective use of water resources.

Current Status and Goals of Water Resources at Wistron

Wistron's water usage goals: Wistron aims to reduce water consumption intensity by 8% per revenue unit by 2020 compared to 2016. This goal has already been achieved through the reduction of water consumption by 8.58% in 2018. We will continue to review the Wistron water management situation and set up new water consumption goals to demonstrate our determination to protect and manage water resources. Wistron's water consumption intensity has been reduced to 5.08% in 2019 compare with 2016.

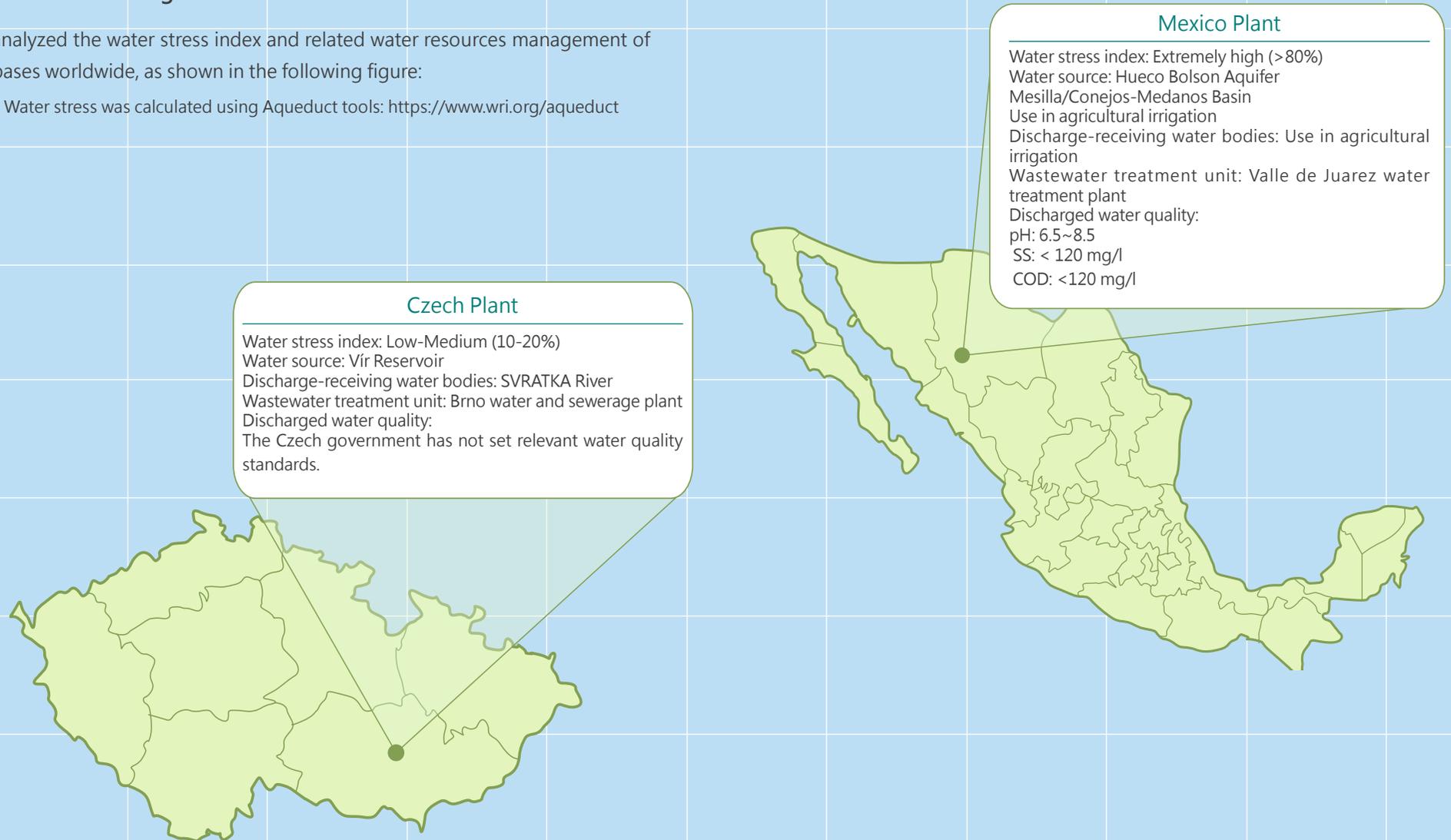


[Notes] 1. Water consumption intensity: Based on the water consumption of Wistron's main manufacturing plants around the world/plant revenues.
 2. We updated the method of revenue calculation for Mexico Plant in 2018, the intensity of water consumption in 2016 and 2017 has been modified as well.

Wistron Water Usage Basic Information

We analyzed the water stress index and related water resources management of our bases worldwide, as shown in the following figure:

Note: Water stress was calculated using Aqueduct tools: <https://www.wri.org/aqueduct>



Czech Plant

Water stress index: Low-Medium (10-20%)
 Water source: Víř Reservoir
 Discharge-receiving water bodies: SVRATKA River
 Wastewater treatment unit: Brno water and sewerage plant
 Discharged water quality:
 The Czech government has not set relevant water quality standards.

Mexico Plant

Water stress index: Extremely high (>80%)
 Water source: Hueco Bolson Aquifer
 Mesilla/Conejos-Medanos Basin
 Use in agricultural irrigation
 Discharge-receiving water bodies: Use in agricultural irrigation
 Wastewater treatment unit: Valle de Juarez water treatment plant
 Discharged water quality:
 pH: 6.5~8.5
 SS: < 120 mg/l
 COD: <120 mg/l



Chengdu Plant

Water stress index: Low (<10%)
 Water source: Yangtze
 Discharge-receiving water bodies: Fuhe River
 Wastewater treatment unit: Huayang Wastewater Treatment Plant No. 2
 Discharged water quality:
 pH: 6~9
 SS: 400 mg/l
 COD: 500 mg/l

Chongqing Plant

Water stress index: Low (<10%)
 Water source: Jialing River
 Discharge-receiving water bodies: Hou River
 Wastewater treatment unit: Yubei District Chengbei Wastewater Treatment Plant
 Discharged water quality:
 pH: 6~9
 SS: 400 mg/l
 COD: 500 mg/l

Taizhou Plant

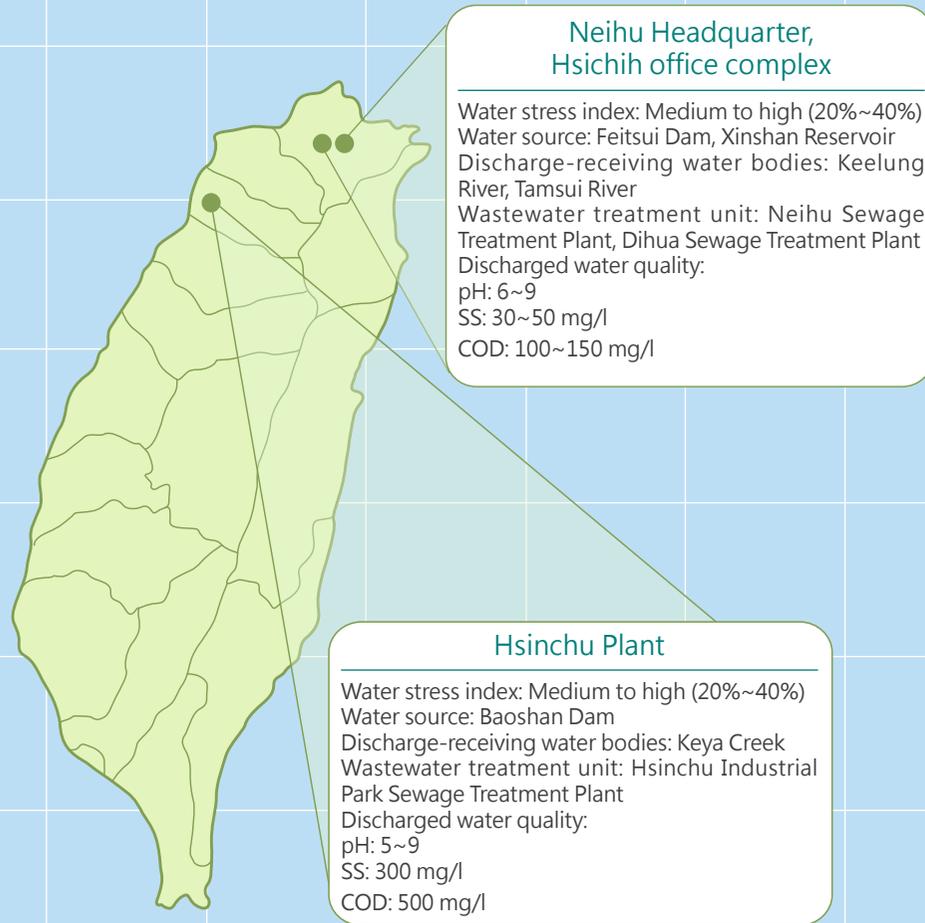
Water stress index: Low (<10%)
 Water source: Yangtze
 Discharge-receiving water bodies: Yinjiang River
 Wastewater Treatment Unit, Taizhou Chengnan Wastewater Treatment Plant No.2
 Discharged water quality:
 pH: 6~9
 SS: 400 mg/l
 COD: 500 mg/l

Kunshan Plant, Kunshan OPT Plant

Water stress index: High (40-80%)
 Water source: Yangtze
 Discharge-receiving water bodies: Suzhou Creek
 Wastewater treatment unit: Kunshan Development Zone Lucheng Precision Water Purification Co., Ltd., Precision Machinery Industrial Park Sewage Treatment Plant
 Discharged water quality:
 pH: 6~9
 SS: 70~300 mg/l
 COD: 100~500 mg/l

Zhongshan Plant

Water stress index: Low (<10%)
 Water source: Shiqi River
 Discharge-receiving water bodies: Shiqi River, Hengmen Waterway
 Wastewater treatment unit: Zhenjiashan Wastewater Treatment Plant, Linhai Industrial Park Wastewater Treatment Plant
 Discharged water quality:
 pH: 6.5~9.5
 SS: 250~400 mg/l
 COD: 300~500 mg/l



Water Resource Recycling Management

We have set up various water recycling measures at the plants based on the internal water usage situation and facility status. The 2019 water recycling situation is summarized as follows:

1. Overall recycled water volume: 611.11 million liters
2. Percentage of recycled water out of total water consumption: 11.20%

Water Recycling Methods

Plants	Management Practice
Hsinchu Plant	Raft foundation water collection (reusing rainwater in cooling tower)
Zhongshan Plant	<ol style="list-style-type: none"> 1. Install rainwater recycling system for toilets used in Zhongshan Plant TB2. 2. Collect wastewater from drinking fountains in TB5 office areas for flushing toilets.
Kunshan Plant	Recycle and reuse RO wastewater from plant areas
Chongqing Plant	<ol style="list-style-type: none"> 1. Modify the central drinking water processing system, and collect the water during the water-producing process for use as sanitation water 2. Recycle condensed water from air conditioners
Kunshan OPT Plant	Reclaim water recycling system recycles water to the original water tank to produce purified water

Water Recycling and Reuse in 2019

Unit: Million liters												
Item	Neihu Headquarters	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Volume of Recycled and Reused Water	0.00	0.00	0.10	9.09	601.31	0.00	0.62	0.00	0.00	0.00	0.00	611.11
As a Percentage of Total Water Usage (%)	0.00%	0.00%	0.13%	0.67%	53.49%	0.00%	0.03%	0.00%	0.00%	0.00%	0.00%	11.20%

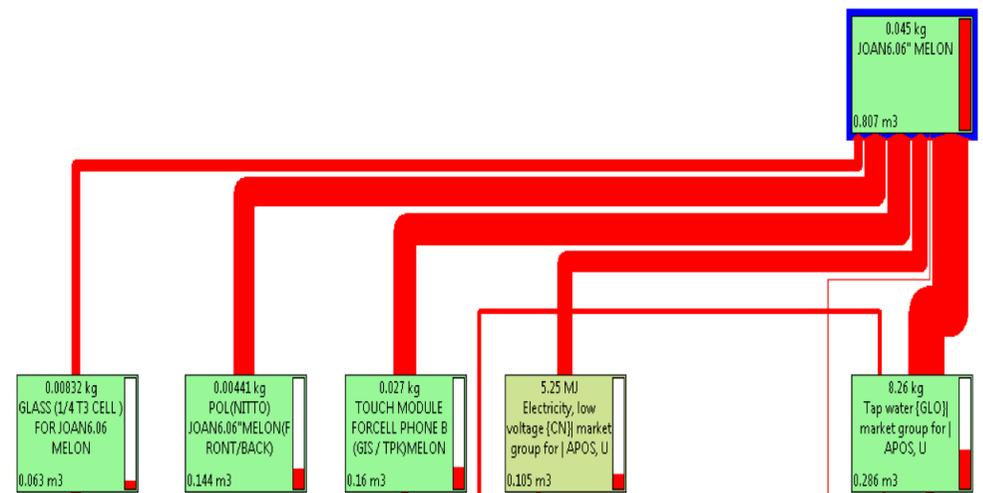
[Note] Data collection method: Water meters

Water Footprint Project

Only Wistron's Taizhou Plant and Kunshan OPT Plant use water resources in the production process. Therefore, we set up Kunshan OPT Plant, which has a higher water stress index, as a demonstration plant and carried out an internal water footprint inventory project, beginning with the establishment of water resources/water footprint project methodology, water usage inventory and equilibrium diagrams, finally successfully completing the water footprint inventory calculations. In the future, we will continue to assess whether a formal water footprint inventory should be fully implemented:

1. Calculation scope: Cradle to gate
2. Product: Mobile phone LCD touch module (LCM)
3. Water footprint calculation results: 0.81 tons

Product Water Footprint Distribution Equivalence Map



Water Usage in 2019

Unit: Million liters

Item	Neihu Headquarters	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Total Water Usage	16.62	61.76	74.61	1,365.30	1,124.09	416.81	1,924.77	243.30	127.31	95.74	4.05	5,454.36
Surface Water (including rainwater)	0.00	0.00	0.10	0.00	0.00	0.00	0.86	0.00	0.00	0.00	0.00	0.96
Ground Water	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	95.74	0.00	95.74
Waste Water from Another Organization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tap Water	16.62	61.76	74.52	1,365.30	1,124.09	416.81	1,923.91	243.30	127.31	0.00	4.05	5,357.65

- [Notes] 1.Total water consumption = Surface water + ground water + rainwater + other wastewater produced by the organization + tap water
 2. Data collection method: water bills
 3. The main sources of water are freshwater resources - surface water, groundwater, and tap water.

2019 Water Consumption Statistics

Unit: million liters

Item	Neihu Headquarters	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Total Water Consumption	3.32	12.35	15.00	273.06	224.82	48.74	0.86	48.66	25.46	19.15	0.00	671.43

[Notes] Water consumption=Water usage- Water discharge

Wistron Water Consumption Situation	Areas with Water Stress
671.43	517.02

[Notes] Areas with water stress: Kunshan Plant, Kunshan OPT Plant, Mexico Plant

Using Water Source to Classify Water Usage

Unit: Million liters

Item		Wistron Water Usage Situation	Areas with Water Stress
Surface Water	Freshwater	0.96	0.00
	Other Water	0.00	0.00
	Total	0.96	0.00
Ground Water	Freshwater	95.74	95.74
	Other Water	0.00	0.00
	Total	95.74	95.74
Seawater	Freshwater	0.00	0.00
	Other Water	0.00	0.00
	Total	0.00	0.00
Produced Water	Freshwater	0.00	0.00
	Other Water	0.00	0.00
	Total	0.00	0.00
Third-Party Water	Freshwater	5,357.65	2,489.39
	Other Water	0.00	0.00
	Total	5,357.65	2,489.39
Total Water Usage		5,454.36	2,585.13

[Notes] Areas with water stress: Kunshan Plant, Kunshan OPT Plant, Mexico Plant

Wastewater Management

Wistron's Wastewater Management

Most of Wistron's manufacturing plants are assembly plants that do not need to use water during production activities. The wastewater generated by these plants is primarily domestic wastewater. All wastewater are collected by specific water pipes and then transported through a sewage system into a wastewater treatment plant, where it is processed before being discharged, so there is no direct discharge to the natural water bodies. In addition, we also regularly perform effluent testing to ascertain the quality of the effluent and confirm that the effluent can meet the discharge requirements. Therefore, the effluent does not influence bodies of water, habitat characteristics, surrounding areas, conservation status, or biodiversity.

In terms of water usage for production processes, only our Taizhou Plant and Kunshan OPT Plant have water usage requirements. Therefore, there is a wastewater treatment station in the plants for internal wastewater treatment, and any abnormal problems are dealt with in real time through online real-time monitoring.

Current Status and Goals of Wastewater Management at Wistron

Our management of wastewater is in strict compliance with the government's effluent regulations and is based on the ISO 14001 Environmental Management System to prevent waste leakage and environmental complaints and penalties. Wistron's plants were not involved in any incidents of leakage in 2019.

2019 Water Discharge Information Statistics Table

Unit: Million liters

Item	Neihu Headquarters	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Total Water Discharged	13.30	49.41	59.61	1,092.24	899.27	368.07	1,923.91	194.64	101.85	76.60	4.05	4,782.93

[Notes] 1. If there is no water meter or specific requirements at the wastewater outfall: Total Discharge Volume = Total Water Usage*80%

2.The effluent is uniformly collected from the wastewater treatment plant and discharged after proper treatment. There is no direct discharge of surface water, groundwater or seawater.

Using the End Destination to Classify Discharged Water

Unit: Million liters

Using the End Destination to Classify Discharged Water	Wistron Water Discharged Situation	Areas with Water Stress
Surface Water	0.00	0.00
Ground Water	0.00	0.00
Seawater	0.00	0.00
Third-Party Water	4,782.93	2,068.10
Third-Party Water (for use by other organizations)	0.00	0.00
Total Water Discharged	4,782.93	2,068.10
Using Freshwater/Other Water to Classify Discharged Water Volume	Wistron Water Discharged Situation	Areas with Water Stress
Freshwater	0.00	0.00
Other Water	4,782.93	2,068.10

[Note] Areas with water stress: Kunshan Plant, Kunshan OPT Plant, Mexico Plant

Waste and Toxic Substance Management

Annual Results

2019 waste recycling rate: 87.73%

2019 waste output intensity reduction: -1.52%
(No reduction compare with 2018)



The current international trend in the management of waste and hazardous materials has entered the era of circular economy. During operations, enterprises should conduct a comprehensive evaluation and inventory of the generation and flow of waste and hazardous materials, and treat all waste as potential resources. This is not only to properly carry out environmental protection and management, but also to use and recycle material to reduce operating costs and even create niche market opportunities.

Wistron Management Strategy and Focus

1. Each plant set up general affairs, facility affairs and environmental safety units to perform waste and toxic substance management activities.
2. Strictly abide by and support local environmental laws and regulations.
3. Regular monitoring of laws and regulations, facility patrol and inspection, and occasional environmental protection promotional activities

Related Policies and Commitments

Wistron is committed to avoiding the use of prohibited substances and raw materials and recycling wastes. We carefully select raw materials and suppliers through green product plans and endeavor to reduce pollutant emissions by employing environmentally friendly technologies. We abide by environmental regulations that are associated with our activities, products and services, as well as customer requirements, with the aim of meeting and surpassing the relevant standards.

Please visit our website for the full content of our policies:

<https://www.wistron.com/CMS/Page/14>

Sustainable Development Goals

1. Continue to raise waste recovery rate (%): Increase the overall average waste recycling rate to 90% by 2020
2. Continue to reduce waste output intensity: reduce 10% waste output per revenue unit by 2025 compared with 2018

Materials Management

Wistron's Materials Management

Wistron integrates the concept of circular economy in the product design and development stage. Wistron chooses recyclable materials that will not compromise product functionality, and we also continuously cooperate with part suppliers and recycle reusable packaging materials to increase the reuse ratio of resources. In the selection of raw materials for the products, the IECQ QC 080000 hazardous substance process management system is combined with our self-developed Green Product Management (GPM) for materials inspection, to ensure that the goal of products containing no hazardous substances can be achieved.

Current Status of Material Use at Wistron

Our material management is mainly divided into the use of materials and use of packaging materials. We gather the annual weight statistics of the materials used in the product and packaging through the Import/Export Customs Declaration System. Our product and packaging material use statistics in 2019 are as follows:

Product Materials and Packaging Materials used in 2019

Unit: Tons

Material	Volume of Material Usage		Volume of Packaging Material Usage	
	2018	2019	2018	2019
Zhongshan Plant	132,657.17	118,201.76	35,408.26	38,987.47
Kunshan Plant	34,291.30	33,534.89	6,698.84	10,401.91
Kunshan OPT Plant	7,894.12	6,572.84	1,992.22	2,625.00
Taizhou Plant	6,013.47	3,524.86	2,400.98	372.84
Chongqing Plant	43,399.00	43,585.74	3,243.00	8,609.54
Chengdu Plant	30,203.52	25,237.05	2,045.35	7,232.09
Total	254,458.58	230,657.13	51,788.64	68,228.84

- [Note] 1. Volume of Material Usage = Weight of Product + Weight of Packing Material weight
 2. Volume of Packaging Material Usage = Weight of Packing Material weight
 3. Apart from the Zhongshan Plant, other plants have re-integrated system data and defined the types of packaging materials to be recycled since 2019.

Recycled Material Used in 2019

Site	Percentage of Recycled Material
Zhongshan Plant	32.98%
Kunshan Plant	31.02%
Kunshan OPT Plant	39.94%
Taizhou Plant	10.58%
Chongqing Plant	19.75%
Chengdu Plant	28.66%

- [Note] Percentage of recycled raw material = (Total recycled input materials used/Total input materials used) x 100%

Waste Management

Wistron's Waste Management

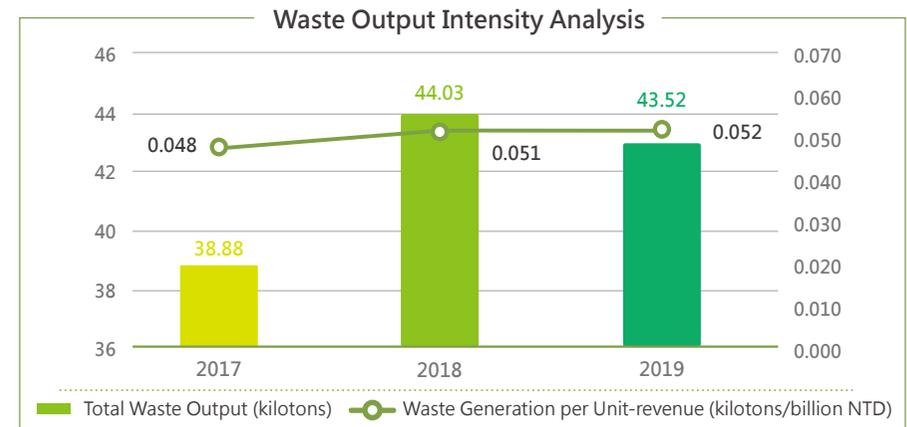
Wistron reduces the generation of waste with source reduction and recycling programs. In order to implement management of recyclable waste, based on the law, we defined various types of recyclable wastes that may be generated in the plants, such as: waste cardboard boxes (packaging material), plastics, paper, scrap metal, and batteries, etc. Recycling stations have been set up in the office and plant areas. Waste material is uniformly collected in the temporary storage area and cleared away by the recycling companies. With more refined recyclable waste classification, we can reduce the cost of waste disposal and reduce operating costs. Special waste generated in the production process, such as solder paste and solder splatter, chemical solvents (isopropyl alcohol, flux, thinner, etc.), and lubricating oil, are sorted, labeled, and stored in appropriate storage areas, then handled and cleared away by qualified waste contractors approved by government agencies. For waste contractors, we have devised auditing plans to ascertain the ultimate flow of our wastes.



▲ Czech Plant - cardboard packaging materials collection area

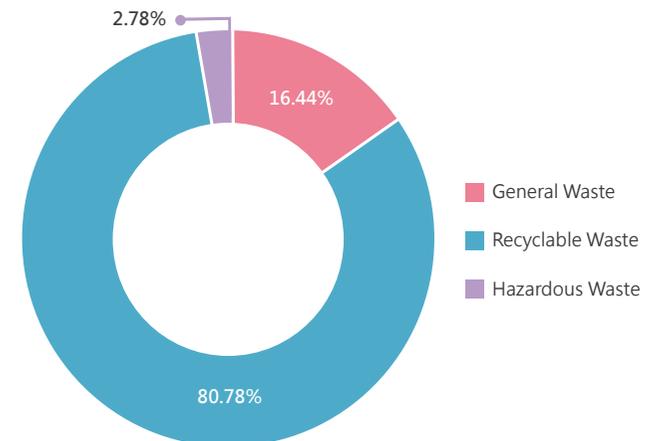
Current Status and Goals of Waste Output at Wistron

In 2016 Wistron established a waste recycling target: increase the overall average waste recycling rate to 90% by 2020. In response to international trends, we have added a waste reduction goal: reduce 10% waste output intensity per revenue unit by 2025 compared with 2018. Wistron's waste recovery rate in 2019 was 87.52%, and waste output intensity was increase by 0.34% compare with 2018.



[Notes] Waste output intensity: Based on the waste output of Wistron's main manufacturing plants around the world/plant revenues.

Waste Output Distribution Map



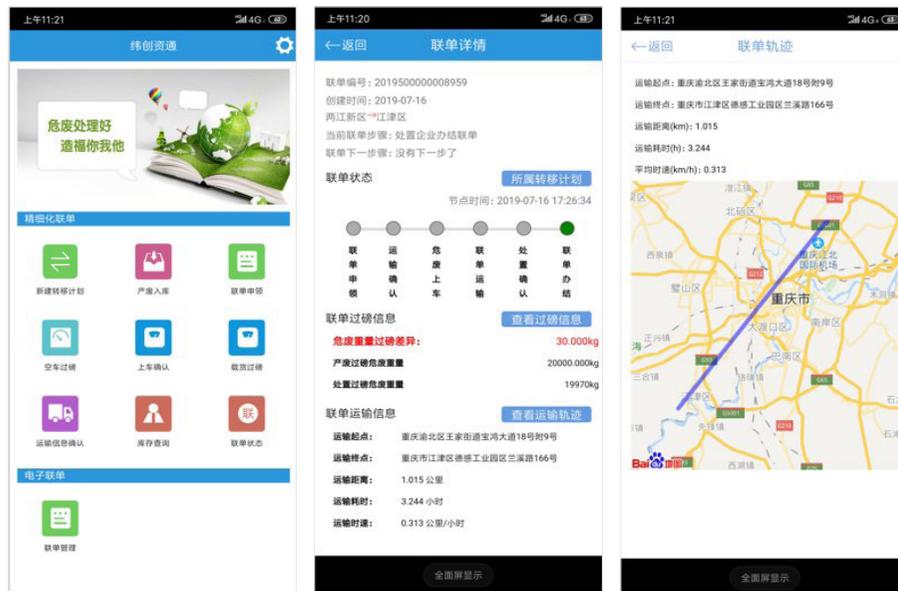
Waste by Type and Disposal Method in 2019

Unit: Tons													
Item		Neihu Headquarter	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
General Waste	Incineration	7.55	21.41	67.48	1,404.23	268.51	208.57	1,656.38	105.69	0.00	0.00	20.66	7,154.29
	Landfill	0.00	0.00	3.32	0.00	0.00	0.00	0.00	0.00	25.37	336.77	5.24	
	Deep well injection	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	On-site storage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Other (Kitchen waste)	0.27	13.08	17.82	855.22	432.30	80.98	536.70	382.70	180.60	523.45	0.00	
Recyclable Waste	Composting	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	227.74	35,157.72
	Reuse	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Recovery	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Recycling	2.44	97.84	228.32	6,250.36	1,751.01	364.12	11,272.75	7,028.78	4,566.12	2,791.30	576.93	
Hazardous waste	On-site storage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,208.83
	On-site treatment and discharge	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	Off-site transport to TSDF (Treatment Storage and Disposal Facility)	0.00	2.81	23.39	222.01	77.63	14.60	574.04	182.70	107.57	3.99	0.09	
Total Weight of Waste		10.26	135.14	340.34	8,731.81	2,529.45	668.27	14,039.87	7,699.87	4,879.66	3,655.51	830.67	43,520.84
Waste Recovery Rate (%)		26.44%	82.08%	72.32%	81.38%	86.32%	66.60%	84.11%	96.25%	97.28%	90.68%	96.87%	87.73%

[Note] 1. All of our sites do not import, export or transport hazardous waste as prescribed by the Appendix Articles I · II · III · VIII of the Basel Convention
 2. Waste recovery rate (%) = (Other (Kitchen waste) + Composting + Reuse + Recovery + Recycling Waste)/ Total Weight of Waste) X 100%
 3. Information of the waste disposal method are provided by the waste disposal contractors

Hazardous Waste Delicacy Management

The Chongqing Plant cooperates with government agencies to use the hazardous waste delicacy management information system to manage hazardous wastes, regulate hazardous waste packaging and labeling, and create a "One Object, One Code" management system for hazardous wastes. Application program functions for information tracking are applied to the entire process of hazardous waste storage, transfer, utilization and disposal, to implement the management of hazardous waste storage, transfer plan, and declaration filing.



Reducing Waste Volume

The Czech Plant has rented two crushers, which are mainly used for compressing the volume of paper and soft plastic waste, thereby improving the load capacity and clearance efficiency of waste collection equipment, as well as reducing the need to take up too much storage space.

Emission Management

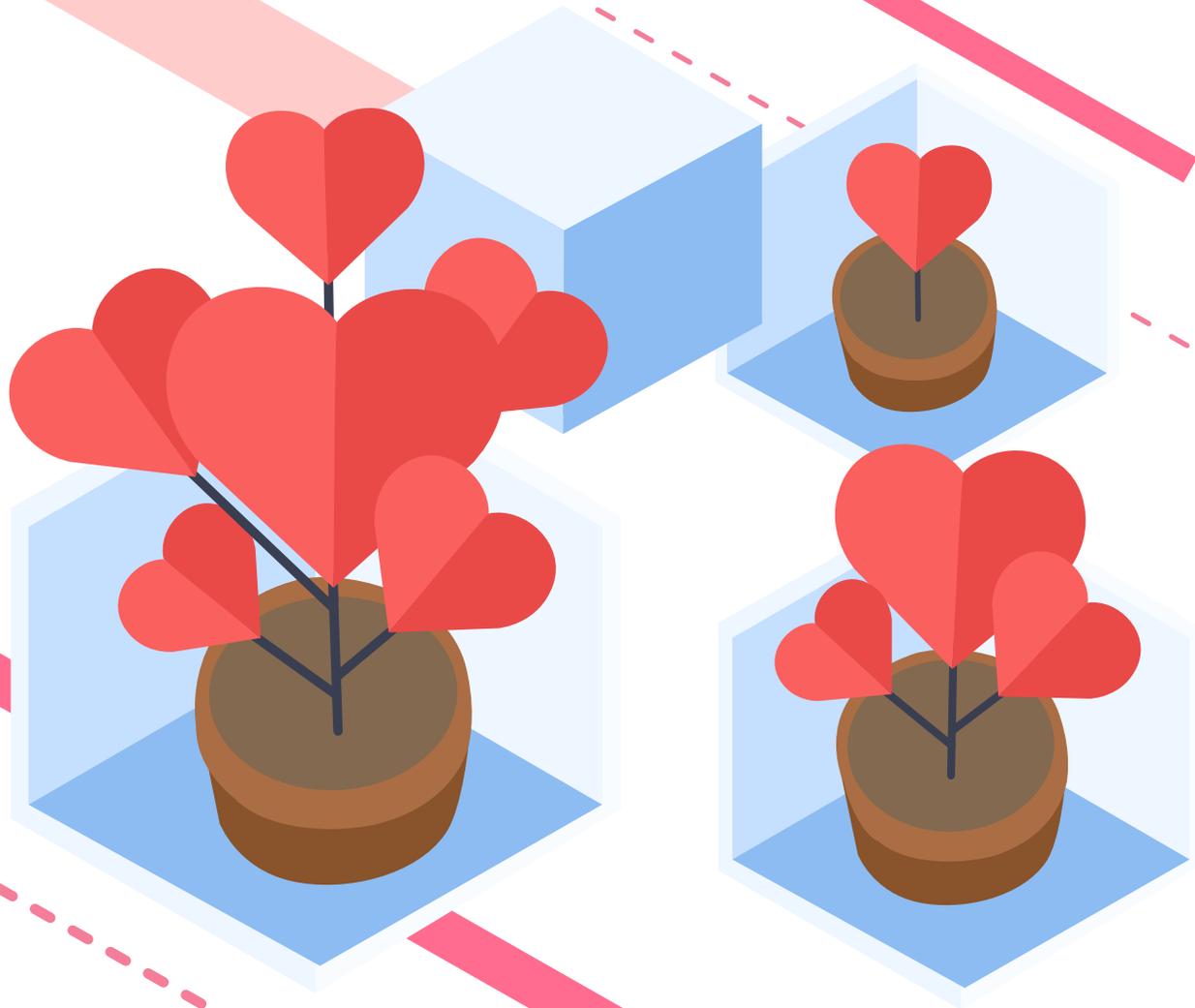
Wistron's Emission Management

Due to Wistron's manufacturing process characteristics, the gas emissions generated during the production process are mainly hot gas and tin smoke. In accordance with internal standard procedure management, the exhaust gas is uniformly collected in pipelines and then passed through the treatment equipment. In addition, we regularly perform exhaust outlet sampling to ensure that gas emissions comply with legal requirements.

Major Air Pollution Emissions

Ozone Depleting Substances (ODS): Wistron includes ODS as an item of hazardous substance management. We stipulate that all materials supplied to Wistron may not be deliberately adulterated and require all suppliers to sign a statement or declaration proving that their materials are environmentally friendly materials that conform to regulations.

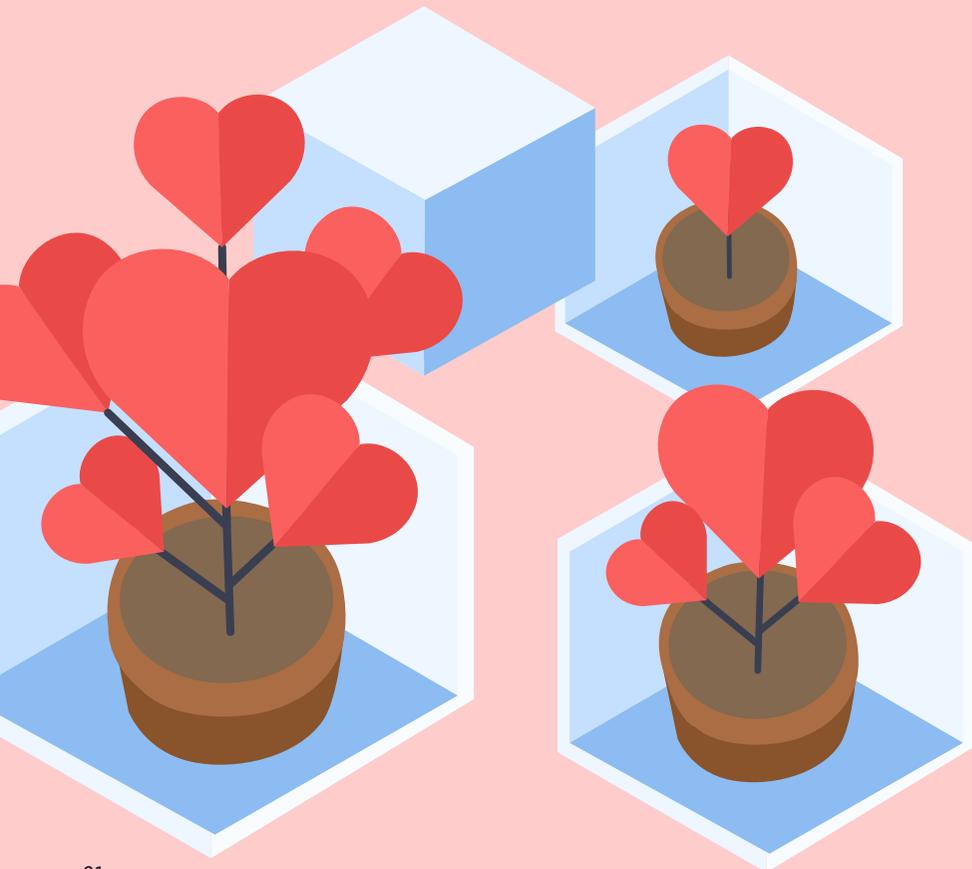
Nitrogen oxides and sulfur oxides: nitrogen oxides and sulfur oxides are normally combusted and emitted only during the emergency use of power generators and are therefore not considered a main source of emissions.



Humanity and Social Care

Human Rights
Employee Development and Well-being
Stakeholder and Social Responsibility
Management
Product Quality and Safety
Social Participation and Care
Wistron Foundation

Human Rights



Human Rights and Anti-Discrimination

Wistron's core value lies in being a people-centric organization that is committed to developing and maintaining a system promoting employee rights and benefits. Wistron ensures that all of its management systems are compliant with local labor laws; furthermore, a consistent set of standard human rights policy, including employee health, workplace safety, and other work-related rights and benefits, is globally implemented in Wistron. We support and respect international labor rights regulations by following global, authoritative standards, such as: the UN Guiding Principles on Business and Human Rights (UNGPs), ILO Tripartite Declaration of Principles, ILO Declaration of Fundamental Principles and Rights at Work (ILO87 and ILO98), OECD Guidelines for Multinational Enterprises, the UN Universal Declaration of Human Rights, the UN Global Compact, and the Code of Conduct for Responsible Business Alliances.

Wistron is committed to rooting out any behavior that curtails human rights directly or indirectly. The company prohibits all forms of employment discrimination. In terms of employment, compensation, training, promotion, unemployment and resource distribution, Wistron shall not show any distinction or preference regardless of region, race, nationality or background, social status, lineage, religion, physical disabilities, gender, sexual orientation, pregnancy, marital status, union membership, political opinions, appearances, age or union relationship. Instead, Wistron provides fair opportunity for all employees based on competency and contribution.

Wistron is committed to eliminating and avoiding any form of discrimination and to the best of its ability promotes anti-discriminatory policies to external parties, including customers, suppliers, and the general public. To ensure that managers and their subordinates fully understand the company's human rights

principle. All Wistron offices and plants around the world must comply with the "Wistron Corporate Sustainability and Social Responsibility Policy," which requires each and every employee to complete the "Corporate Sustainability and Social Responsibility (CSR)" (including human rights policy) courses in the online training system. To ensure that all employees can fully understand the policy, Wistron announced the relevant regulations on the company's internal website for reference.

Wistron's personnel management policies and related regulations are established in accordance with the aforementioned policy, upholding the principle of fairness, in which any forms of discrimination and sexual harassment are prohibited. Related policies and management systems are separately described in the following chapters. We also examine the implementation status of issues concerning the use of child and minor labors, forced labor, discrimination, sexual harassment, and freedom of expression. Neither sexual harassment, violation of human rights, nor any form of discrimination has occurred in 2019, due to our continuous advocacy work. In addition to zero violations of the national minimum wage or legal protections to employee life and safety, Wistron has entirely proven its emphasis of employee and human rights issues.

Child Labor and Underage Workers

Wistron does not engage in child labor and we verify the actual age of job applicants carefully during the recruitment process. Wistron ensures that workers older than the local minimum working age but under the age of 18 are employed to fill the need for expanded production capacity though they are only allowed to work in less-hazardous positions and are subject to enhanced training, care and management for their safety and health. The status of underage workers in 2019 is as follows.

Forced or Compulsory Labor

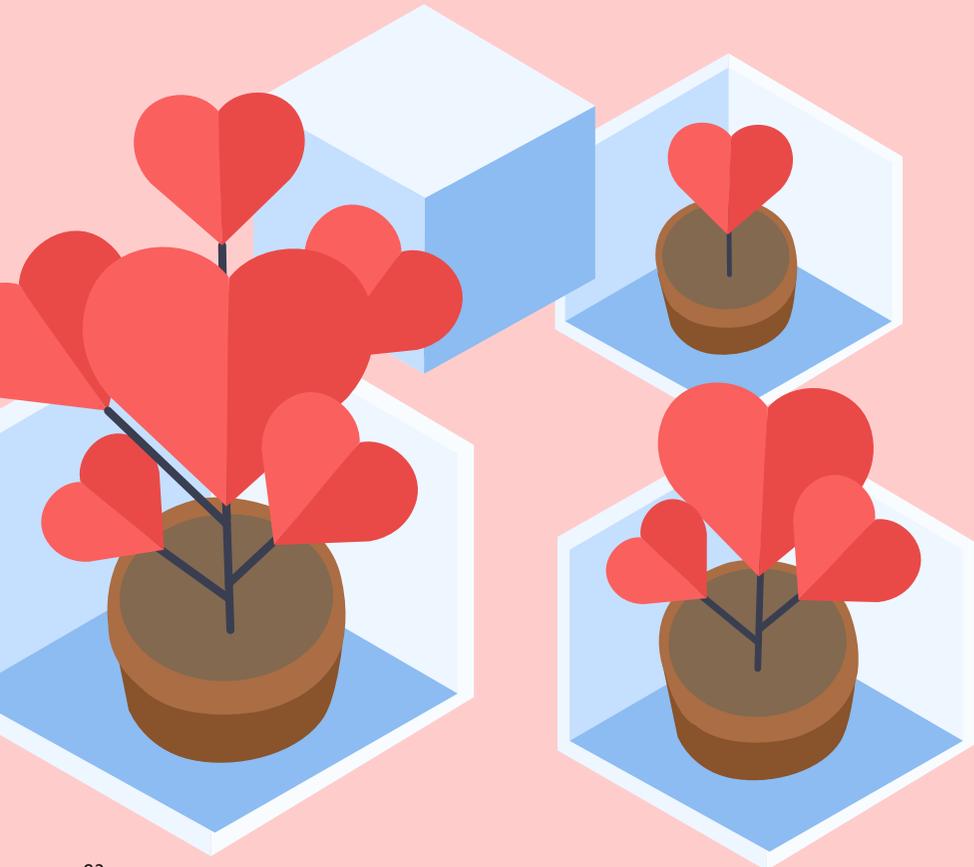
Wistron promises that any form of involuntary or exploitative prison labor, slavery or trafficking of persons will not be used. In addition to standard work-related agreements, Wistron will not use financial means or other methods to impose limitations on the relationship between Wistron and employees, including detaining payments or identification documents. Within the scope of legal regulations, employees have the right to terminate their employment contracts. In 2019, no forced or compulsory labor incident were reported.

Underage Workers in 2019

Employment Type	Taiwan Offices	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant
Underage Workers	91	3,649	7,322	901	18	3,023	0	0	1

Unit: Person

Employee Development and Well-being



Recruiting and Cultivating Talent and Teams

Workforce Distribution and Diversity

As of the end of 2019, the total number of Wistron's global employees and staff distribution based on gender and employment type per region is presented below. There is a male/female ratio of 68: 32. Employment types depend on each country's laws, operation, and capacity demands. All employees with all employment types have legal rights and interests since the first day of employment. Wistron's global employee distribution based on gender and employment type per region is shown below:

2019 Statistics of Employees

					Unit: Person
Region	Taiwan offices	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant
Male	5,176	15,460	5,276	1,050	12,569
Female	2,670	7,244	2,770	593	5,188
Total	7,846	22,704	8,046	1,643	17,757
Region	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Male	2,959	3,680	1,387	166	47,723
Female	1,442	1,681	818	179	22,585
Total	4,401	5,361	2,250	345	70,308

[Note]Taiwan = Neihu Headquarter, Hsichih Office Complex, and Hsinchu Plant

Types of Employment

										Unit: Person
Form of Employment	Taiwan offices	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Indefinite or Permanent contract	7,497	817	149	180	2,882	567	531	2,205	159	14,987
Fixed term or Temporary contract	349	21,887	7,897	1,463	14,875	3,834	4,830	0	186	55,321
Total	7,846	22,704	8,046	1,643	17,757	4,401	5,361	2,205	345	70,308
Full-time	7,828	22,704	8,046	1,643	17,757	4,401	5,361	2,205	318	70,263
Part-time	18	0	0	0	0	0	0	0	27	45
Total	7,846	22,704	8,046	1,643	17,757	4,401	5,361	2,205	345	70,308

Wistron puts emphasis on diversification and is dedicated to providing a working environment where employees are rewarded and encouraged for their participation and individual talent. Through fair hiring and promotion process, the company continuously cultivates and trains various employees. Discrimination or unequal treatment against women still exists in workplaces all over the world. Wistron has managed its strong reputation in social responsibility in management and development; therefore our female employees have the same opportunities and rights as male employees in the workplace, including salary, performance evaluation, promotion, benefits, education and training, and participation in company activities and decision-making. Employees with different backgrounds and specialties enhance our corporate competitiveness. As for global indirect labor, the number of employees according to management level, gender and age are listed below:

Worldwide Indirect Employees by Level, Gender and Age Group

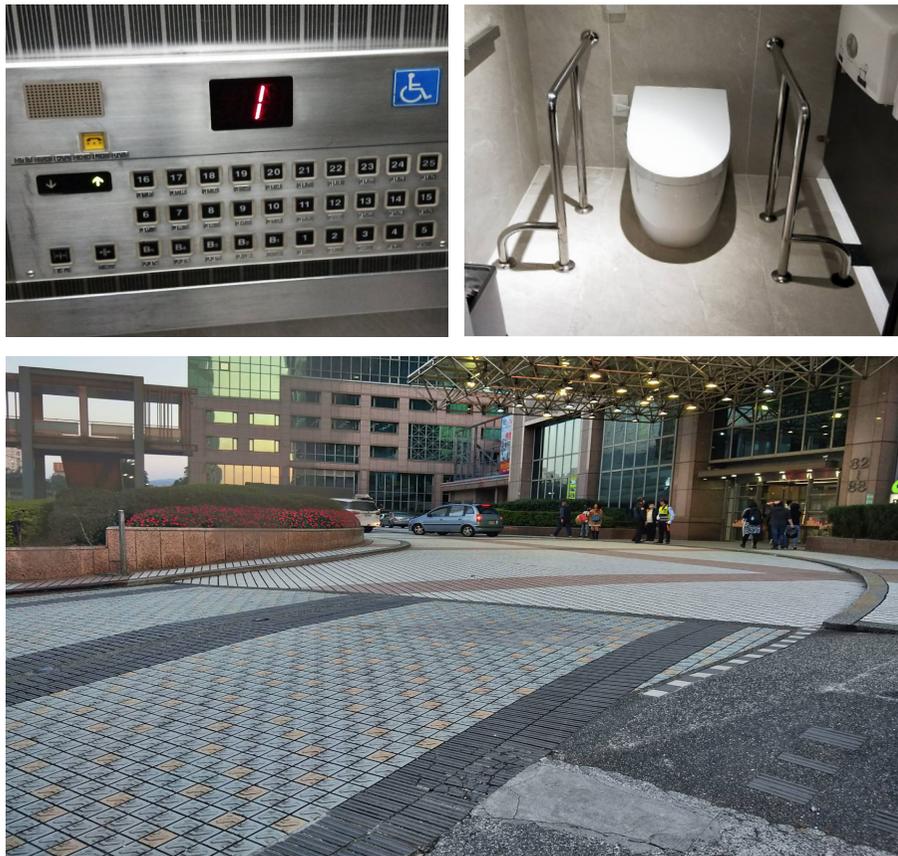
							Unit:%
Age Group	Management				Non- Management		Total
	Department Level and Above		Section Level		Male	Female	
	Male	Female	Male	Female			
< 30	0.03	0.05	0.50	0.28	24.38	13.03	38.27
30-50	5.85	1.47	4.82	1.88	29.47	14.92	58.41
> 50	1.52	0.24	0.05	0.03	1.09	0.38	3.31
Total	7.40	1.76	5.37	2.19	54.95	28.33	100.00

Comparison of Non-managerial Full-time Staff in Taiwan

	2018	2019	Difference
Number of People	6,013	5,579	- 434

Employment of the Physically Challenged in Taiwan

Wistron actively adheres to Article 38 of "People with Disabilities Rights Protection Act" in Taiwan in the hiring of physically challenged persons. We ensure that the workplace is equipped with friendly facilities for physically-challenged employees. Accessible space designs and facilities in the Taiwan office area are shown as below.



▲ Accessible facilities in Hsichih Taiwan offices.

New Hire and Turnover Management

When an employee resigns, we fully respect his/her decision regardless of their reason. We then try to find out their reason for leaving and use this as an opportunity to identify problems for further improvement. The table below shows the statistics of new hires and turnovers in 2019 sorted by gender and age group. Turnover includes voluntary resignation and other reasons. Most were concentrated in direct employees under the age of 30.

Total Number of New Hires and Turnover in 2019

Total Number of New Hires and Turnover in 2019			
Unit: Person			
Item	Age Group	Male	Female
2019 New Hires	< 30	112,462	37,344
	30-50	22,223	7,648
	>50	72	35
Total		179,784	
2019 Turnovers	< 30	117,513	39,066
	30-50	23,293	8,031
	>50	75	42
Total		188,020	

Employee Engagement

Wistron cares about its employees and listens to their feedback and opinions, and continues to implement improvement plans. We implement the Employee Engagement and Contribution Survey every three years. This questionnaire covers the six major dimensions of work input. The target coverage rate must reach 80%. Results of the report is expected to be published in 2020. Pinpointing the employees' needs and level of engagement through the survey report will help the management level to find problems and carry out improvements.

Local Hiring

Based on its recruitment policy, Wistron employs the best talents found in various countries. Wistron also considers the cultivation of local management talents as a key goal of implementing talent localization for all factories. In 2019, local talents who work as managers accounted for 83.9%, with 58.9% assuming positions higher than Director. The data showing local employees who work as managers per region is presented below:

Region	China	Mexico Plant	Czech Plant
Percentage of Local Managers	85.0	61.9	81.8
Percentage of Local Department Level or Higher Managers	58.9	58.2	63.6

Year	2016	2017	2018	2019
Percentage of Local Managers	83.6	84.1	85.0	85.0

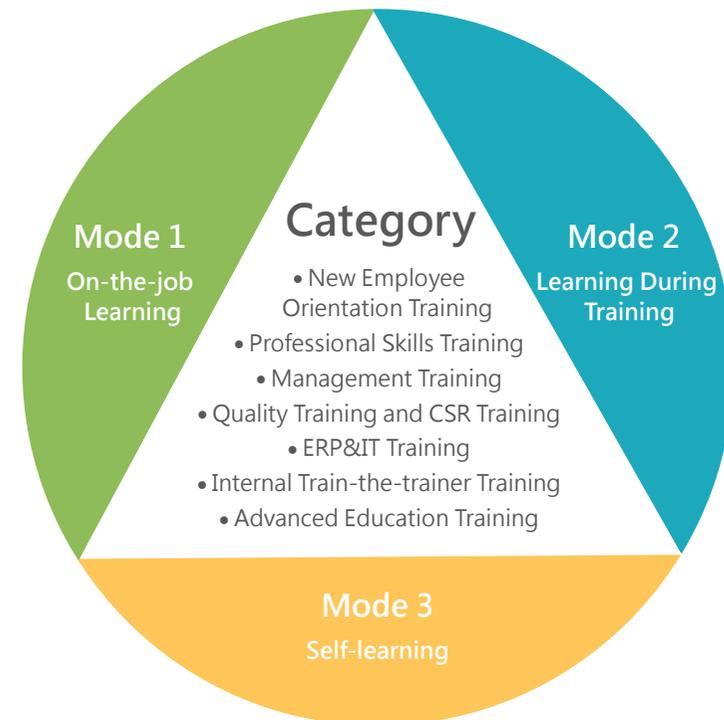
Talent Cultivation and Career Development

Wistron is committed to becoming a sustainable Enterprise. Wistron not only focuses on its business growth and profitability, moreover, talent development and cultivation are the cornerstone of business sustainability. We emphasize talent cultivation. In addition to strengthening the organization's talent retention mechanism to bring social stability, when the talent potential is effectively stimulated, the company will achieve the best performance. This will provide a continuous development power for the industry, improve social innovation and overall competitiveness. Therefore, in addition to operating courses under a complete training framework, the annual training programs and project activities was based on the various domains and coordinate with the company strategies

to build the learning and growth environment for employees. In the beginning of each year, Wistron confirms the annual training report with each business group's management in an effort to continuously perfect the learning and growth environment for employees. Contents and practices are described below:

1. Comprehensive Training System

Seven complete training systems (as shown below) and online learning system has been established for Wistron's employee. There are three educational modes: "On-the-job training", "Learning during training" and "Self learning", each position requirements to use different modes and achieve better learning results. With these systems, we can cultivate talent toward to systematic and help our employees plan their career paths.



No	Category	Description
1	New Employee Orientation Training	To help new employees knowing Wistron and building sense of identify.
2	Professional Skills Training	Provide different training courses based on the unit's professional skills needs; aim to promote each position professional knowledge and skills.
3	Management Training	Build cultural consensus and management skills by the training of new promoted, frontline, mid-level and high level managers.
4	Quality Training and CSR Training	For CSR-related employees and managers that have a direct impact on product quality, provide training on quality problem solving and customer satisfaction training, CSR-related training; establish total quality management, process improvement and CSR concept.
5	ERP&IT Training	For employees who directly use of Enterprise Resource Planning (ERP) systems. Familiarize them with ERP systems and ensure they are capable of using related software applications.
6	Internal Train-the-trainer Training	Provide internal train-the-trainer training to managers or employees with relevant skills and selected by managers to facilitate the transmission of experience and knowledge within the company.
7	Advanced Education Training	Provide courses related to language skills to enhance the language proficiency of employees, focusing on the needs of international business and professional technology.

2019 Statistics of Training Courses

Category		Total Number of Training Hours Provided to Employees (hr)	Average Hours of Training per Employee (hr/person)
Employee Category	Direct	3,620,649	79.21
	Indirect	714,122	28.76
Gender	Male	2,894,980	60.47
	Female	1,439,789	63.54

[Note] Average training hours per employee= Total number of training hours provided to employees/Total number of employees

2. Digital Talent Nurturing

Under the trend of Industry 4.0, enterprises must implement intelligent and smart digital transformation to accelerate enterprise upgrades and enhance competitive advantages. In addition to the cultivation of digital hard skills, we focus more on the establish digital organizational culture, starting with changing the mindset and behavior of employees.

In 2019, we continued Cooperation with consultants to implement the digital transformation program "DnA Transformation Program", and import the "Digitalized Professional Competency Project" for digital culture-shaping. We also import online courses for the digital learning tools "Microsoft 365 Project" and "Power BI".

1. DnA Academy
2. DnA Business Transformation Initiatives
3. Modern DnA Technology Foundation
4. DnA Center of Excellent

The learning model of "DnA Academy" includes five learning programs. "one on one Coaching", "Hackathon Program", "Problem Solving", "Design Concept Seminar", and "Programming Skills Development". The training takes through online, offline, job coaching, and action learning methods, while external consultants and internal experts are responsible for three activities each, with the premise of improving the internal effectiveness of the organization. The aim of providing a platform to promote peer exchange and best practice case studies is to ensure that knowledge and skills are applied to digital transformation projects to drive business transformation and create the greatest business value for the organization.

In the "Digitalized Competency Project", we rethink what are the Digitalized competencies and behaviors that employees need in the digital century? What kind of thought process can accelerate the digital transformation? Under this goal, we established digital competencies, including the handling uncertainty, agility, digital acuity, and intensify collaboration. At the same time, in order to understand the acuity of our managers with regards to professional competencies, we further conducted the "Digital Leadership Acuity Questionnaire (DLQ)" through the assistance of a consulting company to understand the digital competency strengths and weaknesses of the managers and compare it with industry benchmarks. The information collected will be used as the design material for the next "competency experience camp". We plan to extend this "competency experience camp" to all employees and we hope to establish digital transformation leadership skills and culture through this group movement to accelerate digital transformation.

Using digital tools to improve employee productivity and collaboration, we import the "Microsoft 365 Project" and planed related courses and team hackathon activities. So far, about 5,000 employees have implemented the Office 365 system. For this, Wistron has launched a series of online and offline Office 365 courses internally. In addition, with the advent of the big data era, artificial intelligence and the Internet of Things have become the development trends. The company has set up an AI project office to develop AI course series. Since 2019, "AI 100 Questions" is a required online course for Wistron employees, and about 18,700 people worldwide have completed the training. In May of the same year, "Power BI" was imported, and total of 550 employees participated in the online course to learn software applications for improving work efficiency.

3. Future Business Teams and Leadership Training

Managers are the core talents for business operations. In addition to effectively improving the organization's management capabilities, through the management capability cultivation and development plan of managers, they can also fully experience the organization's talent cultivation strategies and the

abundant resources for talent cultivation in various cultivation plans. This will further deepen the key talents' sense of affirmation and implementation of the organization's core values.

I. Individual Development Program (IDP)

Cultivate talents in key positions according to the "success profiles" established by the organization, that is, first define the knowledge, experience, abilities, and personality required by a manager. Then use the 360 degree feedback to find the manger's strengths and areas needing further development, and according this to execute IDP. Each development coachee would have his/her own exclusive coach as a mentor. Based on the coachee's abilities need to be developed according to the coachee's personal needs, the manager acting as the coach needs to link these abilities to the organization's goals at the same time coachee must set out his/her own personal IDP. The manager to be developed must propose an action plan at the beginning of the period and review the development results at the end of the year. To ensure the effectiveness of the development, the development coachee must meeting with the coach once a month during the development period to effectively direct changes to the behavior model and adjust management skills, as well as improve organizational performance.

II. One on One Coach

In order to learn from the best practice models of industry operations management to achieve the highest operating performance, we specially hired external senior consultants to conduct one-on-one coaching for the succession talents of the company. The coaching content includes three major concepts, which are operating strategy, organizational inventory, and talent development, with the sessions taking place once a month. The manager undergoing the coaching must set out the coaching goals at the beginning of the program and record the contents of each discussion. At the end of each session, the external consultant will provide feedback on the coaching issues and suggestions to the relevant manager. Finally, the coaching goals set out at the beginning will be reviewed by the results to check the achievement status at the end of the program.

III. Action Learning

For cultivation the key management talents, "A + Agile Action Learning Project" was imported in 2019, with the aim of establishing an agile culture, deepening collaboration, and solving existing challenges and issues. Differing from general training courses, Action Learning emphasizes the resolution of practical problems, encouraging students to learn independently and filling up the necessary professional knowledge. Through the interaction between team members, raise questions for communication and exchange in conjunction with internal learning cases, in order to adopt a "learning by doing" model. On the one hand, it solves the problems existing within the organization, while strengthening the development of talent leadership and digitalized professional competencies at the same time. On the other hand, the learning process enhances the display of competency behavior through introspection, trainee feedback, and coach guidance. The competency behavior of managers are developed through a series of activity design, in turn shaping the digital culture of the organization.

Employee Care

Staff Health and Occupational Safety

Ensuring that the work environment for employees is an employee-centric workplace is a basic condition that every enterprise should achieve. With a safe and comfortable working environment, it will be able to promote employee cohesion and create more value for the enterprise.

Wistron's Occupational Safety Policy and Commitment

Comply with applicable occupational safety regulations and other requirements. All staff members working in the restricted areas of the company are made aware of their obligations in occupational safety and health to reduce the risk of accident. Please visit our website for the full content of our policies:
<https://www.wistron.com/CMS/Page/14>

Wistron's Occupational Safety Management and Goals

Wistron has dedicated units in each plant to perform related occupational safety management duties. In addition to implementing occupational safety management activities, it also takes the company's overall occupational safety goals as a starting point, and each plant sets its own applicable performance goals.

We are committed to ensuring that employees work in a healthy and injury-free working environment and adhere to applicable occupational safety and health regulations, with the goal of achieving zero major occupational safety events. There were no reports of death in 2019.

[Note] Wistron defines death as a major occupational safety event.

Occupational Safety Management System

In order to meet our commitment to occupational safety, we have independently implemented the OHSAS 18001 Occupational Safety and Health Management System and introduced it to all offices and plants. All offices and plants of Wsitron have passed external verification and keep maintaining the effectiveness of the management system.

Under the operation of this management system, whether it is the implementation of the system or conducting internal and external audits, it covers 100% of Wistron employees in the plants, which is a total of about 70,000 people.

Actions Relating to Occupational Safety

Category	Actions
Risk Identification	<ul style="list-style-type: none"> Regularly assess risk factors and the legal compliance of operating procedures Revise those that do not comply with laws
Participation in Communication	<ul style="list-style-type: none"> Labor safety committee Internal communication and reporting procedures
Health Protection	<ul style="list-style-type: none"> Medical check-up for employees Regularly inspect operating environments Set up a medical room or doctor station
Training and Awareness	<ul style="list-style-type: none"> Implement labor safety education courses for new employees Organize special risk or first aid training for operating staff Provide environmental safety and health training for environmental safety and health officers and provide regular retraining programs every year Arrange health-related seminars by inviting experts to give talks and answer employees' questions concerning health and medical insurance
Contingency Practice	<ul style="list-style-type: none"> Occupational safety evacuation drills every year (day/night, earthquake) Contingency training, such as fire drills, training in confined spaces, and chemical leakage drills
Protective Measures	<ul style="list-style-type: none"> Implement strict application and control guidelines for special jobs (e.g., welding, chemical operations, noise, etc.), and formulate relevant management practices and solutions for different risk levels Continuous improvement in protective equipment Provide personal protective equipment
Supply Chain Management	<ul style="list-style-type: none"> Ensure that new suppliers, when introduced into the Company, meet the basic requirement of having obtained occupational safety and health management system certification Include occupational safety management systems in regular supplier auditing

Workplace Risk Identification

We implemented a set of risk identification and risk assessment operating procedures, in which qualified personnel identify risks and quantify risk factors for risk assessment. Safety and health managing units review and classify the risk level, control risky operations, and set improvement targets. Finally, the identified risks are included in regular monitoring to ensure constant elimination of occupational risks latent in the workplace. At the moment when any operation is performed, in the event that any emergency occurs, employees can decide whether to stop the operation or take necessary protective measures according to the degree of danger on the site, and then leave the work post for evacuation. This will not result in any adverse punishment.

Safety Committee and Employee Communication

Wistron has established labor safety committees for each plant, which are responsible for reviewing and resolving the implementation of occupational safety and health promotion status in their respective plants, as well as responding to communication and complaints. In addition to the supervisor responsible for decision-making, there are also appointed labor representatives who act as the main communication channel for employee participation in occupational safety management. Meetings are held regularly every year and employees may report problems or express opinions relating to occupational safety to department representatives or communicate directly with committee members or high-level management. For occupational safety incidents such as emergencies, non-conformance, or false alarms, we have communication procedures in place that allow employees to file reports at all times. We value all communication information from employees and will ensure that no employees receive retaliation or punishment for such actions.

Percentage of Total Workforce Represented in Formal Joint Management-worker Labor Safety Committees in 2019

Item	Taiwan	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant
Workforce Represented	25	80	25	24	129	26	28	40	NA
Total number of Labor Safety Committee Members	35	102	57	35	188	55	57	52	NA
Percentage (%)	71.43%	78.43%	43.86%	68.57%	68.62%	47.27%	49.12%	76.92%	NA

[Notes] Workforce represented: China: Committee members except chairman, vice chairman, EHS management representative and department managers
 Taiwan: Employee representatives in Employee Relationship Promotion Committee meetings (Tomato Meetings)

Accident Investigation

Wistron has handling and investigation management regulations in place to investigate and track any occupational injuries sustained by employees or contractors. We will determine the extent of damage and occupational injury based on the incident. Investigation reports must be completed and presented for approval. Improvement plans must be implemented. The safety and health managing units will continue to supervise and track the improvement progress in order to reduce losses and prevent recurrence.

Education and Training

All new employees who join Wistron will be required to take occupational safety education courses for new employees, so that employees understand Wistron's occupational safety standards, and the risks that may occur in the workplace and the applicable responses. There are also supplemental training for personnel who may encounter special risks during operations, such as: contingency training, including emergency response, fire safety, training in confined spaces, and chemical leakage drills.

Chongqing Plant - Education and Training Items (Example)

Personnel to Receive Training	Training Content	Training Duration
New and Transferred Personnel	Emergency response / occupational injury cases and prevention / fire safety / chemical substance safety / occupational health and safety / job post safety responsibilities / safety procedures / related accident cases	Onboarding 24 hours
Total	Department (post) operating procedures & precautions / safety education / RBA introduction / EHS system introduction	Every Year
Environmental Safety Committee Members	EHS system internal auditor training (risk assessment / provisions / regulations / audit skills) / work injury advocacy	Every Year
Safety Responsible (Management) Personnel	Production safety laws and regulations / safety management and case analysis / emergency rescue / production safety standardization	4/18
First Responder	Cardiopulmonary resuscitation / first aid for foreign body airway obstruction / first aid treatment for fractures, cuts, and heat stroke	4/1-5/31
Other Personnel	Team leader of production site safety management / ERT emergency response team member training / resident staff environment and safety and health promotion	Every Year

Chongqing Plant - Emergency Evacuation Drill

	<ul style="list-style-type: none"> • March: dormitory day/night emergency evacuation drill • April: dormitory day/ night emergency evacuation drill • August: plant emergency evacuation drill for all personnel • November: plant day/ night emergency evacuation drill • November: dormitory day/night emergency evacuation drill 	
<ul style="list-style-type: none"> • April: chemical warehouse & retrieval process leakage simulation drill • November: chemical warehouse simulation & leakage fire drill 		<ul style="list-style-type: none"> • June employee food poisoning emergency response drill • December employee food poisoning emergency response drill
<ul style="list-style-type: none"> ◆ August forklift battery charging fire ◆ August forklift collision emergency response drill ◆ August elevator malfunction emergency response drill ◆ August pressurized container explosion emergency response drill 		

Employee Health Management

Each plant has a medical room, which conduct health promotion activities from time to time, providing employees with health consultation and assistance for both the occupational and non-occupational aspects. All personal health services that employees participate in or the personal information will only be used as the basis for assessing whether employees are in a safe workplace environment, and there

are no other uses that are unfavorable to employees. Furthermore, the data will be properly kept by only the specialized health management unit and will not be easily disclosed. For education, training, counseling, and prevention of fatal diseases and risk monitoring plan, please see below:

Education, Training, Counseling, and Prevention of Fatal Diseases and Risk Monitoring Plan

Target	Education/Training		Consultation		Prevention/Risk Monitoring		Treatment	
	YES	NO	YES	NO	YES	NO	YES	NO
Employees	All plants	—	All plants	—	All plants	—	All plants	—
Employees' Families	Chongqing Plant	All plants except Chongqing Plant	Chongqing Plant	All plants except Chongqing Plant	—	All plants	—	All plants
Communities	—	All plants	—	All plants	—	All plants	—	All plants

Supply Chain Occupational Safety Management

When new suppliers are introduced into the company, we will implement a supplier evaluation process, and the supplier must have an occupational safety and health management system qualification as a basic requirement. It will also be listed as an audit item in subsequent regular audits, thereby improving the supplier's attention on occupational safety and health management.

Improving Workplace Safety

The Chongqing Plant has excellent performance in occupational safety and health practice, was rated as an A-Grade Enterprise (highest rating) in the Occupational Health Supervision Quantitative Graded Management Assessment by the Yubei District Safety Supervision Bureau in 2017; and as an Advanced Entity in the Annual Occupational Health Management Assessment in 2019 (the review perimeter was over 300 enterprises under the jurisdiction of the Economic and Information Commission of Yubei District, Chongqing).

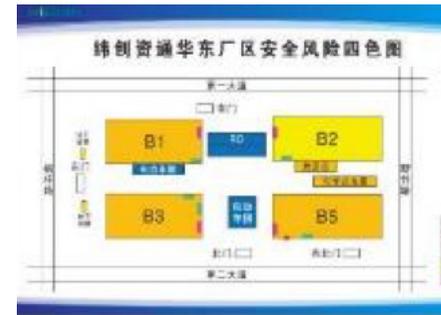


Autonomous Notification of Near Miss

The Czech Plant has strengthened the comprehensiveness of notification of industrial safety accidents, requiring employees to perform notifications when near miss incidents occur. To this end, a dedicated notification system has been developed and posted on the medical supply cabinet with a QR code link to facilitate instant scanning and notification.

Urban Risk Assessment Case

The Kunshan Plant subdivided the factory management area, where the heads of each department and the environmental safety professionals used the LEC method (operation condition hazard assessment method) to comprehensively assess the possible safety risks and potential hidden dangers in all areas. The plant was divided into four levels according to the risk value, and a four-color map was used to identify the plant's risk areas.



Occupational Accident Statistics

The statistics of the occupational accidents of Wistron employees and non-employees in 2019 are shown in the table below. Our on-the-job accident statistics are implemented in accordance with the reporting requirements of the law, where the main recorded items are the recordable injury data. The definition of serious occupational injury rates will be implemented according to government requirements in the future. As no relevant information has been received on occupational diseases, therefore no relevant information has been disclosed. In the management of workers other than employees, all Wistron plants manage plant personnel and contractors in accordance with local laws and regulations, and cooperate with the management model according to the current laws and regulations. The Czech Plant was able to most effectively control the accidents of workers other than employees, while out of the other plants, only the Zhongshan Plant received the relevant report.

Statistics of Health and Safety of Employees in 2019

Statistics of Disabling Injuries	Neihu Plant	Hsichih Plant	Hsinchu Plant	Kunshan Plant	Wistron Optronics	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant
	WNH	WHC	WIH	WKS	WOK	WTZ	WZS	WCQ	WCD	WMX	WCZ
Number of People	1,056	4,899	1,922	22,704	8,046	1,643	17,816	4,401	5,361	2,175	307
Total Work Hours	1,971,173	9,315,506	2,993,391	52,660,745	22,663,351	3,099,670	46,998,611	12,596,726	11,842,967	4,007,896	452,782
Types of Disabling Injuries	Traffic accident	Traffic accident	Commuting traffic accident	Traffic accident	Accident	Machine-caused injury and sprain	Equipment-caused injury	Crushed/squashed/hit by equipment	Equipment-caused injury	Crashes, strains & cuts	Cut
Injury Rate, IR	1.12	0.62	1.00	0.08	0.04	0.13	0.11	0.41	0.02	0.90	18.55
Occupational Disease Rate, ODR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.00
Lost Day Rate, LDR	3.25	1.74	1.76	5.20	1.58	11.36	2.15	2.88	0.73	36.33	36.22
Total Number of Work-related Fatalities	0	0	0	0	0	0	0	0	0	0	0

[Notes] 1. IR = (Total # of injuries/Total hours worked) x 200,000;

Calculations of minor injuries: Only the Zhongshan/Czech/Mexico plant calculates minor injuries in IR, and all other factories exclude minor injuries.

2. ODR = (Total # of Occupational diseases cases/Total hours worked) x 200,000;

3. LDR = (Total # of lost days/Total hours worked) x 200,000;

Days: Calendar days are used only for Kunshan/Kunshan OPT/Zhongshan/Mexico plant, while scheduled working days are used for the rest of the plants.

4. In Czech Republic, employees are entitled to go to visit their doctor during working time (frequency of their visits at doctors is NOT limited and the length of time spent at the doctors is also covering the time spent on the way), or stay at home longer time during their illness.

Statistics of Health and Safety of Workers Other than Employees in 2019

Statistics of Disabling Injuries	Neihu Plant	Hsichih Plant	Hsinchu Plant	Kunshan Plant	Wistron Optronics	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant
	WNH	WHC	WIH	WKS	WOK	WTZ	WZS	WCQ	WCD	WMX	WCZ
Number of People	16	44	59	472	136	124	549	146	113	723	38
Total Work Hours	31,232	85,888	118,000	1,011,840	272,000	248,000	1,098,000	292,000	224,192	73,599	76,304
Types of Disabling Injuries	None	None	None	None	None	None	Hit by object	None	None	No injuries	Cut
Injury Rate, IR	0.00	0.00	0.00	0.00	0.00	0.00	0.18	0.00	0.00	0.00	28.83
Occupational Disease Rate, ODR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lost Day Rate, LDR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Number of Work-Related Fatalities	0	0	0	0	0	0	0	0	0	0	0

[Note] Number of people surveyed: 2019/12/31 Resident staff: security, cleaning, group meal, other (long-term factory operations, specialists)



▲ Kunshan Plant - Stacker safety skills competition



▲ Taizhou Plant - Fire extinguisher drill



▲ Kunshan Plant - Fire safety supplies / PPE exhibition



▲ Kunshan OPT Plant - Confined space drill



▲ Taizhou Plant - Protective gear wearing walkthrough



▲ Chongqing Plant - Fire extinguisher drill



▲ Kunshan OPT Plant - Fire drill



▲ Chongqing Plant - Emergency evacuation drill

Caring for Employee Health by Providing a Safe Workplace

Employees are the company's most valuable asset, therefore employee health is the foundation for a company's healthy development. Healthy employees ensure positive productivity. The Company values employee health as key to caring for employees. In addition to fully understanding how sources of danger and risks inherent in a workplace can endanger any person in a company (including employees, temps, contractors, visitors, and others), the Company is committed to establishing an occupational safety and health management system (OHSAS 18001) that provides full compliance with applicable regulations and correct knowledge in all employees to ensure that employees work in a healthy and injury-free working environment. Therefore, valuing employee health and creating a safe workplace are the keys to caring for employees at Wistron.

Establishing a Healthy Lifestyle for the Health of Wistron Employees

The pursuit of employee health applies to both physical and mental health. In addition to the implementation of occupational safety and health, the Company encourages employees to achieve work-life balance. In addition to providing

employees with "energy leave" to encourage taking a break, we are also committed to promoting employees' healthy personal lifestyle and behavior. We help to promote the health of each employee through a variety of "health promotion" and "health management" activities.

Therefore, Wistron's offices and plants across the globe emphasize the importance of employees' physiological and psychological health. Wistron has a dedicated unit in place that regularly hosts health promotion activities. Wistron's office complex in Taiwan organizes annual health checks for its employees so that employees can understand their health conditions, take care of themselves properly, and seek medical attention immediately. After health checks, health specialists are also available to provide disease-related information and consultation for employees.

The pursuit of health requires having the correct health knowledge. Our offices and plants across the globe regularly hold health-promotion talks to educate employees about health and healthy living. These talks include topics on exercise, diet, lifestyle, psychological stress, and other disease prevention knowledge. In addition to reminding employees to value their health in their daily lives, these talks also enable employees to learn the skills for taking care of themselves and keep themselves away from diseases.



▲ The offices and plants holding a variety of sports competitions, so that the exercise trend can become the norm with the department team.



▲ Promoting iSports, lead employees to participate in road running activities from time to time, run for health and vitality.

Encouraging Employees to Exercise Regularly

The Company expects its employees to work toward developing good exercise habits or interests in exercising. Therefore, our offices and plants host team-based physical activities from time to time, such as basketball, soccer, badminton, volley ball, and softball, and ping pong so that employees may engage in sports outside of their working time. Employees are also encouraged to establish social groups, such as: cycling, basketball, badminton, hiking, jogging, table tennis, and soft ball clubs, so that they can leverage the power of small groups to drive the sports culture of the Company.

The Chongqing Plant held the "All-Personnel Fitness Month", which organized inter-department walking competitions. The team's achievement was recorded on step-counter apps, which also helped to develop the walking habit at the same time. In 2018, our Hsichih Office Complex and Neihu Headquarters launched the iSports activity combined with private sports competitions. Employees are encouraged to participate as a team or alone in competitive events such as iron man competitions or marathons. Subsidies are provided to encourage employees to cultivate a habit to play sports. Close to 1000 employees participated in marathons (>10 km), and more and more employees are participating in road races. Wistron's offices and plants across the globe will continue to invest in the iSports activity and encourage employees to foster the habit of exercising regularly.

24/7 Care for Employees' Physical and Mental Health

Immediacy is emphasized for the company's employee health care. Therefore, to provide 24/7 health care for employees, our offices and plants across the globe have setup healthcare rooms, medical rooms, or consultation services that are provided by health professionals. Wistron's Chongqing Plant and Chengdu Plant have established a green emergency healthcare channel that provides daily health care consultation and service to employees.

Our offices and plants across the globe arrange specialists to undergo effective health management.

Through the company's people-centric healthcare platform, the Taiwan office organizes health specialists to regularly conduct follow-ups, telephone interviews, reminders to seek medical attention, medication use, or medical consultation according to individual medical health needs or improvement goals. Employees with major illnesses are reminded to return for a follow-up examination every 3 months or 6 months. Medical arrangements and subsequent medical assistance are provided. Each plant provides employees with a comprehensive medical nursing care by setting up a physician health care service center or medical rooms that are serviced by nurses. At the same time, for seasonal epidemic infectious diseases, relevant epidemic prevention information will be provided from time to time to carry out internal knowledge-promotion, to ensure that relevant resources are in place and effective care is provided for employees' health.

Regular Health Checks as a Constant Reminder for Employees to Pay Attention to Their Physical Health

Health inspection is an important protective measure to prevent diseases, and health inspections will be held in each office and plant area. Wistron not only regularly arranges health examinations for its employees, but also periodically organizes special health checks for employees who work in specialized environments (e.g., high noise, high dust level, and exposure to X-ray).

Moreover, specialists are also set up at all offices and plants to provide regular checkup reminders and medical assistance to employees with abnormalities in their health conditions. Health checks are held for employees with abnormal health conditions to educate them on how to improve their self-care skills.

Care for the Physical and Mental Health of Pregnant Employees

Wistron's offices and plants worldwide regularly organize health talks and health checks for female employees. The offices and plants in Taiwan arrange free cancer screening tests during its annual health examination, thus enabling employees to conveniently utilize existing resources to have their personal health condition checked. Our offices and plants across the globe also provide special health consulting services for pregnant employees.

The office in Hsichih Plant and Neihu Headquarters has also setup a Good Luck Mommy website that provides personal health care knowledge and the most adequate care for pregnant women in a timely manner.

Regular Health Education for Stronger Health Awareness

People are responsible for their own health. The Company strongly believes that employees should have correct health knowledge in order to take care of themselves properly. Our offices and plants around the world have planned a wide variety of health care initiatives for improving employees' common knowledge on health. For example, talks, posters, personal mailboxes, and apps



▲ Holding health talks so employees can learn the correct health-related knowledge and skills.



▲ The Chongqing Plant held the "All-Personnel Fitness Month", which organized inter-department competitions.

are used to disseminate health-related information on common diseases or seasonal illnesses, thereby achieving disease prevention. In particular, health lectures offer a wide range of topics, including weight reduction and diet, exercise remedies, tricks for eating take-out, and dietary plans to help employees to develop a healthy lifestyle.

Wistron is committed to creating a workplace that embraces employees' health, and actively promotes workplace health and employee exercise habit through practical actions. The Company truly believes that corporate competitiveness is dependent on how employees manage their health, consequently, since 2018, we received the Sports Enterprise Certification by the Sports Administration of the Ministry of Education in recognition of our efforts in arranging personalized and comprehensive health management and health promotion activities to care for employees' health.

Wistron Values Internal Communication Channel to Listen to Employees' Voices

The company truly believes that communication is the sole key to enable the organization to achieve healthy operation and effectively enhance competitiveness. Only through communication can all members of the organization be connected together to achieve the goal.

Wistron respects personal liberty and individual rights. Its offices and plants across the world have taken the initiative to keep lines of communication open for suggestions from employees, to fully understand the needs and expectations of employees with regard to workplace safety and health. Employees are free to give their suggestions, requests or feedback. All opinions and comments are treated sensitively and confidentially.

Complete Communications Channel

In order to be enable Wistron's offices around the world to communicate with employees in different ways due to time constraints, in 2019, WCQ added on an HR electronic suggestion box, which can be submitted via WeChat scan code. In addition, in order to expand the benefits of communication, Wistron's office areas and plants worldwide have set up an Employee Relationship Promotion Committee, which holds quarterly labor communication meetings (referred to as Tomato Meetings in Taiwan Headquarters) where the highest executives and employee representatives communicate with each other, listen to their peers, and promptly handle reported problems in order to achieve harmonious labor-management relations. The Employee Relationship Promotion Committee has also set up its official website. Meeting agendas and meeting minutes are posted on the company's portal website (wistron portal) within 7 days of a meeting. Any changes to company operations are announced by relevant units. The Company truly believes that uninterrupted communication relies on an effective mechanism, so the establishment of an open and harmonious communication mechanism is something that the Company is more than happy to see.

Benefits of Better Communication

In addition to regular Employee Relationship Promotion Committee meetings to better understand employees' problems, monthly meetings are also held regularly to disclose the company's business conditions and business objectives (major organization changes meetings will also be held from time to time) and engage in face-to-face communication with employees. Wistron has also created a zero-distance communication environment, CEO mailbox, and communication app that facilitates interactive communication in kick-off meetings and other activities so that employees can express their opinions on company operations through the app at any time.

The Company respects employees' viewpoints and values employees' opinions, using the comprehensive communication network, we encourage employees to express more constructive opinions and continuously invest positive strength in company growth. In the future, we will continue to implement all communication channels and actively maintain smooth and unimpeded response and communication with the employees.

Employee Communication Channels

Communications Channel	Neihu Headquarters and Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant
Employee Relationship Promotion Committee	V	V	V	V	V	V	V	V	V	V
CEO Mailbox	V		V	V	V	V	V	V	V	V
Employee Suggestions Box	V	V	V	V	V	V	V	V	V	V
Employee Complaints Hotline	V	V	V	V	V	V	V	V		
Employee Seminar	V	V	V	V	V	V	V	V		V
Onsite interview by Production line Counselors			V	V	V	V	V	V		V
WeChat Platform -Wistron Micro-service			V		V	V				
Company Publications						V				V

[Note] "V" indicates that this communications channel is in place.

Employment and Compensation Policies

The compensation and benefits of all Wistron offices and plants around the world comply with the requirements as well as laws and regulations of each country. The company does not offer wages below the minimum legal requirement. All employees have access to statutory insurance and pension plans. Wistron also offers equal pay for equal work regardless of race, nationality, origin, social status, lineage, religion, physical disabilities, gender, sexual orientation, family responsibilities, marital status, union membership, political affiliation or age. Wistron has also designed a rewards system as part of the overall remuneration package, which includes wage, benefits, bonuses and dividends.

All Wistron employees have two performance evaluations each year. The results serve as the basis for personnel bonuses, employment, promotions, and other

personnel management activities. There have been no disputes or violations related to salary and benefits in 2019.

Wistron also conducts a wage survey every year and adjusts wage based on the economy, company operations and personal performance to ensure that employee wage are fair and in line with market standards. All part-time and short-term contract workers are provided access to statutory insurance and welfare since the first day of employment. Compensation per region is indicated below. The average salary of full-time non-managerial staff in Taiwan will be reported at the end of April 2020 in accordance with regulations (be disclosed on the Market Observation Post System at the end of June).

Ratio of Entry Level Wage and Regional Minimum Wage

Region	Taiwan	Kunshan Plant	Kunshan OPT Plant	Taizhou Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant
Ratio	1.00	1.04	1.04	1.04	1.13	1.18	1.34	1.00	1.12

[Notes] 1.Ratio=entry level wage / statutory minimum wage
2.Use the data on 2019/12/31

Parental Leave and Retention

We respect the rights of pregnant workers and provide parental leave. We actively ask employees if they wish to return to their job 45 days before the end of their parental leave. In 2019, there were 37 parental leave applications in Taiwan and 25 applications at the Czech Plant.

Total Number of Employees that Took Parental Leave in 2019

Region	Taiwan		Czech Plant	
	Male	Female	Male	Female
Total Number of Employees Applied for in 2019	14	23	1	24

[Note] This data only shows the number of applications for parental leave in 2019, not including the number before 2018.

Total Number of Employees Who Returned to Work after Parental Leave Ended in 2019

Region	Taiwan		Czech Plant	
	Male	Female	Male	Female
Total Number of Employees who Returned to Work in 2019	3	15	1	1

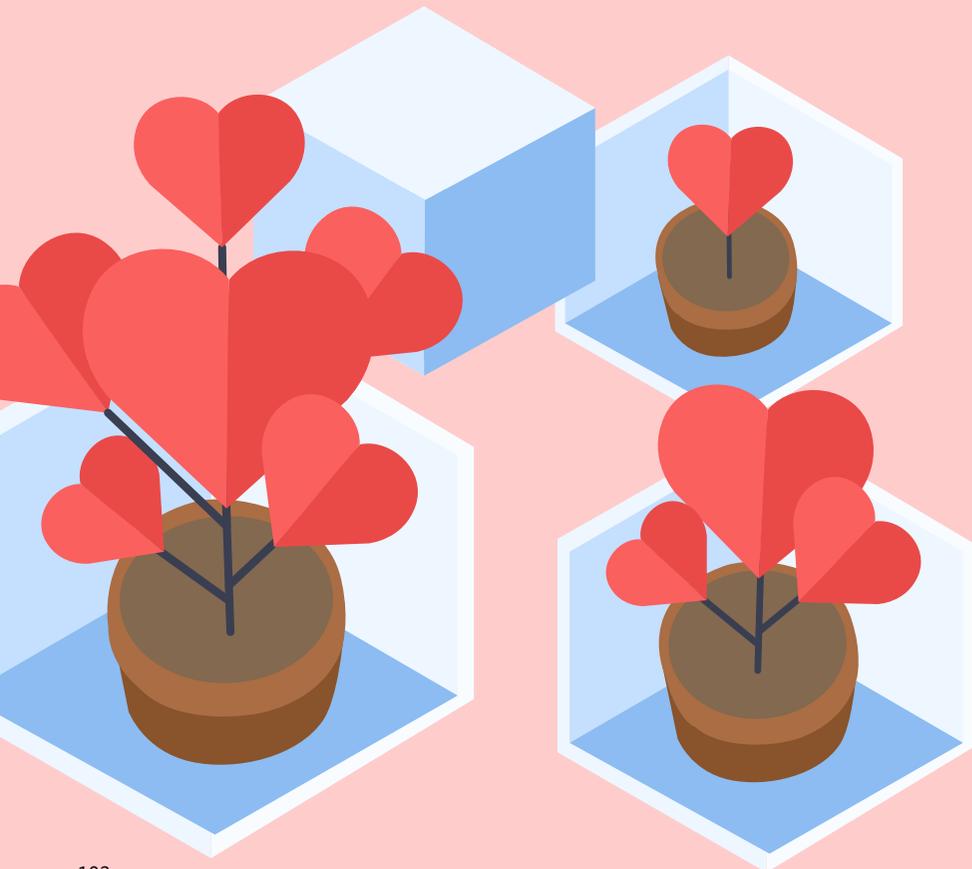
Total Number of Employees Who Returned to Work after Parental Leave Ended Who Were Still Employed Twelve Months after Their Return to Work

Region	Taiwan		Czech Plant	
	Male	Female	Male	Female
Total Number of Employees applied in 2018 and were still employed 12 months after return	2	15	0	4

The Return to Work and Retention Rates of Employees Who took Parental Leave

Region	Taiwan		Czech Plant		Unit : %
	Male	Female	Male	Female	
Return to work and retention rates of 2018 (%)	28	59	0	56	
Retention rates of 2018 (%)	40	58	0	80	

Stakeholder and Social Responsibility Management



Anti-corruption and Principle of Integrity

Wistron has created a working environment and atmosphere in line with ethical standards. The Company requires all employees to clearly understand and comply with ethical practices. We respect and adhere to the confidential agreement with customers and do not accept gifts or special hospitality. We anticipate that our customers, suppliers, business partners, and other stakeholders from many sectors will understand and support our integrity management policies. To enhance corporate governance performance, we published our Corporate Governance Best Practices, Principles of Integrity, and Code of Ethical Conduct in 2014 and amended these regulations in 2018 and 2019. Please refer to Article 9 of the Code of Ethical Conduct for details on the compliance and whistle-blowing mechanisms for internal and external employees. Please refer to the company's website and the Market Observation Post System (MOPS) for details.

Concerning the operation of the Board of Directors, directors may express their opinions and respond to questions in regards to meeting agendas that have interest relationships with themselves or their proxy, which may conflict with the company's interest. Directors may not participate in discussions and exercise their voting rights, and they should recuse themselves from such discussions and execution of voting rights.

To help employees understand related regulations, Wistron requires all new employees in overseas manufacturing sites to attend employee code of conduct training. In the Taiwan office, new employees are required to complete online code of conduct training. Moreover, all employees in Mainland China are specifically required to sign the Pledge for Code of Conduct. Compliance with this code is the duty of every Wistron employee. Wistron also provides whistleblower protection to employees who report or cooperate with investigation. This protects employees from unfair retribution or treatment. In During the year 2016 to 2019, no ethical misconduct or corruption incidents occurred at Wistron.

To strengthen its anti-corruption management system, the company conducts evaluation and self-inspection of the design and implementation of internal control systems, including its accounting system, which is also double-checked by the auditor. Moreover, capital, procurement, supply chain management, and administrative units are listed as potential risks and are subject to internal audit or periodical job rotation. In addition, Wistron also provides education and training to our supervisors so as to raise their awareness of business ethics. The Human Resource department is in charge of formulating and supervising the implementation of business integrity policies and related measures and the results of our anti-corruption and principles of operational integrity are regularly reported to the Board of Directors. In 2019, we did not receive any reports of unethical behavior or business practices through our whistleblowing channel.

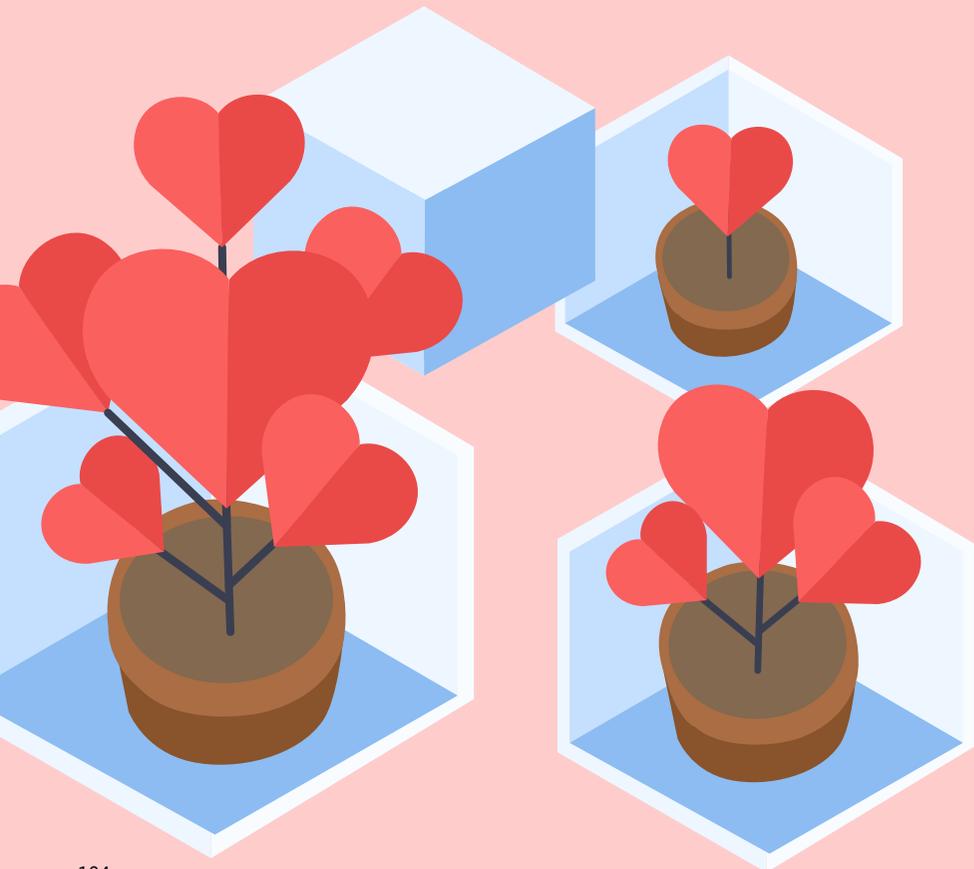
In terms of external relationships, legitimacy of business conducts, integrity-related policies, and non-compliance records must first be evaluated before any business relationship can be established with agents, suppliers, customers or other business partners. During the business process, the company shall explain its operation integrity strategies and related regulations. It will also reject any direct or indirect form of promise, favor or unjustified incentive. If any integrity or compliance violation should occur, the business relationship shall be immediately terminated and the entity involved would be placed on

the blacklist. Anti-corruption policy is included in the contract which covers the following: clear and reasonable payment terms, handling of integrity issues, and violation of the terms and conditions related to illegal commissions, rebates or other interests.

In addition, Wistron informs suppliers of its anti-corruption policies through the World Supplier Relationship Management (WSRM), and promotes its operations integrity strategies and principles during the Suppliers Meeting and Corporate Briefing. The supplier's implementation status is also reviewed every year. Thanks to the company's advocacy efforts and management system, there have been no major cases involving supplier unethical behavior or business practice in 2019.

2019 Actions for Ethical Corporate Management	
Commitment of Suppliers	<ol style="list-style-type: none"> Promote Wistron's Ethical Corporate Management policies to suppliers through World Supplier Relationship Management System Completion rate of Supplier Commitment: 99%
Training	<ol style="list-style-type: none"> New Employee Orientation Training: 1176 employees Management Training: 109 managers Completion rate of Training in Ethical Corporate Management : 99.8%
Commitment and Rotation	<ol style="list-style-type: none"> Rotation of Fulfillment department's managers: 11 managers Statement of Compliance with ethical commitment for 100% of employees Statement of Compliance with ethical management for board of directors and senior level management
Advocacy	<ol style="list-style-type: none"> Advocacy by lecture and office TV podcast of ethical corporate management for all employees, including global operations Provide whistleblowing system by email: ethic@wistron.com

Product Quality and Safety



Wistron incorporates green product management practices in accordance with the ISO9001 Quality Management System and has obtained the IECQ QC 080000 management system certification. The raw materials of Wistron parts must abide by international or regional environmental regulations (e.g., RoHS, REACH, etc.), local government environmental policies (e.g, China RoHS, Japan RoHS, California Proposition 65, etc.), voluntary environmental regulations (China Compulsory Certificate (CCC), Electronic Product Environmental Assessment Tool (EPEAT), etc.), and special environmental regulations (e.g., conflict minerals, etc.) All of Wistron's product lines comply with EU RoHS regulations. As requested by our customers, we also avoid using specific hazardous substances that are harmful to the human body or the environment (e.g., halogen-free perfluorooctanesulfonic acid and polycyclic aromatic hydrocarbons).

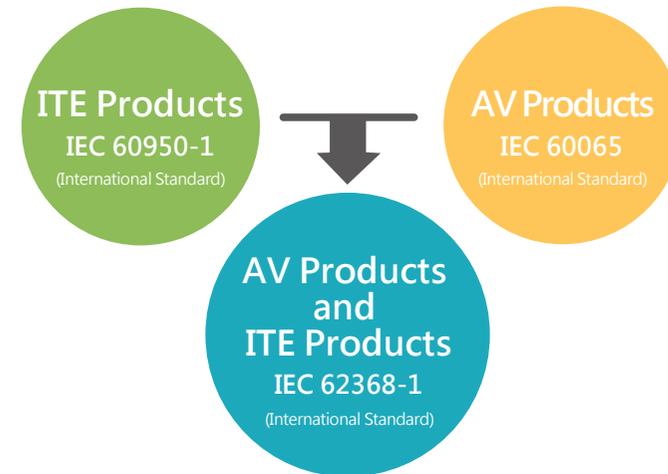
Wistron develops products in compliance with customer requirements, local energy laws and regulations, and safety regulation labels from different regions, such as Energy Star. These labels are then affixed on product exteriors, packaging, or instruction manuals. Different product lines have passed energy consumption regulations of different regions, such as the European Union's ErP, South Korea's E-Standby, and China Energy Label, as requested by our customers. In 2019, more than 97.22% of mass production products such as laptops, desktop computers, and LCD monitors obtained the ENERGY STAR certification pursuant to the strategic requirements of energy demand.

Strategy	Sustainable Development Goals
Compliance with Energy and Safety Regulatory Requirements Product designs must comply with customers' requirements and local energy laws and energy and safety regulations.	100% compliance with customers' requirements and local energy laws and energy and safety labels
Outcomes(Year)	Goals(Year)
In 2019, Wistron fully complies with customers' requirements and local energy laws, and energy and safety labels, and was not involved in violations of voluntary regulations as well as laws and regulations concerning product information labeling.	Continue to maintain 100% compliance with customers' requirements and local energy laws and energy and safety regulations

Wistron's Products Protect Consumer Safety and Health

Wistron Safety Laboratory has obtained the UL Client Test Data Program certification. This lab regularly reviews the laboratory quality plan through certification units to meet the ISO 17025 standard and periodically confirms the test data to maintain its testing capability and quality to protect consumers and their property. All Wistron mass production products are 100% compliant with IEC 60950-1 safety standards under the information technology equipment (ITE) category, and 100% compliant with IEC 60065 safety standards under the Audiovisual (AV) product category. With the advancement of technology, different types of products are being developed, making product classification extremely difficult. Wistron actively integrates the new standard IEC 62368-1 into its product design, becoming the first system manufacturer to pass the new standard and meet the test qualification in Asia. To prevent potential risks, Wistron shifts from passively abiding by safety requirements to actively preventing potential risks so as to ensure that all types of products completely meet safety regulations to further protect consumers' health and safety. Not only do all products become certified before they are sold in the market, product safety is consistently and continuously checked from time to time after mass production.

In 2019, all product lines were completely compliant with customers' requirements and local energy laws, and energy and safety labels, and was not involved in violations of voluntary regulations as well as laws and regulations concerning product information labeling.



A Focus on Product Liability and Product Quality Management

In today's rapidly changing business environment, excellent product quality is a significant determinant of a company's operating status and the foundation of the company's competitiveness. To guarantee high product quality, Wistron utilizes an ISO-based quality management system and implements a quality policy that states: "To deliver defect-free, competitive products and services to our customers on time." In accordance with this quality system and policy, Wistron adopts a top-down approach to monitor, measure, analyze, and continuously

improve quality-related indicators; strictly implement related control process of “speaking, writing, and doing” ; and manage daily operations with the plan-do-check-act (PDCA) practice so as to ensure that our quality goals are specifically implemented.

Product Quality Verification

Wistron's product designs must pass relevant quality verification tests to ensure that products meets specifications and customers’ quality requirements before mass production, including functional verification, compatibility tests, reliability verification, environmental specification requirements, and the DfX (Design For Manufacture/ Assembly/ testing/ Service). Meanwhile, through the establishment of the Lessons Learned database and early participation in the product design and experimental stages of Wistron's factory, the product design capability, ease of production, and quality of produced products are continuously improved.

Supplier Quality Management

The quality of products produced is positively related to the quality of raw materials. Therefore, before production and use, Wistron will confirm that the raw materials meet the specifications and quality requirements, and will list the quality of raw materials as a key item for rating suppliers. Quality management auditing is also performed on suppliers. Wistron requests suppliers to improve non-conforming items in quality management or auditing by a specific deadline, and concurrently conducts quality control on materials and supply chains in order to ensure that the quality of the products produced adheres to customer requirements and specifications.

By organizing a green supplier conference, Wistron guides suppliers to strengthen their actions and response to the latest requirements of international environmental laws, improve their product quality, collectively build a green supply chain for Wistron, and work hand in hand to strive toward product sustainability and development. The 2019 Wistron Green Supplier Conference was held in Taipei, Zhongshan, Kunshan, and Chongqing, with over 900 participants. During the Green Supplier Conference, Wistron collaborates with technologists to share with suppliers Wistron's CSR practices and regulatory trend, introduce the Wistron supplier questionnaire survey platform (SQP), and teach suppliers practical operations through GPM system completing on the Material Composition Declaration (MCD) and Full Material Disclosure (FMD). In addition, RoHS testing method was used to educate all supplier partners on Wistron's strategic requirements and implementation methods with regards to “green environmental protection” to ultimately improve corporate quality management, promote the sustainable development of electronic industries, and fulfill corporate social responsibility.

2019 Wistron Green Supplier Conference

Location	Meeting Date	No. of Participants
Taipei	October 30, 2019	306
Zhongshan	November 12, 2019	263
Kunshan	November 15, 2019	275
Chongqing	November 19, 2019	83



Wistron endeavors to deliver zero-defects and competitive products and services to customers on time. Customer satisfaction is a key customer feedback indicator. We regularly collect information and suggestions regarding customer satisfaction or feedback on the needs of our customers from our quarterly business review (QBR) and use them as items for continuous improvements to pursue 100% customer satisfaction.

Creating Added-Value Products

Wistron encourages employees to become better at developing engineering technologies. Therefore, Wistron has set up the Wistron Invention Creation Reward Regulation which motivates employees to propose creative ideas and research technologies and patent their findings as intellectual properties. Wistron has undergone patent applications and received certifications in Taiwan, China, the United States, and other regions.

Time to Market

Wistron is obligated and committed to ensuring the best time to market for its customers. The product management unit regularly reviews new product development and quality verification progress, while monitoring any unachieved quality goals in the plant during the pilot run and mass production. Wistron analyzes the cause of product defects based on four dimensions: people (personnel), machinery (equipment and tools), material (materials and components), and method (test and operational regulations). In addition, improvement and preventive measures based on analysis results are implemented to ensure the products are delivered on time.

Historical Statistics of Patent Applications and Certifications

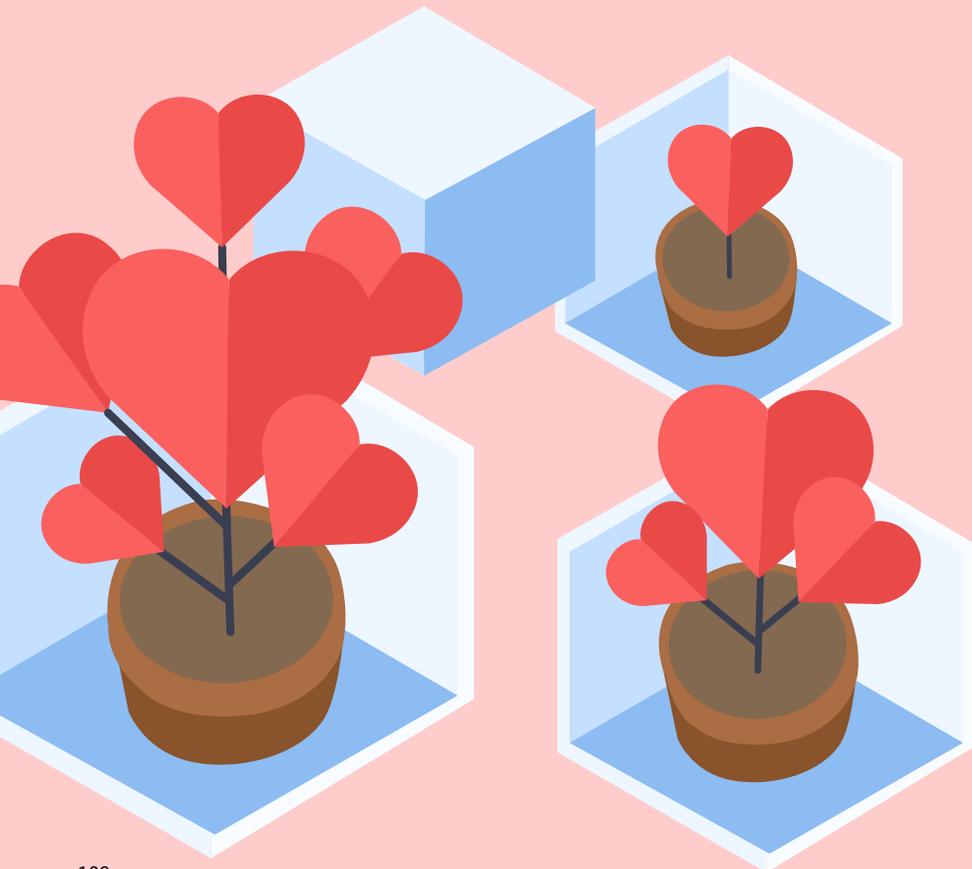
								Unit(number)
Patent Applications				Certifications				
Year	2019	2018	2017	Year	2019	2018	2017	
Taiwan	175	163	124	Taiwan	152	134	179	
China	172	167	122	China	174	181	314	
U.S.	152	138	122	U.S.	109	125	190	
Other Regions	33	27	9	Other Regions	5	6	15	
Annual Number of Patent Applications	532	495	377	Annual Number of Patents Awarded	440	446	698	

To implement the Green Product Policy, a few of Wistron's patents granted in 2019 are patents for environmentally friendly green products, such as the design of improving system's overall energy conversion efficiency. Green product patents can not only increase the value-added of a created product, but also promote human welfare with innovative technology to bring a better life for society.

2019 Green Product Patents Design Outcomes

Patent Name	Patent No.	Patent Design Description
Power supply method	I662405	In this invention, the power state of multiple first transistors can be controlled by an electric energy conversion circuit, and a switch circuit is selectively incorporated so that the input voltage can be directly introduced into the system back-end equipment without reducing the voltage and acts as the source for DC-DC conversion in the system. In the process of supplying power to the system, voltage conversion can be saved once, in order to improve the overall energy conversion efficiency of the system, thereby meeting the environmental protection requirements of the market.
Image depth sensing method and image depth sensing device	I647661	The image depth sensing method and image depth sensing device in this invention, provides a general mode and improved mode with different sensing capabilities, and determines the mode of operation used during image depth sensing according to the distance of objects in the field of view. In doing so, power can be saved and device usage time is prolonged.
Electronic equipment with cooling system and cooling device	I647562	The electronic device of this invention can increase the heat dissipation efficiency of the cooling device by adjusting the orientation of the heat dissipation architecture. In a few trial runs, when at least one of the fans fails, the cooling system can provide favorable heat dissipation performance to prevent device overheating, which causes system shutdown. In a few trial runs, the cooling system can selectively increase the air volume of some heat sources to prevent overheating, which in turn compromises the overall performance of the computer host server.

Social Participation and Care



Wistron has been aiming at achieving corporate sustainable operation ever since its inception in 2001. Sustainable operation not only secures revenues and profits but it is also a cornerstone for forging stronger ties with the society. Social participation is the best plan of action for achieving this goal.

Wistron fulfills its corporate, environmental and social responsibilities and has set up the Wistron Charity Management Guidelines, listing the following two directions for social welfare activities participation:

Environment: Dedicate effort in to the care, protection and sustainability of the natural environment and ecology;

People: Provide humanistic and social concern as well as assistance and support, especially for children and disadvantaged groups.

With the concerted efforts of its employees, the Company continued to report growth in revenue and business operations. In pursuit of excellence and altruism, Wistron established the Wistron Foundation in 2010, which serves to contribute to education for humanities and the environment. In addition to supporting the actions and plans of charity groups in Taiwan, Wistron leads its employees to participate in charity events and inject more wisdom and love into these events. This expands the scope of social care, fulfills corporate citizen responsibility, and contributes to society.

The Company not only provides sponsorship and donations to social charity events, but also encourages employees to participate and support these events. To actively arrange for our employees to participate in social charity events, we instruct our administration units around the world to designate personnel to take charge of planning and implementation tasks. We actively promote charity events according to local characteristics and needs with the collective efforts of our offices and plants all over the world. Moreover, we encourage employees to proactively organize social charity groups to spread love to everyone.

2019 Summary of Wistron's Social Investments

Item	Unit: NTD		
	2019	2018	2017
Corporate Participation and Public Welfare Sponsorships (including Wistron Foundation)	29,865,460 (including Wistron Foundation 20,390,558)	31,793,631 (including Wistron Foundation 18,034,876)	60,994,690 (including Wistron Foundation 13,827,005)
Charitable Activities of the Employee Welfare Committee/the Company	3,889,266	2,933,011	2,906,892
Employees' Voluntary Participation in Company-initiated Social Welfare Activities	2,827,892	1,748,120	2,385,004
Total Amount of Social Investment	36,582,618	36,474,762	66,286,585

[Note] 1. The above table includes the Taiwan offices, Kunshan Plant, Taizhou Plant, Zhongshan Plant, Chongqing Plant, Chengdu Plant, Mexico Plant, and Czech Plant as well as Wistron Foundation
 2. Exchange Rate: RMB: 4.3090, USD: 30.106, CZK: 1.3267, MXN: 1.5906, EUR: 33.7067



▲ Gifts for festive occasions: Chongqing Plant employees visited elderly people at old age homes.

Caring for Society

Contributing to Society

Education provides disadvantaged groups a ray of hope for the future. To contribute to the community, support disadvantaged groups, and encourage learning, Wistron will offer scholarships as needed to communities that are situated in Wistron's business locations around the world. The Kunshan Plant and Taizhou Plant in Mainland China have offered scholarships every year as a form of encouragement to underprivileged learners and those who have shown outstanding school performance.

Employees of our Hsinchu Plant in Taiwan have donated a total of NT\$88,000 from their year-end bonus to underprivileged learners. In 2019, the Kunshan Plant and Taizhou Plant donated scholarships to the value of RMB300,000 and RMB200,000, respectively. The Zhongshan Plant participated in the Zhongshan Charity Parade, donating RMB250,000 for use in supporting the impoverished.

Encouraging Employee Participation: Extending Social Care

Encouraging Establishment of Social Groups: Learning to Warm the Lives of Others

Wistroners are loving people. The Company encourages employees to form social groups as a way of community contribution. Its Chongqing, Kunshan, Zhongshan, and Mexico plants have all set up Loving Communities, in which members regularly visit social welfare institutions (e.g., nursing homes and orphanages), make donations, provide companionship to elderly adults or orphans, or organize performances and shows to spend time with them on special occasions.

The Hsichih Office Complex in Taiwan encourages employees whose hobby is DIY activities, to hand-make crafts after their working hours. The crafts are then sold in the company, and the proceeds made are donated to charity groups. The Company will continuously encourage employees to make creative crafts and sell them in charity sales, creating a loving and heartwarming atmosphere in which kindness and warmth are spread throughout Wistron.

Gifts of Warmth: Collective Efforts of Wistroners on Special Occasions

Employees are given festive gifts on festive occasions, such as the Dragon Boat Festival, Moon Festival, and the end-of-year party. Wistron has extensively used charity sale items, which are collected from charity groups, as gifts for company

activities. In 2019, NT\$3.16 million in proceeds were collected. Employees are also encouraged to donate festive gifts to economically disadvantaged families.

For example, employees have shown acts of kindness every year by donating sticky rice dumplings and mooncakes to disadvantaged families. In 2019, more than 2,000 employees in Taiwan took the initiative to donate festive gift boxes provided by the Employee Welfare Committee, delivering their love to the Hsichih and Hsinchu Children and Family Centers, Hondao Senior Citizen's Welfare Foundation, and Kaohsiung Children and Family Center. Thus, the disadvantaged people in these homes can celebrate festive seasons with warmth and love. The Loving Communities of the Kunshan Plant, Zhongshan Plant, and Chengdu Plant have also visited community welfare institutions and participating schools to spend time with members on special occasions.



▲ Employees made secondhand clip purses and cup holders on weekends for charity sales. They hand-made environmental products to spread love and warmth.



▲ Sticky rice dumplings and mooncakes are donated every year. Employees are encouraged to donate gift boxes so that disadvantaged families could celebrate festive seasons with warmth. Image shows expression of gratitude of beneficiaries at the Taiwan headquarters and Chongqing Plant.

Encouraging Employees to Attend Charity Events

In Taiwan, Wistron has set up a public area on the company website in 2007, which provides information on small donations and charity sale items for charity groups in Taiwan, and encouraged employees to take action in supporting charity groups by making donations or purchasing charity sale items. In 2019, NT\$1.33 million in donations were collected; almost 4000 people participated. Small donations and participation in charity sales continued to increase over the years from 2007 to 2019. Over NT\$12 million in proceeds have been collected thus far.

Blood Donations for The Love of Humanity

As the saying goes, “do not fail to commit an act of kindness just because it is small in scale.” The Company encourages employees to show acts of kindness in any way, no matter how small. Therefore, donating blood has always been our basic charity event. We encourage employees to roll up their sleeves and donate their blood. Blood donation activities have been regularly held by our offices and plants around the globe, including: The Kunshan Plant, Chengdu Plant, Chongqing Plant, Hsinchu Plant, Hsichih Office Complex, and Neihu Headquarters. To encourage employees to donate blood, the Hsichih Office Complex and Neihu Headquarters provide gifts, which are purchased from charity sales, to employees who have donated their blood. More than 2,000 employees participated in 2019, donating 3,000 bags (730,000 ml) of blood.

Working at Ease and Living Happily

Employees are a company's greatest asset. Wistron places high value on creating a workplace that is full of hope and energy where employees can not only work productively but also lead a harmonious life, both physically and mentally. Through care projects, relief systems, and company activities, employees are able to live and work happily. In addition to care and support systems for employees or their families, our offices and plants also plan unscheduled events, such as monthly birthday celebrations, employee travel, employee welfare activities,

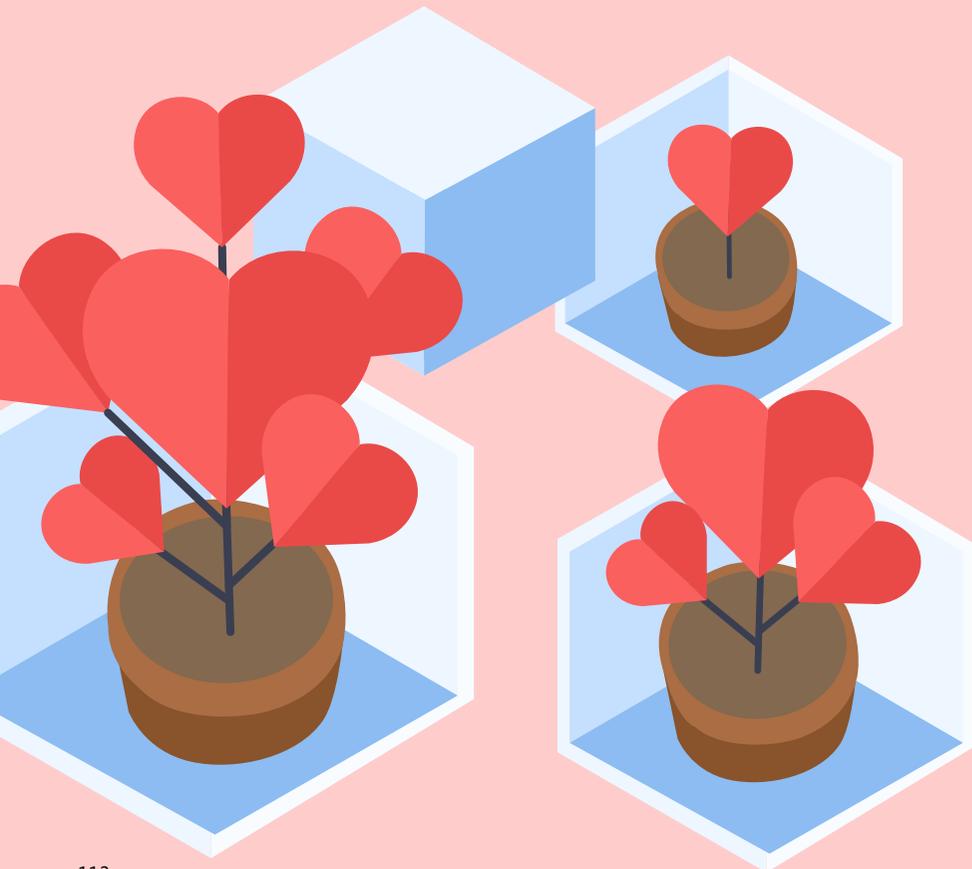
and new employee orientation. All types of talks and DIY courses on everyday activities are held to show employees what they can experience in life outside of work. Our offices and plants organized a total of 450 activities in 2019, which were attended by more than 230,000 participants.

Altruism is Wistron's core value. The value of altruism in public welfare is that helping others can make you happy, and the happiness from helping others is unmatched by anything else. Wistron strongly believes that happy employees are capable of serving the community and contributing to the society, and they in turn will motivate others to join in the fun. If employees value a company that contributes to the society, then they will not only bring competitive advantage to the company but also increase the corporate value of the company, forming a triple-win situation: for employees, the company, and society. In the future, Wistron and the Wistron Foundation will still continue to support culturally rich projects and the Company will also actively motivate employee participation to motivate more people in society to protect the earth's resources and care for underprivileged groups in the community, thereby creating a more harmonious and beautiful living environment.



▲ Blood donation activities are held by our offices and plants every year. The images show a happy blood donor actively donating his blood.

Wistron Foundation



Since its inception in 2010, the Wistron Foundation has been focusing on fulfilling Wistron's altruistic commitment in its business activities. By focusing on the two main aspects of humanities and the environment through sponsorship support, event participation, idea promotion, or volunteer services, the Foundation strategically partners with multiple professional charity groups that share a common interest with Wistron. Through active and continuous cooperation, the Foundation and its partners have long been devoted to environmental education, habitat adoption and protection, ecological and environmental monitoring and protection, after-school tutoring and companionship service for elementary and junior high school students from disadvantaged families, software/hardware upgrade for diverse/experimental education, and teacher and talent training. In line with the UN Sustainable Development Goals, the projects and outcomes produced by Wistron Foundation in 2019 are advancing toward the foundation's principles and achieving a state of harmony and balance between human and nature.

Environmental Education, Concern for the Environment

• Soil/Water Investigational Monitoring and Land Protection Plans

While industries and economies prosper, some manufacturers improperly dispose of industrial wastes generated during the manufacturing process, some of which were illegally disposed of or buried, resulting in pollution of soil and water sources. In 2010, in cooperation with the Tainan Community University Research & Development Association, an investigation team was set up to cooperate with NGOs and the public sector to highlight problems of disposal and pollution through investigation and tracking. The results contributed to environmental education and awareness campaigns by combining suggestions from environmental protection associations on waste treatment policies, which may eventually lead to a change in relevant laws and restore the original appearance of our land and protect healthy soil and water sources from environmental protection groups.

2019 Outcome:

1. Investigation and tracking of toxic wastes: We investigated and tracked recent and previous polluted places, including Xinfeng in Hsinchu, Madou District in Tainan, Dailiao in Kaohsiung, Qiaotou, Fangliao in Pingtung, and Wandan.
2. We recorded the landscape environment and surveyed the ecological environments in Niupu, Longci and continued preserving the nature conservation area in Niupu, Tainan.
3. We organized a Southern Taiwan river work group, worked with multidisciplinary experts from universities with expertise in river ecology, molluscs and shellfish, engineering, etc., to cultivate citizen scientists and build a base of basic data on rivers.
4. We continued to promote actions to reduce pollution and wastes in floating bag oyster culture, raise awareness on banning the use of polystyrenes for fishery use, replace floating bags with safe and environmental friendly ones, as well as recording and presenting the work status of oyster farmers in response to policy amendments by city governments.
5. We continued to organize the results of long-term investigations by environmental work groups and the samples they collected to build a database and develop environment education modules. We organized 35 environmental seminars and 8 beach waste monitoring activities. A total of 2100 people attended. Environmental exhibitions on toxic wastes, marine debris, and landscape environment in Longci were held 7 times at different



▲ Tainan Community University held activities of beach litter monitoring



▲ Tainan Community University led environmental education of soil pollution

venues, including the Tainan Municipal Cultural Center, Taipei Fine Arts Museum, and the Place Tainan (hotel).

• **Shuanglianpi Educational Base**

Shuanglianpi is located in Yuanshan of Yilan County and is a Wild Animal Conservation Area designated by the county government as well as an important wetland in Taiwan. Shuanglianpi houses more than a third of the aquatic plant species in Taiwan and the ecosystem of a rare floating island, which makes this wetland extremely valuable and must be protected and promoted through environmental education. Since 2010, Wistron Foundation has supported the Society of Wilderness (SOW) in renting the rights to manage The Shuanglianpi Eco Classroom from the Yilan County Government. This center served as the base station for promoting environmental education and habitat conservation.

1. Habitat conservation: Habitat and species restorations, building of micro-habitats, removal of alien species, maintenance of protected areas and other conservation works have been carried out. In 2019, habitat work holiday events have been held 50 times with 700 participants.

(1) Reconstruction of shelters for native aquatic plants: The sheltered areas containing endangered native aquatic plants in Shuanglianpi often suffered a shortage of water resources, which caused unstable conservation functions. After approval was received from Yilan County Government to dig water channels and dredge shelters, 16 endangered aquatic plants have been protected.

(2) Invasion of a strong alien species—floating moss—was found during when alien species were removed in a survey around the lake in 2018. This year, we continued to organize working holiday events. In total, 310 people participated, and 265 bags of floating moss were cleared out. We also invited the TV crew of "Our Island" from the Public Television Service to film and record the dangers of alien species to call for attention on environmental issues caused by alien species.

- (3) We conduct periodical surveys of frogs, butterflies, odonata, aquatic insects, fish, plants, floating island plants, key aquatic plants, etc. In total, the survey was conducted 60 times, during which we discovered *Ludwigia ovalis*, a long-lost aquatic plant, then harvested and transferred these plants to a sheltered area.
- (4) To protect the golden bladderwort, dwarf ambulia, and Japanese rice fish, we expanded and deepen the atrium pond at the base. We also hired young local farmers to assist in the friendly farming management of white bamboo shoots. The golden bladderwort is flourishing in the white bamboo shoot field, and Japanese rice fish has been cultivated.

2. Environmental education promotion: We organized a wide range of activities, including field trips, working holidays, environmental conservation, volunteer training, themed activities, and environment guide. In total, 4800 people participated. By organizing these activities, we made the best of an environmental education site.

3. Promotion for friendly farming: Wistron Foundation has provided sponsorships to reduce pesticide and fertilizer pollution in the surrounding land of Shuanglianpi and protect its water resources. With the help of parents and children from the Society of Wilderness (SOW) and the leasing of land by farmers, a total of 9 pieces of farmland were leased out. Besides, we continue organizing food market events to strengthen community support for friendly farming.



▲ Ecological education programs in Shuanglianpi Educational Base



▲ Aquatic plants were well kept in Shuanglianpi shelter area

• Fuyang Eco Park Project

The Foundation and Society of Wilderness (SOW) jointly adopted the Fuyang Eco Park in Taipei City. Following years of commitment, the Foundation has completed ecological investigation, environmental patrol, habitat maintenance and improvement, and removal of alien species so that the ecological environment in the park is secured. The Foundation also actively implements the Ecological Park Movement, which involves managing the park by region to preserve the precious natural habitats in urban areas.

2019 Outcome:

1. Ecological survey and monitoring: To ensure that the park is kept in a good state after adoption, an ecological census was conducted in 2019. Based on the annual data collected over the years and changes, corresponding strategies were developed to improve the operation of the park so as to facilitate the stable and positive development of the habitat environment in the park. Surveys of birds, frogs, insects, plants, soil, and water quality were conducted and completed.
2. Habitat management: Besides patrolling the habitat regularly, we build up habitats, clean mountain areas, and remove the roots of alien plant species. A total of eight working holidays were held.



▲ Volunteers assisted in the arrangement of plants in Fuyang Park



▲ Volunteers assisted in removing alien species in Fuyang Park

3. Establishment of Guidelines for maintenance Management Operation Manual: Historical data and survey data were collated to establish a Maintenance Management Operation Manual for Fuyang Eco Park according to the characteristics of Fuyang Eco Park. This manual provides information on environmental inspection and maintenance management. We regularly attend routine meetings of Youth Park Management Division every month to discuss the draft guidelines for the management of natural parks.

• Tainan Old Tree Survey and Habitat Construction Project

The Foundation cooperated with the Tainan Community University Research & Development Association and hired professionals to engage in works related to the maintenance of trees and habitats in Tainan and teaching people how to protect old trees. Community management is established to not only call for participation in Tainan old tree surveys but also continue restoring the forestry habitats of Bauhinia in Tainan parks and accumulating experiences in maintenance and care. A practical demonstration of habitat conservation practice enables citizens to perceive and value the importance of old trees in urban cities.

2019 Outcome:

1. Environmental education: We regularly invite residents and guests to visit the Bauhinia habitat, where a habitat manager will provide information on tree conservation and soil knowledge and guide urban residents to enjoy the natural environment in the city and learn stories about the park.
2. Community management: Citizens were recruited to act as "tree helpers" and participate in tree surveys and recordings. These activities help people to obtain an extensive understanding of how important trees and green space are to a city. This event has been held 6 times with 90 participants.

• Children's Nature Camp

Wistron Foundation and the Society of Wilderness (SOW) have gathered resources across Taiwan to jointly organize the Children's Nature Camp for Disadvantaged Children. Children's welfare groups and disadvantaged children are sponsored to participate in this program to positively influence children's environmental behavior and environmental awareness. Activities are organized to foster students' investigation and observation capabilities and guide them to think about environmental problems, which in turn helps the children establish environmental responsibility and identification. In 2019, the Nature Camp for children was held in Hsinchu, Chiayi, and Tainan, with 360 children participating.

1. Rolling Camp in Hsinchu: In collaboration with the H Foundation, the camp themed "Zhudong Canal: Water and Life in My City, My Home" was held in Zhudong Eco Park where children guide others to understand animals and plants.
2. Butterfly Camp in Chiayi: In collaboration with Qiaoping Elementary School in Chiayi, the camp themed "Green Life and Ecology in Xianghu" was held in Xianghu Eco Park where children explored around the park to draw maps of green life. Challenging activities were designed to help participants experience and understand the ecosystem and share their green life map.
3. Phoenix Camp in Tainan: In collaboration with Sangu Elementary School, the camp themed "Children of the Sea Summer Camp" was held near the beach where children could learn about the ocean through edutainment activities to interact, experience, and know the unique marine resources of Qigu District with fun in summer vacation.

• **Chi Po-Lin Foundation Project**

Chi Po-Lin Space was set up by Chi Po-Lin Foundation in Tamsui. Since 2018, Wistron Foundation and Chi Po-Lin Foundation have started collaboration which aims to digitally archive the aerial images taken by Director Chi Po-Lin over the past 25 years. This digital archive serves to preserve the history of landscapes and precious cultural heritages in Taiwan. Works produced by Director Chi Po-Lin were integrated into an array of teaching materials for promoting the lands, environment, and environmental education in Taiwan. In 2019, an exhibition which showcased some of Mr. Chi’s masterpieces was curated and named “View above Mountain” .

• **Events of Science, Technology and Nature for Technology Talents**

We organized events to introduce the excellent organizations and outstanding partners sponsored by Wistron Foundation. Local workers and experts of culture, history, and ecology were invited to guide participants to learn about ecological issues and concerns. In addition, the event involves volunteering. From being a one-day scientist to working holiday activities and charity services, technology talents are able to translate their concern for ecology into actions to make a difference in real life.

Nature and humanity activity: 36 participants visited river ecosystems and cultural sites in Tainan.

Working holiday event: Wistron corporate volunteers participated in activities, invested in monthly working holiday events, assisted with improving Shuanglianpi North Embankment to restore the habitats to the original conditions that make them habitable for a variety of plants and animals, and also participated in restoration experiments and the establishment of aquatic plant shelters. In total, 6 events have been held and joined by 99 participants.

Volunteers as guides: We assisted Chi Po-Lin Space in terms of environmental education and nature conservation. In total, 20 volunteers were trained to introduce Chi Po-Lin Space to visitors.

Humanity Education. Action and Attention for Humanity

• **Foundation for education and humanities**

By laying a foundation for the cultivation and education of local teachers to provide support and companionship for children from disadvantaged families, we enable children to improve their lives and learning capabilities for more possibilities to escape from poverty through further education and employment.



▲ Wistron corporate volunteers participated in volunteer guide training of Chi Po-Lin Space



▲ Activities of nature and humanity- Learning estuarine ecosystems of Erren River, Tainan, Taiwan



▲ Wistron corporate volunteers joined working holiday activities



▲ Wistron corporate volunteers assisted in removing alien species in Shuanglianpi

Wistron Foundation has sponsored the Boyo Social Welfare Foundation since 2012, becoming one of the long-term supporters of the "After-school Tutoring Program for Children from Disadvantaged Families in Rural Areas". Boyo is committed to providing children from disadvantaged families with after-school tutoring for free. Tutorial is offered 210 days a year, 2 to 3 hours per day, helping children from elementary to junior high school. Boyo also continues to tutor students that have graduated. In 2019, Boyo has 18 tutorial centers, 2200 students, and 430 local tutors. With the assistance and companionship of tutors, students are able to hone their basic capabilities to learn academic subjects. Statistics show that the average monthly income of the graduates has been effectively increased.

Wistron Foundation has also long supported the "After-school care for Disadvantaged Children" of Taipei Glory Church in Xizhi District. In 2019, a total of 45 children benefited from the assistance provided by Taipei Glory Church weekly after-school study class, life education, and after-school tutorial. A long-term companionship is extended to the children's families with timely guidance to better cope with crises in life, enhance functions of families, and form a support system.

• **Enhancing educational facilities and qualities**

Since 2011, Wistron Foundation has cooperated with The Alliance Cultural Foundation to launch the "Huatung Project", which aims to create courses that enhance environmental conservation, cultural literacy and skills, as well as expanding and improving school facilities. The project not only aims to solicit local industries and talented individuals with potential, it also redirects resources to education in light of the continuously widening gap between education in urban and rural areas.

2019 Results:

1. We promoted the Junyi Experimental High School, Junyi Education Center. For the development of schools, the Junyi Junior High School supported by Wistron Foundation was successfully upgraded to become "Junyi International Educational Experimental School" in 2019. Junyi offers three signature courses on exploring life, creative learning, and international exposure. At Junyi, multidisciplinary courses are offered, and new school buildings have been constructed and put into use. Teachers and students are provided with excellent software and hardware facilities for more learning and development opportunities.



▲ The Alliance Cultural Foundation held various education workshops to enhance the quality of education



▲ The Alliance Cultural Foundation organized Huatung Music Camp



▲ The Alliance Cultural Foundation promoted slow travel in Hualien and Taitung

2. Flipped Educational Program: Changes in Taiwan's education system have an impact on the direction of education in the future. The program includes "Guidance and Study Program for Novice Teachers," "Sharestart Educational Promotion", "Taitung Teacher Preparation Workshop" and "Teacher Companion Program for 2019 Syllabus", and "Technology Education in Hualien and Taitung".
3. Vocational education: Ecotourism Course for National Taitung University Affiliated Physical Education Senior High School
4. Indigenous youth training programs: These programs include the "Huatung Sustainability Co-Learning Program", the "Taiwan Indigenous Youth Overseas Study Program", and the "Hawaii Brigham Young University Asian Executive Management Program". We attempt to seek sustainable opportunities in Hualien and Taitung by using a co-learning mechanism to recruit 50 young adults, including indigenous young members who participated in Hawaii learning programs over the past years and young leaders from public or private sectors with an interest in indigenous issues.
5. Themed camps: Every year, summer camps are organized, integrating fun courses, creative activities, and group living activities to inspire learning motivations and bring new horizons. Camping activities include everyday English learning, choir singing, and creative cooking classes for young adults living in Hualien and Taitung.

In 2010, Wistron Foundation supported the construction of new classroom buildings for Ci-Xin Waldorf School of the Anthroposophy Education Foundation and promotion of "Teacher training campaign and professional Waldorf teacher cultivating programs", which provide software and hardware resources for instructional activities related to the Waldorf education in Taiwan. Through the teacher cultivating program, different perspectives and competencies of education are developed, and educational reform is established through the forces of private communities, thereby providing new possibilities for the education model and approaches in Taiwan.

• **International Cultural Exchange Activities of "Bird and Water Dance Ensemble" by Visual Disability Dance Regiment**

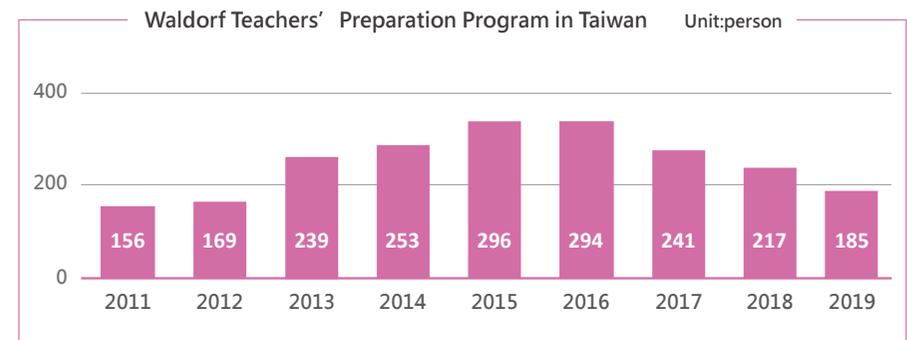
In 2019, the Bird and Water Dance Ensemble was invited to perform at a charity event in the United States. The group has garnered top prizes at home and abroad in recent years. Performances were provided by physically-challenged dancers. These performances convey that physically-challenged people demonstrate the power of life and are not restrained by physical disabilities.



▲ Anthroposophy Education Foundation held Waldorf teachers' preparation program



▲ New classroom buildings of Ci-Xin Waldorf School in construction in Yilan, Taiwan



Support Direction		2019 Results	Future Goals
Environment Ecological Balance	The Foundation supports habitat protection, observation, follow-up investigation, and environmental education to educate people on the ecosystem and show them the importance of the environment.	<ul style="list-style-type: none"> The Foundation has organized 300 activities in Shuanlianpi Educational Base, where 8,800 participants attended. Protecting the Seedling was participated by 360 children. The Protection for water and land project involves tracking and investigating toxic wastes in Hsinchu, Tainan, Kaohsiung, and Pingtung. In total, 43 environmental forums and activities were held and attended by 2100 people. Park Protection and Learning to restore Bauhinia and conduct surveys of old trees in Tainan was held 6 times and attended by 90 participants. 6 working holiday events of Scientific and Natural Humanities Series were held. 99 people attended. 	The natural environment is related to not only biodiversity and the sustainability of the life of endemic/endangered species, but also human health and the quality of life. The Foundation will continue to take actions to preserve and protect habitats, water resources and the natural environment, and join forces with different partners who share the same ideal to invest their expertise in environmental surveys, conservation and restoration, education and promotion activities. Ultimately, we strive to minimize the impact of anthropogenic activities on the environment to achieve harmony and balance between mankind and nature.
Humanities Education Enhancement	The Foundation supports and promotes diverse/experimental education teacher training and school education works to provide an alternative to basic education	<ul style="list-style-type: none"> 185 teachers have signed up for the Ci-Xin Waldorf teacher training campaign and professional Waldorf teacher preparation and training program. The Huatung Project of The Alliance Cultural Foundation aims to foster the next generation of talent through education by introducing experimental high schools, cultivating tribal talent, and developing innovative teacher communities. 	The Foundation continues to support diverse/experimental education by training teachers and promoting ecological and humanities education to encourage innovation and maximize the profound impact of education.
	The Foundation supports and provides educational resources that will facilitate the personal development of children from disadvantaged families.	<ul style="list-style-type: none"> Boyo Social Welfare Foundation Study Class for Rural and Disadvantaged Children provides remedial teaching to 2,200 students. Glory Church Study Class for Disadvantaged Children provides after-school tutorial classes to disadvantaged children living in Hsichih and accompanies these children to provide any guidance when necessary. A total of 45 students attended these study classes. 	The Foundation continues to provide sponsorship to improve the learning environments and study resources for children from disadvantaged families in rural areas, and create better educational and employment opportunities for these children.

Corporate sponsorship

Wistron seminars: Smart Science and Green Energy

To meet the demand for AI talents and cultivate industrial talents with practical experience in the industry, Wistron funded the National Chiao Tung University to hire internationally renowned experts and scholars in AI to lecture in Taiwan.

2019 TLPGA and Royal Open

The Foundation supported this open tournament to not only raise the standard of sports events for women in Taiwan, but also create an international stage for talented golf players.

Taiwania Capital Management Corporation: Industrial New Venture Investment Forum

The Industrial New Venture Investment Forum analyzed the global trends and cases of new corporate venture investments and extensively explored key issues on business investment startups.

Statement



INDEPENDENT ASSURANCE STATEMENT

To: The Stakeholders of WISTRON CORPORATION

Introduction and objectives of work

Bureau Veritas Certification Taiwan has been engaged by WISTRON CORPORATION to conduct an independent assurance of its 2019 Corporate Sustainability Report. This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the 2019 Corporate Sustainability Report are the sole responsibility of the management of WISTRON CORPORATION. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on its content.

Scope of work

The assurance process was conducted in line with the requirements of the AA1000 Assurance Standard (AA1000AS, 2008) with 2018 addendum, Type 2 - AccountAbility Principles and Performance Information engaged. The scope of work included:

- Data and information included in 2019 Corporate Sustainability Report for the 1st January, 2019 to 31st December, 2019;
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported;
- Evaluation of the Report against the main principles of the AA1000 Accountability Principle (2018)¹
 - Inclusivity
 - Materiality
 - Responsiveness
 - Impact
- Evaluation of the Report against the principles of Stakeholder Inclusiveness, Sustainability Context, Materiality, Completeness, Balance, Comparability, Accuracy, Timeliness, Clarity, and Reliability, as defined in the GRI Sustainability Reporting Standards.

The levels of assurance have been applied as moderate level assurance.

Methodology

As part of its independent assurance, Bureau Veritas undertook the following activities:

1. Interviews with relevant personnel of WISTRON CORPORATION;
2. Review of documentary evidence produced by WISTRON CORPORATION;
3. Review performance data listed in report with sampling basis;

¹ Published by AccountAbility: The Institute of Social and Ethical Accountability
<http://www.accountability.org.uk>



4. Visits to 4 sites located in Taiwan (Taipei City, Hsinchu City, New Taipei City) and Czech (Brno-Slatina);
5. Review of WISTRON CORPORATION data and information systems for collection, aggregation, analysis and review.

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

The work was planned and carried out to provide reasonable, rather than absolute assurance and we believe it provides a reasonable basis for our conclusions.

Our findings

On the basis of our methodology and the activities described above, it is our opinion that:

- The information and data included in 2019 Corporate Sustainability Report are accurate, reliable and free from material mistake or misstatement;
- The Report provides a fair representation of WISTRON CORPORATION's activities over the reporting period;
- The information is presented in a clear, understandable and accessible manner, and allows readers to form a balanced opinion over WISTRON CORPORATION's performance and status during the 1st January, 2019 to 31st December, 2019;
- The Report properly reflects the organisation's alignment to and implementation of the AA1000 Assurance Standard (AA1000AS, 2008) with 2018 addendum's principles of Inclusivity, Materiality, Responsiveness and Impact in its operations. Further detail is provided below;
- WISTRON CORPORATION has established appropriate systems for the collection, aggregation and analysis of relevant information;

Alignment with the principles of AA1000 Accountability Principle (2018)

Inclusivity

WISTRON CORPORATION has processes in place for engaging with key stakeholders including socially responsible investors, clients, employees, supply chain and local community; and has undertaken a number of formal stakeholder engagement activities in 2019 covering a range of material topics such as Economic, Social and Environment.

Materiality

The Report addresses the range of environmental, social and economic issues of concern that WISTRON CORPORATION has identified as being of highest material importance. The identification of material topics has considered both internal assessments of risks and opportunities to the business, as well as stakeholders' views and concerns.

Responsiveness

WISTRON CORPORATION is responding to those issues it has identified as material and demonstrates this in its policies, objectives, indicators and performance targets. The reported information can be used by the organisation and its stakeholders as a reasonable basis for their opinions and decision-making.



Statement



Impact

WISTRON CORPORATION's management system can monitor, measure and be accountable for how their actions affect their broader ecosystems.

GRI report Structure

WISTRON CORPORATION does fully provide the information to achieve the GRI Standards 'core' in accordance, and the performance indices do correspond and can be cross referenced to the content of relevant GRI Standards.

Key areas for ongoing development

Based on the work conducted, we recommend WISTRON CORPORATION to consider the following:

- Encourage organizations to include all entities in consolidated financial statement within reporting boundaries to present a more complete corporate social responsibility performance. (INCLUSIVITY)

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period;
- Positional statements (expressions of opinion, belief, aim or future intention by WISTRON CORPORATION) and statements of future commitment.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with more than 190 years history in providing independent assurance services. Bureau Veritas 2019 full year revenues reached 5.1 billion euros. The Group's adjusted net profit for 2019 reached 832 million euros.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with WISTRON CORPORATION, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over years combined experience in this field and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.



Bureau Veritas Certification Taiwan

3F-B, No. 16, Nanjing E. Rd., Sec. 4, Songshan District, Taipei 10553, Taiwan R.O.C.
6th April, 2020



Technical Reviewer: [Signature] Date: 06/April/2020

Assurer: [Signature] Date: 06/April/2020



GRI Content Index

GRI Standards	Disclosure	Page number(s) and/or URL(s)	Omission
General Disclosures			
GRI 102: General Disclosures 2016	102-1 Name of the organization	1	No omission
	102-2 Activities, brands, products, and services	8	No omission
	102-3 Location of headquarters	8	No omission
	102-4 Location of operations	8	No omission
	102-5 Ownership and legal form	1	No omission
	102-6 Markets served	8	No omission
	102-7 Scale of the organization	7, 37, 38	No omission
	102-8 Information on employees and other workers	83, 84	No omission
	102-9 Supply chain	51	No omission
	102-10 Significant changes to the organization and its supply chain	51	No omission
	102-11 Precautionary Principle or approach	31~36	No omission
	102-12 External initiatives	51	No omission
	102-13 Membership of associations	9	No omission
	102-14 Statement from senior decision-maker	3~5	No omission
	102-16 Values, principles, standards, and norms of behavior	102~103	No omission
	102-18 Governance structure	19 ~ 22	No omission
	102-40 List of stakeholder groups	14 ~ 17	No omission
102-41 Collective bargaining agreements	99	No omission	
102-42 Identifying and selecting stakeholders	14 ~ 17	No omission	
102-43 Approach to stakeholder engagement	14 ~ 17	No omission	

GRI Standards	Disclosure	Page number(s) and/or URL(s)	Omission
	102-44 Key topics and concerns raised	14 ~ 17	No omission
	102-45 Entities included in the consolidated financial statements	1	No omission
	102-46 Defining report content and topic Boundaries	11, 12	No omission
	102-47 List of material topics	11, 12	No omission
	102-48 Restatements of information	1	No omission
	102-49 Changes in reporting	1	No omission
	102-50 Reporting period	1	No omission
	102-51 Date of most recent report	1	No omission
	102-52 Reporting cycle	1	No omission
	102-53 Contact point for questions regarding the report	1	No omission
	102-54 Claims of reporting in accordance with the GRI Standards	1	No omission
	102-55 GRI content index	122	No omission
	102-56 External assurance	121	No omission
General Disclosures			
Economic Performance			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	32, 37, 38	No omission
	103-3 Evaluation of the management approach	32, 37, 38	No omission

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GRI Standards	Disclosure	Page number(s) and/or URL(s)	Omission
GRI 201 Economic Performance 2016	201-1 Direct economic value generated and distributed	37	No omission
	201-2 Financial implications and other risks and opportunities due to climate change	34~36	No omission
	201-3 Defined benefit plan obligations and other retirement plans	100	No omission
Market Presence			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	86, 100	No omission
	103-3 Evaluation of the management approach	86, 100	No omission
GRI 202 Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	100	No omission
	202-2 Proportion of senior management hired from the local community	86	No omission
Anti-corruption			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	102, 103	No omission
	103-3 Evaluation of the management approach	102, 103	No omission
GRI 205 Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	102, 103	No omission
	205-2 Communication and training about anti-corruption policies and procedures	102, 103	No omission
	205-3 Confirmed incidents of corruption and actions taken	103	No omission

GRI Standards	Disclosure	Page number(s) and/or URL(s)	Omission
Anti-competitive Behavior			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	22	No omission
	103-3 Evaluation of the management approach	22	No omission
GRI 206 Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	22	No omission
Materials			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	76	No omission
	103-3 Evaluation of the management approach	76	No omission
GRI 301 Materials 2016	301-1 Materials used by weight or volume	76	No omission
	301-2 Recycled input materials used	76	No omission
	301-3 Reclaimed products and their packaging material	76	No omission
Energy			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	56, 60 ~ 65	No omission
	103-3 Evaluation of the management approach	56, 60 ~ 65	No omission

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GRI Standards	Disclosure	Page number(s) and/or URL(s)	Omission
GRI 302 Energy 2016	302-1 Energy consumption within the organization	65	No omission
	302-2 Energy consumption outside of the organization	65	No omission
	302-3 Energy intensity	60	No omission
	302-4 Reduction of energy consumption	62	No omission
	302-5 Reductions in energy requirements of products and services	62	No omission
Water			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	67 ~ 74	No omission
	103-3 Evaluation of the management approach	67 ~ 74	No omission
GRI 303 Water 2018	303-1 Interactions with water as a shared resource	67	No omission
	303-2 Management of water discharge-related impacts	73	No omission
	303-3 Water withdrawal	72, 73	No omission
	303-4 Water discharge	74	No omission
	303-5 Water consumption	74	No omission
Emissions			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	57~59, 79	No omission
	103-3 Evaluation of the management approach	57~59, 79	No omission

GRI Standards	Disclosure	Page number(s) and/or URL(s)	Omission
GRI 305 Emissions 2016	305-1 Direct (Scope 1) GHG emissions	58	No omission
	305-2 Energy indirect (Scope 2) GHG emissions	58	No omission
	305-3 Other indirect (Scope 3) GHG emissions	59	No omission
	305-4 GHG emissions intensity	58	No omission
	305-5 Reduction of GHG emissions	61, 62	No omission
	305-6 Emissions of ozone-depleting substances (ODS)	79	No omission
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	79	No omission
Effluents and Waste			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	73, 74, 77~79	No omission
	103-3 Evaluation of the management approach	73, 74, 77~79	No omission
GRI 306 Effluents and Waste 2016	306-1 Water discharge by quality and destination	74	No omission
	306-2 Waste by type and disposal method	78	No omission
	306-3 Significant spills	73	No omission
	306-4 Transport of hazardous waste	78	No omission
	306-5 Water bodies affected by water discharges and/or runoff	73	No omission

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GRI Standards	Disclosure	Page number(s) and/or URL(s)	Omission
Environmental Compliance			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	44	No omission
	103-3 Evaluation of the management approach	44	No omission
GRI 307 Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	44	No omission
Supplier Environmental Assessment			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	51~55	No omission
	103-3 Evaluation of the management approach	51~55	No omission
GRI 308 Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	51~52	No omission
	308-2 Negative environmental impacts in the supply chain and actions taken	55	No omission
Employment			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	83~86, 100, 101	No omission
	103-3 Evaluation of the management approach	83~86, 100, 101	No omission

GRI Standards	Disclosure	Page number(s) and/or URL(s)	Omission
GRI 401 Employment 2016	401-1 New employee hires and employee turnover	85	No omission
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	100	No omission
	401-3 Parental leave	100~103	No omission
Labor/Management Relations			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	99	No omission
	103-3 Evaluation of the management approach	99	No omission
GRI 402 Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	99	No omission
Occupational Health and Safety			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	89~98	No omission
	103-3 Evaluation of the management approach	89~98	No omission
GRI 403 Occupational Health and Safety 2018	403-1 Occupational health and safety management system	89~90	No omission
	403-2 Hazard identification, risk assessment, and incident investigation	90	No omission
	403-3 Occupational health services	97	No omission

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GRI Standards	Disclosure	Page number(s) and/or URL(s)	Omission
GRI 403 Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	90	No omission
	403-5 Worker training on occupational health and safety	91	No omission
	403-6 Promotion of worker health	96	No omission
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	93	No omission
	403-8 Workers covered by an occupational health and safety management system	89	No omission
	403-9 Work-related injuries	94	No omission
	403-10 Work-related ill health	94	No omission
Training and Education			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	86~89	No omission
	103-3 Evaluation of the management approach	86~89	No omission
GRI 404 Training and Education 2016	404-1 Average hours of training per year per employee	87	No omission
	404-2 Programs for upgrading employee skills and transition assistance programs	87	No omission
	404-3 Percentage of employees receiving regular performance and career development reviews	100	No omission

GRI Standards	Disclosure	Page number(s) and/or URL(s)	Omission
Diversity and Equal Opportunity			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	83, 84	No omission
	103-3 Evaluation of the management approach	83, 84	No omission
GRI 405 Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	83, 84	No omission
	405-2 Ratio of basic salary and remuneration of women to men	100	No omission
Non-discrimination			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	81	No omission
	103-3 Evaluation of the management approach	81	No omission
GRI 406 Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	81	No omission
Child Labor			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	82	No omission
	103-3 Evaluation of the management approach	82	No omission
GRI 408 Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	82	No omission

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GRI Standards	Disclosure	Page number(s) and/or URL(s)	Omission
Forced or Compulsory Labor			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	82	No omission
	103-3 Evaluation of the management approach	82	No omission
GRI 409 Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	82	No omission
Human Rights Assessment			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	51~55, 81, 82	No omission
	103-3 Evaluation of the management approach	51~55, 81, 82	No omission
GRI 412 Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews	51~52	No omission
	or impact assessments	81, 82	No omission
	412-2 Employee training on human rights policies or procedures	81, 82	No omission
Customer Health and Safety			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	48~50, 105	No omission
	103-3 Evaluation of the management approach	48~51, 105	No omission
GRI 416 Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	48~51, 105	No omission
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	50, 105	No omission

GRI Standards	Disclosure	Page number(s) and/or URL(s)	Omission
Marketing and Labeling			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	104~105	No omission
	103-3 Evaluation of the management approach	104~105	No omission
GRI 417 Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	105	No omission
	417-2 Incidents of non-compliance concerning product and service information and labeling	105	No omission
Customer Privacy			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	22	No omission
	103-3 Evaluation of the management approach	22	No omission
GRI 418 Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	22	No omission
Socioeconomic Compliance			
GRI 103 Management Approach 2016	103-1 Explanation of the material topic and its Boundary	10~13	No omission
	103-2 The management approach and its components	21~22	No omission
	103-3 Evaluation of the management approach	21~22	No omission
GRI 419 Socio-economic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	21~22	No omission