



**2018**

*Corporate Social Responsibility*

**CSR REPORT**

*Integrity  
Commitment  
Team Work*



**TABLE OF**

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Best Employer

### Company Overview

Full Name: WT Microelectronics Co., Ltd.

Stock Code: 3036

Chairman: Eric Cheng

Industry Category: Electronics Distributor

Date of Establishment: December 23, 1993

OTC Date: September 26, 2000

Date of Listing: August 26, 2002

Capital: NT\$5,551,889,150

Headquarter: 14th Floor, No. 738, Zhongzheng Road, Zhonghe District, New Taipei City, Taiwan

Number of Employees: 2,399

## From the Management Team



### Building a Better Future World with Leading Technology

We continue to innovate in order to deepen our positive influence on the economic, social, low-carbon and employment environment of corporate social responsibility. We also demonstrate the sustainable performance of environmental, social and governance (ESG) that all stakeholders are paying more and more attention to.

WT Group's integrated approach to corporate responsibility and sustainability can help us mitigate risks, reduce costs, create brand value, and identify new market opportunities to create value for our shareholders.

We also strive to align 17 sustainable development goals (SDGs) by United Nations through corporate responsibility and sustainable development strategies.



Eric Cheng,  
Chairman



Rick Chang,  
General Manager, Taiwan



James Wen,  
General Manager, China



Jack Yang,  
Chief Marketing Officer



Willie Sun,  
Chief Application Officer

## Significant economic impact

Asia has as much as 70% of the global semiconductor market, and WT has 48 operation sites in the Asian region, serving more than 9,000 customers.

For corporate governance, we are committed to upholding the highest standards for corporate management and business ethics. It is a great honor for us to be awarded the second highest level of corporate governance appraisal on the Taiwan Stock Exchange for two consecutive years.

Investor relationship is also an issue we attach great importance to. One of the most fundamental characteristics of our corporate responsibility approach is our commitment to investor relations and transparency of financial reporting. We publish complete financial reports and hold investor conferences on revenue and profitability every quarter.

## Building a low-carbon environmental impact

The true innovative products can bring influence to the world without impact the planet. Even if we don't have manufacturing plants, we work with our supply chain to promote energy-efficient electronic components and build a low-carbon environmental impact.

The impact on the environment will be further reduced through the use of substances that are safe for human beings and the environment. WT has made considerable efforts to ensure that all our products comply with EU REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulations. 100% of the major suppliers meet the environmental standards of EU RoHS & REACH.

Creating a low-carbon environment is a formidable challenge. However, we are deeply aware that we have the ability to distribute the best products in the world while making the Earth a better place.

## Striving to be the best employer

Diversified and inclusive workplace has always been our goal of sustainable employment. In particular, the issue of gender equality has been implemented in our Board of Directors. WT's Board of Directors currently has 50% of female directors, leading WT to continue to practice sustainable operation.

On the issue of fair wage, we have achieved five consecutive years of growth in employee welfare costs.

In terms of workplace wellness and safety, WT Group is committed to ensuring that all employees are protected by appropriate occupational safety measures at all levels of business operations and to creating a healthy workplace environment.

With regard to human rights principles, we strive to maintain and improve systems and procedures, and to safeguard human rights within the Company and in the supply chain.

## Social influence of prosperity and affluence

We are committed to helping people and businesses feel prosperous and affluent in the global society.

Since the establishment of the "WT Education Foundation" in 2014, we have focused on five major public welfare axes: pluralistic education, cultivation of literary and artistic knowledge, flipped education, stimulating the next generation and caring for life. In 2018, the total donation amount was NT\$7,548,000, and the number of participants or beneficiaries reached 34,573.

We always believe that companies should do their best to serve the interests of the public, bring more strength to people all over the world, and bring us closely as never before to create a beautiful world full of prosperity and affluence.

## Our Honor

### Upstream Suppliers

- ON Semiconductor Corporation 2017 Top Distribution Partner Award in APAC
- ST 2018 Best Partnership (Taiwan) 、 Best Growth STD Products Award and Best Performance (Gold Award)
- NXP Semiconductor 2018 Best Partner

### Customers

- INVENTEC 2017 Best Supplier Award
- 2018 Great Support to Dell NB Business
- GIGABYTE 2018 Best Dealer

### Others

- Ranked No. 6 in the service industry of the top 2000 Business Survey conducted by CommonWealth magazine in 2018, ranked third in the category of information, communication and IC distributor, ranked 24th in the fastest-growing service industry category, and 26th in the most profitable company in the service industry.
- Ranked among the top 5000 large-scale enterprises in Taiwan by China Credit Information Service, Ltd. in 2018: the first place in the electronic component wholesale business, the 6th in revenue of the service industry, and the 33rd in revenue for all industries.

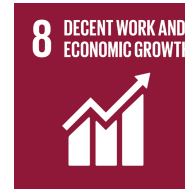
CHAPTER

01

# Economic Impact



# Key Performance



Annual after-tax earnings per share

5.02

NT\$



Annual consolidated revenue of

273.4

NT\$billion



Serving

9,000+

customers



Handling

690,000+

orders



Market share No.

2

in Asia and No. in the world

4



Dealership for

55,000+

types of components



Shipping

25,000,000,000+

chips



# Consolidated Revenue of NT\$273.4 Billion in 2018

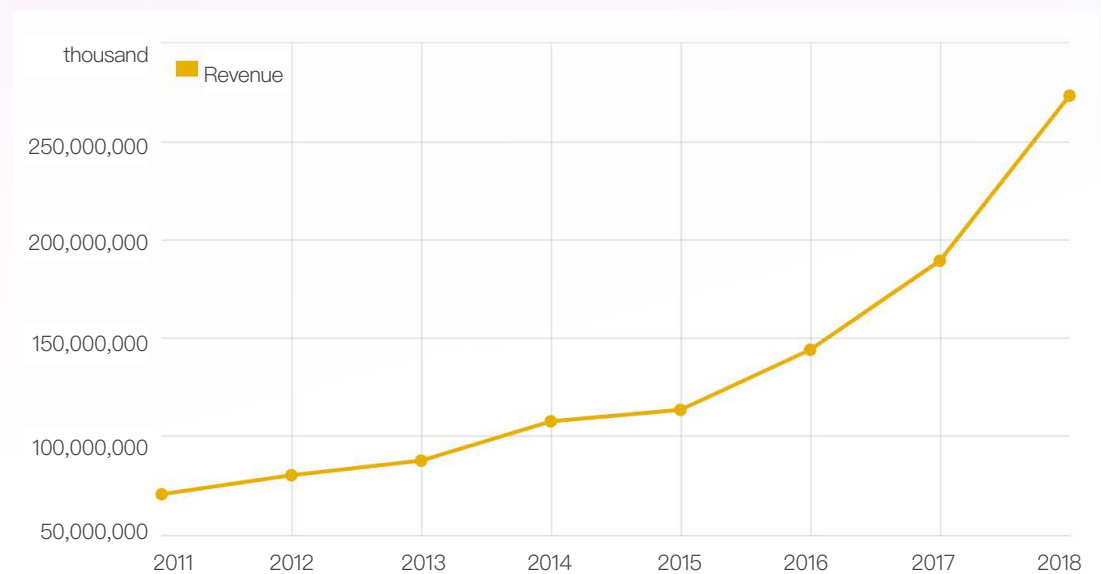
## After-tax Earnings per Share: NT\$5.02

WT is a global leading supplier of channel services for professional electronic components. In 2018, WT's annual consolidated revenue reached NT\$273.4 billion. According to Gartner 2018 Semiconductor Distributors Market Survey Report, the Group's market share ranked 2nd in Asia and 4th in the world.

Distributor for more than 60 of the world's top semiconductor manufacturers. Distribution of more than 55,000 components across the fields of IT, telecommunication, automotive, medical, consumer electronics, etc. Distribution of semiconductor brands, including: Ambarella, ADI, Broadcom, Marvell, Maxim, NXP, ON Semiconductor, Skyworks, ST and TI; Distribution of semiconductor product range, including: analog IC, memory IC, application-specific IC, discrete components, chipsets, microprocessors and so on.

Asia has up to 70% of the global semiconductor market. WT has 48 business locations in the Asian region, covering Taiwan, mainland China, South Korea, Singapore, Vietnam, Thailand, Malaysia and India. Serving more than 9,000 customers.

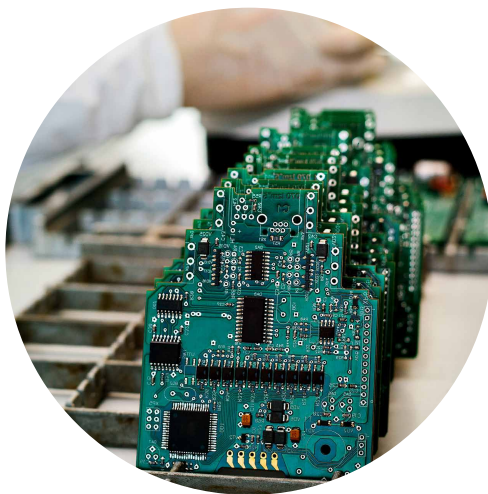
- Market share No. 2 in Asia and No. 4 in the world
- Dealership for 55,000+ types of components
- Serving 9,000+ customers
- Handling 690,000+ orders
- Shipping 25,000,000,000+ chips



▲ Consolidated revenue has been growing year after year

## Having more than 60 Dealerships for Global Semiconductor Vendors

Selling more than 55,000 Types of Components and Serving more than 9,000 Customers



### Upstream of IT industry chain

WT is a distributor of more than 60 semiconductor vendors worldwide and sells more than 55,000 types of components.



### Midstream of IT industry chain

In the IT supply chain, WT plays the role of midstream distributor, with the core competitiveness of assisting upstream vendors to set product marketing direction and supporting downstream customers to shorten R&D time.



### Downstream of IT industry chain

WT serves more than 9,000 customers. Their end products include advanced driving assistance systems(ADAS), biometrics, Internet of Things, smart homes, optical ranging and so on.

# Constant Innovative Product Solutions

WT Microelectronics has a strong product application team, which not only provides technical services for electronic components, but also assists customers in the selection and inspection of electronic components and circuit diagrams. The Company also assists in software and hardware debugging during the trial production period, so that the products can be mass produced within the shortest period of time. In addition, our product application team provides a complete product solution (i.e., turnkey solution), including software and hardware. This helps shorten customer product design time, time needed for mass production, and thus reducing manpower to achieve timely product launch (i.e., Time To Market). Our solutions include smart light controls, smart car keys, smart watches and IoT gateways.

## 2013

Smart Light Control



## 2014

Smart Watch



## 2015

IoT Gateway



## 2016

Smart Car Key



# Asia Has up to 70% of the Global Semiconductor Market. WT Has Deployed 48 Business Locations in Asia, Serving more than 9,000 Customers.

## China Office(33)

- 1. Harbin
- 2. Shenyang
- 3. Dalian
- 4. Beijing
- 5. Qingdao
- 6. Zhengzhou
- 7. Jinan
- 8. Xi'an
- 9. Ningbo
- 10. Shanghai
- 11. Wuxi
- 12. Suzhou
- 13. Kunshan
- 14. Nanjing
- 15. Hangzhou
- 16. Wenzhou
- 17. Hefei
- 18. Chengdu
- 19. Chongqing
- 20. Changsha
- 21. Wuhan
- 22. Fuzhou
- 23. Fuqing
- 24. Xiamen
- 25. Dongguan
- 26. Shunde
- 27. Guangzhou
- 28. Zhuhai
- 29. Hong Kong
- 30. Shenzhen
- 31. Tianjin
- 32. Yantai
- 33. Mianyang

## Korea Office(1)

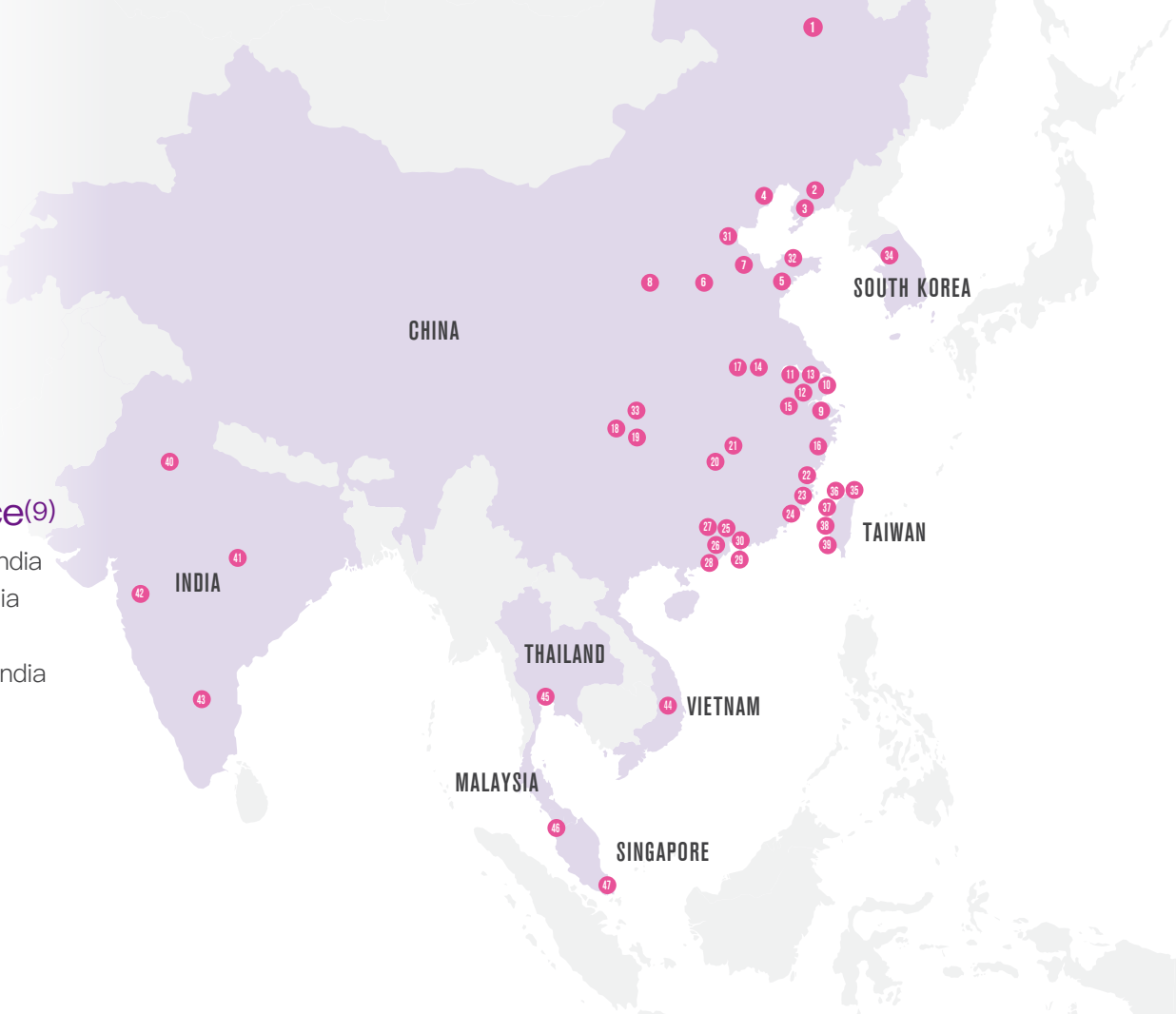
- 34. Seoul

## Taiwan Office(5)

- 35. Taipei, headquarters
- 36. Taoyuan, warehouse
- 37. Hsinchu
- 38. Taichung
- 39. Tainan

## South Asia Office(9)

- 40. New Delhi, northern India
- 41. Mumbai, northern India
- 42. Pune, northern India
- 43. Bangalore, southern India
- 44. Vietnam (2)
- 45. Bangkok, Thailand
- 46. Penang, Malaysia
- 47. Singapore



# With 26 Years of Economic and Trade Strength for Global Semiconductor Compliance

## Trade Secret Protection

The Company strictly abides by trade secret confidentiality by not disclosing the intellectual property of suppliers and customers, such as business secrets, trademarks, patents, written works, etc., and may not inquire or collect intellectual property such as business secrets, trademarks, patents, works, etc. from suppliers and customers that are not related to business operations. In 2018, WT Microelectronics (including subsidiaries Techmosa, Morrihan, Maxtek Technology, Realtek and HongTech Electronics) signed 285 Non-Disclosure Agreements (NDA) with customers and 13 with OEMs. No legal proceedings were brought by the customer or an OEM for violation of the NDA.

No infringement of customer privacy or loss of customer data complaints in 2018.

# NDA

In 2018, there were 285 NDA signed with customers, and 13 NDA signed with OEMs to complete the implementation of the protection of commercial secrets.

# 232 persons

In 2018, a total of 6 ECCN training courses were held, with a total of 232 participants.

## Organizing Internal ECCN Training Courses

The Company follows the Fair Trade Act, Foreign Trade Act, Regulations Governing Export and Import Of Strategic High-tech Commodities, US export control regulations, Regulations Governing Permission of Trade Between Taiwan Area and Mainland Area, as well as other regulations and international standards. All products are in line with international safety standards, international environmental protection specifications and import and export regulations. To ensure that the work environment is safe, employees are treated with respect and dignity and business operations are environmentally friendly and ethical.

We also hold several training courses internally to promote regulation awareness. In 2018, a total of six internal Export Control Classification Number (ECCN) training courses were held. The trainees included business, marketing, original and customer service representatives, with a total of 232 participants.

## Product Content Label

As a distributor of semiconductor components, the Company has relatively limited control over product labeling. When facing upstream manufacturers and semiconductor component manufacturers, we ensure that the products obtained from the original factories are labeled on the outer box, inner box and electronic component tray or reel, indicating all necessary information, including product materials part number, place of origin, year of manufacture, cycle, batch number, etc., and whether it meets the specifications of lead-free, halogen-free, RoHS, etc., in order to facilitate our product identification, acceptance, data management and tracking operations, and confirm the product label compliance of the purchased products.

When facing downstream manufacturers and electronic products manufacturers, namely our customers, the Company first discussed the product label form and specifications with customers to ensure that the product labeling at the time of shipment is 100% in line with customer requirements. We create customized labels based on the needs of each manufacturer. The label information includes the OEM name, customer code/part number, product origin, year of manufacture, cycle, quantity, and compliance with lead-free, halogen-free, RoHS and other specifications.

No violation of product information and labeling occurred in 2016 to 2018

### Outer box label (for upstream manufacturers)

Bar code (including the above information)  
Shipment date  
Meets halogen-free specifications  
Meets lead-free specifications  
RoHS compliant  
Part number  
Number of components  
Number of boxes inside the carton  
Date of manufacture

### Inner box label (for upstream manufacturers)

Country of origin: the country that the product is made  
Traceability lot number: lot number  
Date code: P/N: the date that the product is made  
Product quantity  
Fixed text: supplier name  
Additional info if halogen free product: compliance of halogen-free regulations  
Additional info on RoHS: compliance of RoHS  
Lead-free symbol: compliance of lead-free regulations

Inner box label (for upstream manufacturers)  
P/O: number of order  
MPN: WT Microelectronics part number  
Lot: lot number  
Vender name: WT Microelectronics  
Vender Coder: WT Microelectronics internal customer code  
Date Code: the date of that it is produced  
Made in Philippine: country of origin

# The Second

## Highest Class

For two consecutive years, the Company has been ranked at the top 6% to 20% of the second highest class of the listed companies in the Corporate Governance Evaluation of the Taipei Exchange.

# 29 %

Independent Directors account for 29%. Strengthen the supervisory function of the Board of Directors.

# 50 %

The proportion of female directors is as high as 50%. Implement gender equality on Board of Directors.

## Diversified Director Structure and Stewardship

### Appointment of Seven Directors

The Board of Directors is the highest governance unit of the Company and the major operational decision-making center. Based on the Company's development and scale of operations, seven directors (including two independent directors) have been appointed. On July 6, 2017, a director resigned due to a busy schedule. Currently, one seat of director is temporarily vacant. 8 Board meetings were held in 2018 with the actual attendance rate of 85%.

### Nomination System for Director Election

The nomination of the Board of Directors adopts candidate system in a comprehensive manner so that shareholders can fully exercise their rights to enhance the effectiveness of corporate governance.

### Diversity of Board of Directors

In order to implement a good board governance system, diversity and professionalism are taken into consideration along with the Company's Corporate Governance Best Practice Principles. In terms of diversification, gender equality is implemented with 50% of female Directors. Moreover, they have extensive professional experience in various fields such as industry, finance, business and management.

### Insured Liability Insurance for Directors

Purchasing liability insurance for all directors and supervisors, so that they can perform their occupational competence wholeheartedly and create maximum benefits for shareholders.

### "Exceeding the Standard" Result of the Board Performance Evaluation

The Company conducts internal Board performance assessment at least annually after the end of the year. In early 2019, the overall Board performance evaluation for 2018 has been completed. The achievement rate of the assessment results is over 90%. The assessment result is "exceeding the standard," and this has been reported to Board members at the Board meeting held on January 9, 2019.



## Remuneration Committee

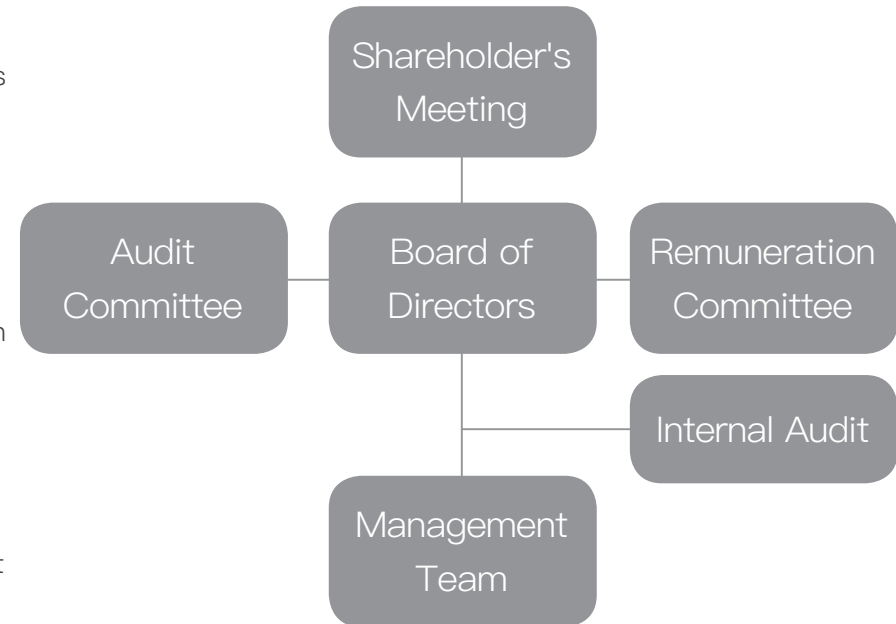
To establish a sound remuneration system for directors, supervisors, and managers, the Company set up the Remuneration Committee in 2012. There are three members on the committee with the same term as the Board of Directors. The independent director Elaine Kung serves as the convener. The independent qualifications of the members are met, and they have experience in fields such as accounting, economics, and management. The main responsibility of the Remuneration Committee is to assist the Board of Directors in assessing the remuneration policies and systems of the Company's directors, supervisors and managers in a professional and objective manner. The committee also takes the Company's operating performance into consideration and makes recommendations to the Board for reference in the decision making process.

## Full Establishment of Audit Committee in 2019

In 2018, the Board of Directors set up two supervisors, and in 2019, the establishment of Audit Committee was completed to replace the current supervisors in order to strengthen the supervisory function of the Board of Directors.

## Quarterly Investor Conference

In addition, the Company is invited to hold investor conferences every quarter, which announces the business performance of the quarter and the outlook for the next one. This information will be announced in parallel on the MOPS website and the official website of the Company. In 2018, the Company was invited to participate in a total of 9 investor conferences at home and abroad.



▲ In 2019, the Audit Committee was set up to replace current supervisors in order to strengthen the supervisory function of the Board of Directors.

## Anti-corruption

The Company sets up a dedicated unit, integrity management promotion team, to report regularly to the Board of Directors at the beginning of each year on the implementation of integrity management in the previous year, to assist the Board of Directors in reviewing and evaluating the effectiveness of the preventive measures established by the implementation of integrity management.

The integrity management promotion team formulates the "Ethical Corporate Management Best Practice Principles", "Codes of Ethical Conduct" and "Procedures for Ethical Management and Guidelines for Conduct" as well as other management regulations and internal control system, authorization system, functional division of labor and other preventive measures, including cooperating with internal audits, conducting self-assessment of internal control and providing reporting channels in case there is a violation to implement anti-corruption enforcement measures.

## Business Locations that Have Been Assessed for Corruption Risks

Through internal audits, self-assessment of internal control, and setting up a reporting mailbox for violations, corruption risks for all locations in Taiwan have been evaluated and controlled according to business attributes. The Company's official website has a platform for reporting violations of professional ethics, providing channels for informants to report illegal acts of company personnel.

## Communication and Training on Anti-corruption Policies and Procedures

The "Ethical Corporate Management Best Practice Principles", "Codes of Ethical Conduct" and "Procedures for Ethical Management and Guidelines for Conduct" have been publicly disclosed in the corporate governance area of the official website and the Company's internal website for all employees.

For the new employee training, the Company arranged courses about the important management regulations for the "Ethical Corporate Management Best Practice Principles", "Codes of Ethical Conduct" and "Procedures for Ethical Management and Guidelines for Conduct". In 2018, WT Microelectronics had 55 batches of new employee training with 138 trainees in total. For members of governance units, in 2018, members of governance units received anti-corruption training courses totaling 5 people, accounting for 25% of the total members of governance units.

## No corruptive incidents occurred in 2018

The Company regularly reports to the Board of Directors and supervisors at the beginning of each year on the results of the implementation of the integrity management in the previous year to assist the Board of Directors in assessing whether the preventive measures established for integrity management are effective. On January 9, 2019, the Board of Directors has received the 2018 integrity management report. In 2018, the Company did not find any cases of directors, supervisors, managers and employees receiving bribes or undue benefits.

## Global Macro View to Identify Sustainable Risks

### Leading Domestic Companies, Citing WEF Global Risk Report for the First Time

WT identifies sustainable risks from a global macro perspective. According to the annual "Global Risks Report" by The World Economic Forum (WEF), climate change, data theft and cyber attacks are the top three concerns. WT has launched the information security risk protection, and the following are our specific five measures.

1. Protecting information security centers: In the new era, information security centers need new information security protection schemes.
2. Protecting users anytime and anywhere: We extend the protection scope of the new generation firewall, deploy secure DNS, and provide protection for employees anytime and anywhere.
3. Stopping threats at the edge: All-digital businesses must not allow downtime to occur. We use a new generation of firewalls to effectively protect the Company's network against various high-risk threats.
4. Upgrading anti-virus software: Kaspersky Anti-Virus Software, which has 400 million users worldwide, is also used by government units of U.S. WT has been using this software since 2018 to cope with malware intrusion, and to monitor the network, data center, branches and cloud environment. Through the high-end security analysis, it can block and remove virus attacks instantly and build digital defense cover for information security.
5. Discovering and containing threats quickly: If we find that the information security environment has been violated, our solution is to block and remove malicious software.

# 1,536

Blocked 1,536 malwares

# 3,036

Removed 3,036 viruses

In response to the annual "Global Risk Report" by The World Economic Forum, WT identified data theft and cyber attacks as major operational sustainability risks. Therefore, since August 2018, we have upgraded the information security protection software in an all-round way, with annual accumulation of 1,536 malwares blocked and 3,036 viruses removed, effectively building digital defense cover.



CHAPTER

02

# Environmental Impact



## Key Performance

Logistics warehouses in Taiwan and Hong Kong have obtained

# ISO 14001

environmental management system verification



Annual recycling and reusing of more than

# 20,000

packaging materials



The intensity of greenhouse gas emissions has been decreasing year after year, and it has been reduced to

# 0.561

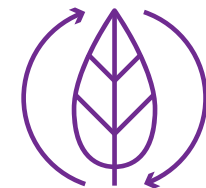
CO<sub>2</sub>e tons in 2018.



The introduction of advanced paperless warehouse logistics operation system has saved more than

# 1 million

sheets of paper in the past five years.



# Connecting Environmental Management with International Standard ISO 14001

The Company is an electronic parts distributor, whose main business is the trading and research and development of electronic components. It does not involve manufacturing and production. Due to the nature of the industry, there is no environmental pollution. As a citizen of the Earth, WT deeply recognizes the importance of environmental sustainability. Through the introduction of environmental management system, WT minimizes the risk of environmental violations, and actively promotes the energy-saving and carbon-reduction campaign for a long time, strengthening the environmental awareness of employees and improving the utilization efficiency of resources.

The Company is committed to promoting a sustainable environment. Logistics warehouses in both Taiwan and Hong Kong have obtained ISO 14001 environmental management system verification to effectively prevent and control environmental impacts, as well as improving the efficiency of resource and energy use. The environmental management representative is appointed by the Chairman, responsible for the establishment, implementation, and maintenance of the environmental management system, supervising the implementation procedures, and ensuring the realization of environmental policies and objectives. In 2018, the Company did not receive major fines and non-monetary penalties for violating environmental laws and regulations, nor did it involve in any environment-related litigation.

The Company has formed an environmental group to implement the "Environmental Management System Operation Control Procedures" to fully utilize the capacity of the organization. It also conducts environmental review and risk assessment based on the "Environmental Assessment Operation Procedures." It is equally responsible for formulating environmental policies, producing relevant environmental documents, and reviewing as well as promoting environmental protection measures.



▲ ISO 14001 Environmental Management System Certificate for logistics warehouses in Taiwan and Hong Kong

## The Pioneer of Circular Economy Recycling and Reusing more than 20,000 Packaging Materials

As a pioneer of the circular economy, WT actively reduces the source and recycles the empty cartons after purchase to reuse as shipping packaging. The average recycling rate of packaging materials from 2016 to 2018 was 9%. In 2018, more than 20,000 packaging cases were recycled and reused.

The packaging materials required for the Company's logistics, such as outer boxes, cartons, cardboard, etc., are all made of renewable materials, which can be recycled and reused or decomposed by nature.

In particular, the Company selected the degradable inflatable cushion as the buffer bubble bag used for protecting the products, which is produced by the air cushion manufacturing machine using a PE eco-friendly biodegradable film. The material is tested by SGS to be compliant with environmental protection regulations of various countries. The bags have instructions on the decomposability in both Chinese and English. They are also green in color, which is the common all over the world to facilitate identification.

The Company did not produce harmful business waste during the operation. In terms of general business waste, in order to allow resources to be effectively handled and reused, the Company has regulations on the classification and recycling which are managed and controlled according to their characteristics to avoid environmental pollution. The environmental protection personnel also regularly check the manufacturers' clearance license to ensure that all removal procedures comply with the relevant waste regulations.

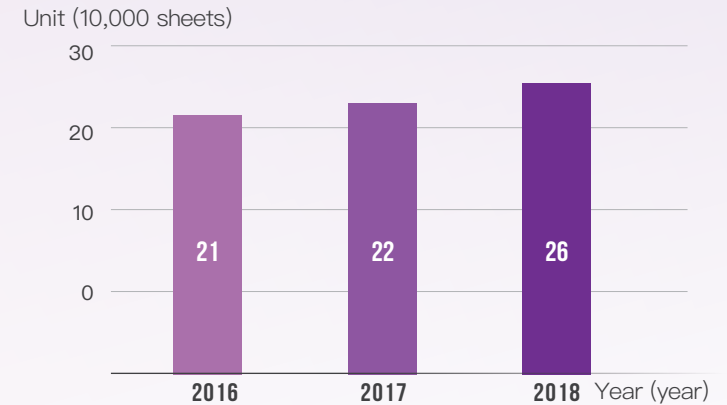


# Cherish Our Forests

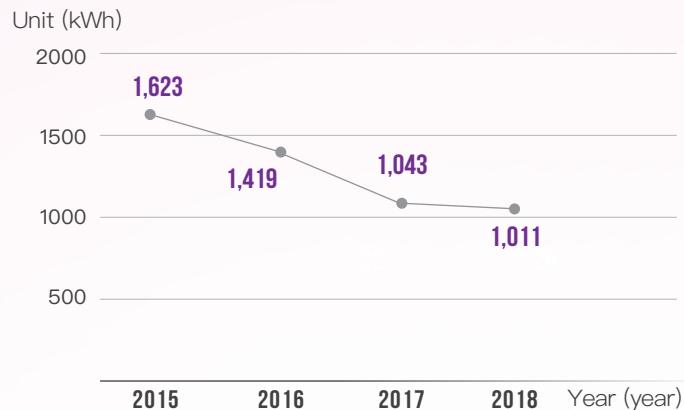
## Over the Past Five Years, More than 1 Million Sheets of Paper Have Been Saved

The Company introduced the advanced extended warehouse management (EWM) in 2014. When designing the system framework, the Company has integrated the concept of green environmental protection into the operation process and operation system design. It can save about 200,000 sheets of paper per year and more than 1 million sheets of paper in total. The original operation process requires printing out the inbound and outbound orders to carry out the inbound and outbound operations according to the work instructions on the paper. There are thousands of storage locations in the entire warehouse and one storage card for each storage location to fill in the shipping record.

In the new logistics process and system, the completely paperless operation has been introduced, and the advanced EWM system is used to transfer the instructions and the goods handling task to the hand-held PDA of the warehouse manager using WIFI, and the warehouse manager can follow the instructions to proceed. At the same time, the paper storage card has been made obsolete. The system makes an immediate entry and exit record. It is not necessary to print the paper inventory when inventorying, as it can be performed by scanning the goods with the handheld PDA. The result is transmitted to the system to automatically summarize the inventory.



▲ Statistics of paper saved



▲ WT Group Taiwan Office, Annual Per Capita Electricity Consumption

# Energy Consumption Intensity

## Taking 2015 as the Base Year, it Declined Year After Year

The total electricity consumption of WT Group's Taiwan office (including Zhonghe, Shenkeng, Hsinchu, Taichung and Tainan) in 2018 was 1,021,043 kWh, and the annual per capita electricity consumption was 1,011 kWh. In addition, the total electricity consumption of Taiwan's logistics center was 325,937 kWh.

For the per capita electricity consumption of WT Group's Taiwan Office in 2018, the results showed that the year-on-year reduction is fruitful, compared with the annual per capita electricity consumption of 1,623 kWh in 2015, 1,419 kWh in 2016 and 1,043 kWh in 2017.

**Note:** The per capita electricity consumption disclosed in the 2017 CSR report was 924.07 kWh. For this year, the difference between the per capita electricity consumption in 2017 and that disclosed in WT Microelectronics' 2017 CSR report is due to the fact that the number of employees at the end of 2017 should not include the employees of subsidiary Maxtek Technology (it merged into Zhonghe Headquarters in June 2018 to be exact).



# Reducing Energy Demand for Products

## Encouraging Customers to Buy Low-power Module Products

In terms of green products, we also continue to promote low-consumption energy-saving power management chips and low-power microprocessors by promoting well-known electronic components to end customers. We are committed to the goal of energy saving and carbon reduction in the products of all end customers, in order to consistently contribute to energy saving and carbon reduction.



### Bluetooth Low Energy Module

Low power consumption:  
Transmits 6.8 mA  
Receive 6.2 mA



### Wi-Fi Wireless MCU Module

Advanced Low-Power Modes



### Sub-1G Module

– Low Current Consumption  
Small-sized printed circuit board (PCB) is only 20% of the original design



### AC/DC power supply

- The volume is only 30% of the original design.
- Power density ranges from 0.5W/cc to 1.5W/cc
- 92.8% efficiency, full load @ 90Vac



### AC/DC power supply

When 230 volts alternating current (AC) is at full load, the efficiency exceeds 91%. The abovementioned test results have included the power factor correction (PFC) stage.

▲ WT encourages customers to choose low-carbon products

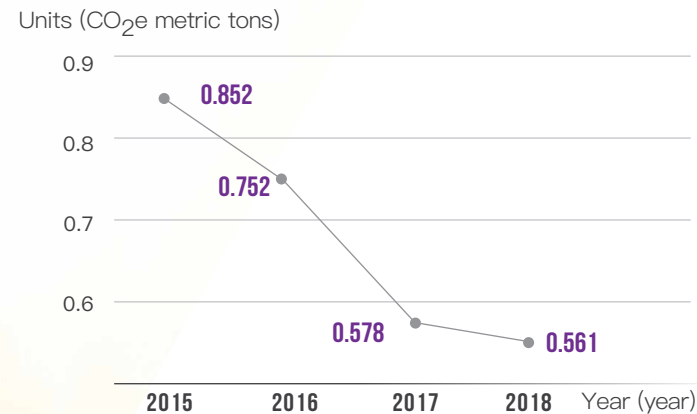
# GHG Emissions Intensity

## Taking 2015 as the Base Year, it Declined Year After Year

The total greenhouse gas emissions of WT Group's Taiwan Office in 2018 were 565.66 metric tons, due to the increase of office floors and the increase of inspection scope in the current year.

It is heartening to learn that the average greenhouse gas emissions per person in the Taiwan Office of WT Group, referred to as the intensity of GHG emissions, decreased from 0.852 metric tons in 2015 to 0.561 metric tons in 2018 with 2015 as the base year, demonstrating that the energy-saving and carbon reduction measures in the Taiwan Office of WT Group have been effective and will continue to be implemented in the future.

In addition, WT Group has expanded its greenhouse gas inventory border year by year to collect more complete information year by year. Logistics warehouse in Taiwan has been conducted an inventory of greenhouse gas emissions since 2017, with a total emission of 180.57 metric tons in 2018.



▲ The per capita greenhouse gas emissions of WT Group's Taiwan Office are decreasing year by year.

Note: The per capita greenhouse gas emissions disclosed in the 2017 CSR report were 0.512 metric tons. In the chart, the difference between the per capita greenhouse gas emissions in 2017 and that disclosed in WT Microelectronics' 2017 CSR report is due to the fact that the number of employees at the end of 2017 should not include the employees of subsidiary Maxtek Technology (it merged into Zhonghe Headquarters in June 2018 to be exact).

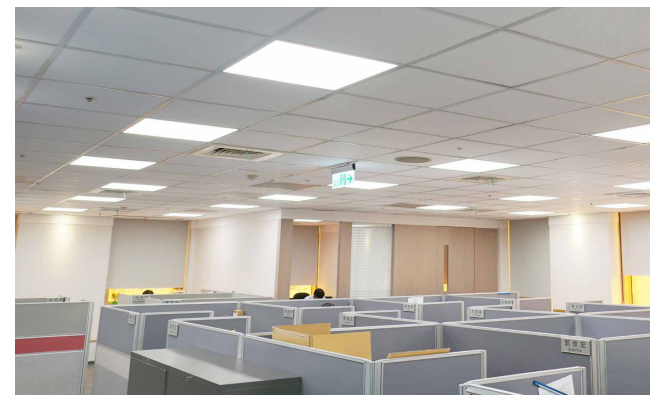
## Action Plan for Energy Conservation and Carbon Reduction

The Company is committed to promoting energy-saving and carbon-reducing measures, in terms of power-saving: introducing energy-saving equipment to install time controllers on air conditioners and lamps, such as reinstalling human sensors in general affairs room, and installing power-saving modes in multifunctional machines, water dispensers, coffee machines, etc. to effectively reduce electricity consumption; and promoting the electronic process of office operations by using electronic signature to reduce paper usage. For education advocacy: We advocate and encourage employees to respond to environmental protection through various publicity campaigns and put up energy-saving slogans beside office power switches to cultivate the habit of saving electricity and avoid power waste. Encourage colleagues to use environmentally friendly cups and tableware to reduce the consumption of disposable tableware. Greening the environment: the Company has created a green office, letting the lush green indoor planting to reconcile the office environment, make the office more humane, improve the work efficiency of colleagues and reduce carbon emissions.

WT Microelectronics has been committed to promoting energy conservation for a long time. Since 2012, the lamps used in the office have been replaced by energy-saving ones. For example, the

original T8 lamps, halogen lamps, and PL lamps are all energy-consuming lamps. The T5 lamps have been replaced by LED ones in recent years. In 2015, 689 lamps were replaced. In 2016, 725 lamps were replaced. In 2017, 875 lamps were replaced, and in 2018, 630 lamps were replaced to reduce power consumption. In addition, the “Energy Saving and Carbon Reduction Monthly Report” will be reviewed to follow up on the monthly electricity bill and compare with the electricity consumption of the same period last year to check the energy saving effect of each unit. If there is an abnormality in electricity consumption, the reasons and improvement measures should be listed.

To adhere to the concepts of environmental protection, energy saving and carbon saving, we maintain and manage resources through replacing energy-saving equipment as well as encouraging employees to be conscious about environmental protection on a daily basis. We also actively promote the greenhouse gas inventory system and issued a report on the management of greenhouse gas inventory in order to grasp our own greenhouse gas emission status, as a reference for the Company's energy conservation and greenhouse gas reduction. The results of the inventory showed that the management of energy conservation has achieved remarkable results.



## Climate Change Awareness Training

### 2018 Spotlight Course: 16-year-old Swedish Girl on Climate Strikes



- ▲ Greta Thunberg, a 16-year-old Swedish girl, has gone on strike every Friday since August 2018 to shout "face climate change" in front of the Parliament building, and her comments at the United Nations Conference (COP24) in December of the same year made international media coverage and attracted thousands of students to follow.

WT carries out climate change awareness training for colleagues in an innovative way. For example, the boring paper textbooks was replaced by the way we broadcast international news, so that climate change awareness training can be better supported by colleagues, and then transformed into concrete actions. One of our audio-visual materials was Greta Thunberg, a 16-year-old girl from Sweden, who is on strike for the future of the planet.

Greta Thunberg, a 16-year-old Swedish girl, has gone on strike every Friday since August 2018 to shout "face climate change" in front of the Parliament building, and her comments at the United Nations Conference (COP24) in December of the same year made international media coverage and attracted thousands of students to follow. She said that rather than saying student strikes are a waste of time, "politicians are really the ones who are wasting precious time that can be used to save the planet."

She advocates that the EU should reduce carbon emissions and take concrete actions to improve climate issues. More than 7,000 students responded to the "strike for the climate" campaign and marched down the streets of Brussels. People from Australia, Belgium, the United Kingdom, Canada, Japan and the United States have also followed.

Thunberg pointed out that she knew many politicians ignore students protests, but it doesn't matter to students because "we don't want to talk to them, we want politicians to talk to scientists."

WT will continue to collect in-depth news on climate change in simple term, cultivate the awareness of climate change of all colleagues in the long-term, and implement it autonomously in life, jointly fulfilling the responsibility of citizens of the earth for global warming.

## Expanding Environmental Management to the Supply Chain

In terms of environmental protection, WT requires suppliers to obtain necessary environmental permits (e.g., emission monitoring), approval and registration documents, as well as maintaining and updating them regularly. In addition, we require suppliers to identify and manage chemical substances and other substances that are released into the environment, thereby ensuring that they are safely handled, transported, stored, used, recycled or reused, and disposed of. Regarding the Restriction of Hazardous Substances (RoHS) and REACH standard (Registration, Evaluation, Authorization, Restriction of Chemicals) formulated by EU legislation.

In addition to regulation compliance, we also require suppliers who do business with the Company to declare their products comply with the above-mentioned regulations on their official websites, or provide verification through Taiwan Electronic Testing Center or SGS to ensure the electronics we sell to downstream manufacturers are in compliance with regulations.

### RoHS standard

The RoHS standard is “Restrictions on the Use of Certain Hazardous Components in Electrical and Electronic Equipment.” It is mainly used to regulate electrical and electronic product materials and technical standards to make products more beneficial for human health and environmental protection. The purpose of this standard is to eliminate 10 substances including lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls, polybrominated diphenyl ethers, and four plasticizers in the products. The lead content is specifically set to be no more than 0.1%.

### REACH standard

The REACH standard is a safety regulation for the registration, evaluation, authorization and restriction of chemicals. Substances of high concern that are imported into the EU must be registered with the European Chemicals Agency (ECHA).

# 100%

WT has made considerable efforts to ensure all our products comply with the regulations of EU REACH (Registration, Evaluation, Authorization and Restriction of Chemicals). 100% of the major suppliers meet the environmental standards of EU RoHS & REACH.



CHAPTER

03

# Best Employer

# Key Performance



Employee engagement: organized all kinds of employee activities, such as the boss scooping dishes activity, employee travel, department dinner, etc., with a total of

**3,377**

participations.



Working alongside the Blind Foundation, the Company provides pressure-relieving massages every month, with a total

**2,820**

participations



Promoting various associations in the Company. In 2018, a total of

**221**

people joined associations.



Organizing sports courses with a total of

**469**

participations



# 20.0%

In 2018, the proportion of new recruits was 20.0%, which was higher than employees leaving the Company.



## Recruitment and Retention

Personnel recruitment is based on the annual plan of each department. Through multiple recruitment pipelines, including HR websites, LinkedIn, campus career development center, and internal recommendation, etc., we try to find outstanding talents that meet the core values of the Company. We also joined hands with universities to promote internship initiatives and practical training for the student. Through workplace experience opportunities, the student development is assisted to enhance their future employability.

In 2018, nine campus recruitment activities were held to discover more outstanding freshmen and cross-unit rotation training programs were provided to understand the core value of WT Group's operation through practical means. In addition, the Company also attaches great importance to talent retention. Through objective exit interviews, the reasons for employee turnover are collected, analyzed and improved upon. Some concrete examples include notifying the department heads of the feedback, rethinking job content and recruitment adjustment.

In 2018, the proportion of new recruits was 20.0%, and the proportion of employees leaving the Company was 9.6% (note).

**Note:** The abovementioned statistics do not include students who work part-time.

In 2018, there were 72 female new employees, higher than male new employees. It highlights the Company's implementation of gender equality in the employment policy.

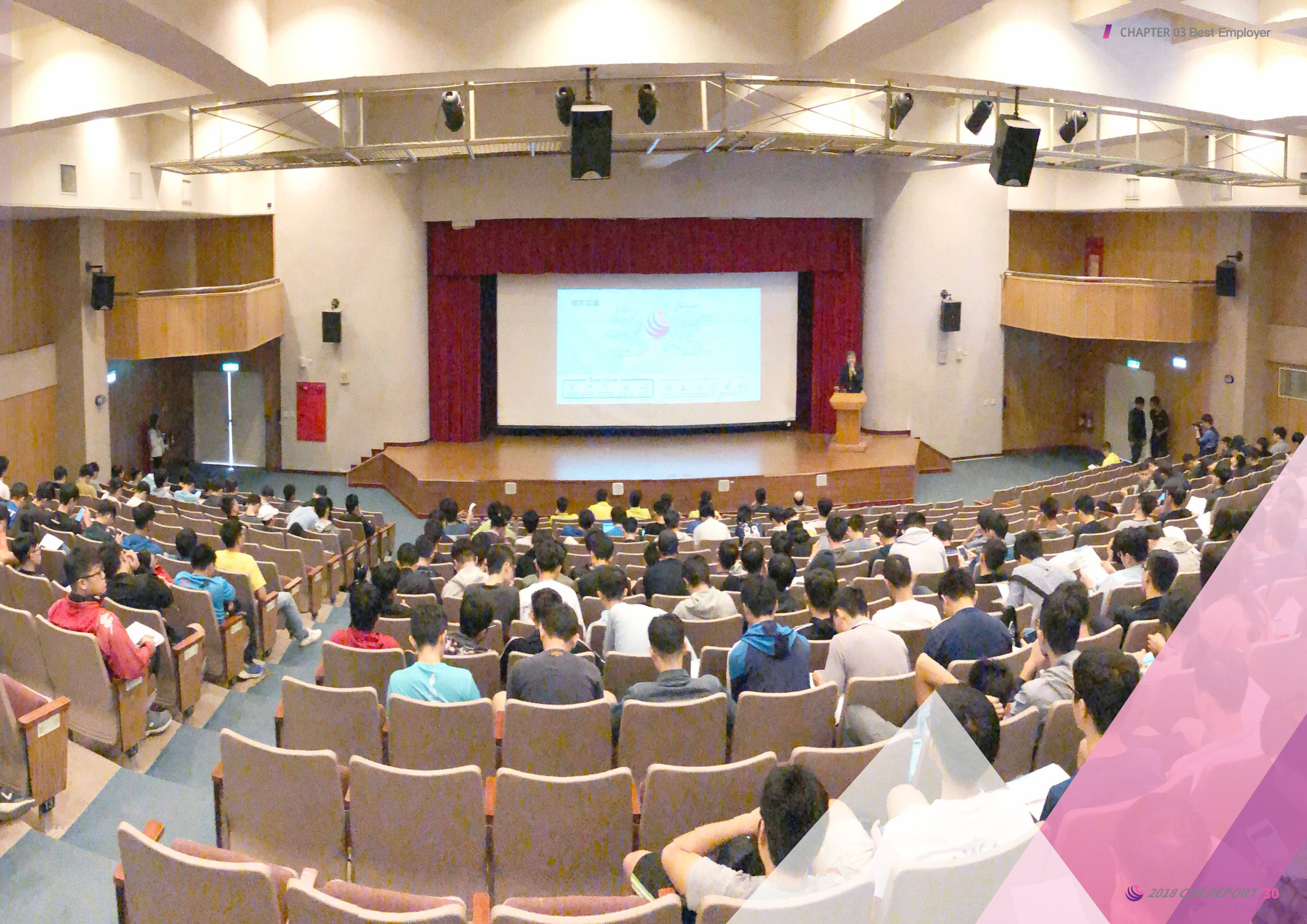
## Two-way Communication Between Employers and Employees

WT actively promotes the harmonious relationship between labor and management. According to the Labor Standards Act and relevant regulations, WT has a working rule and various management regulations as well as "Corporate Social Responsibility Best Practice Principles", which regulates the rights and obligations of management. The employees can fully understand and protect their legitimate rights and interests to safeguard social welfare.

WT also provides a good communication platform for employees. Employees can express their opinions freely through e-mail, telephone or written form. The Company also formulates standard processes to properly handle feedback from employees.

Information transparency of minimum notice periods regarding operational changes helps to clarify to stakeholders that we have a legitimate and compliant system for labor and management communication. In 2018, the Company did not undergo major operational changes, nor did it exercise the minimum notice periods regarding operational changes.





## Healthy and Safe Workplace

WT is committed to fulfilling the social responsibility and protecting the safety of its employees. Providing a safe, healthy and comfortable working environment is the primary goal. Through promoting health and safety management, the employees can develop correct health concepts and a healthy body and mind. With this in mind, the Company had no cases of job-related disasters such as disability or injuries this year.

### Healthy Work Environment

The sphygmomanometer is provided at each work site to encourage employees to manage their own health, find problems as early as possible, and intervene when necessary. At the same time, in order to take care of female employees with nursing needs, there is a special nursing room to provide breastfeeding equipment.

### Professional Medical Staff

The Company has a full-time healthcare manager and a monthly physician consultation service to help employees solve health-related questions and problems, as well as providing early prevention and possible improvement measures for potential health problems.

### Health Checkups

Through cooperation with large hospitals or health check centers, we provide new recruits discounts for health checkups. Employee health checkups are provided every year. Through the consultation platform, doctors provide report explanations and follow-up recommendations.

### Healthcare Guidance Mechanism

Through establishing a dedicated healthcare guidance mechanism to provide employees with emergency notification channels and procedures, the employees are less prone to feeling helpless and uneasy when facing an emergency situation.

### Health Promotion Activities

According to the results of the health check data analysis, various types of health promotion activities are held. It is expected that employees awareness of health will be raised through multiple measures.

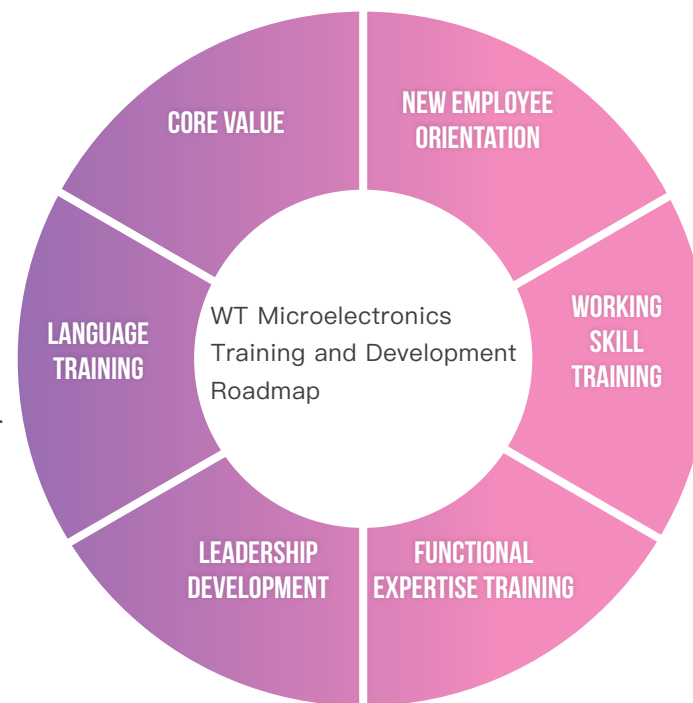
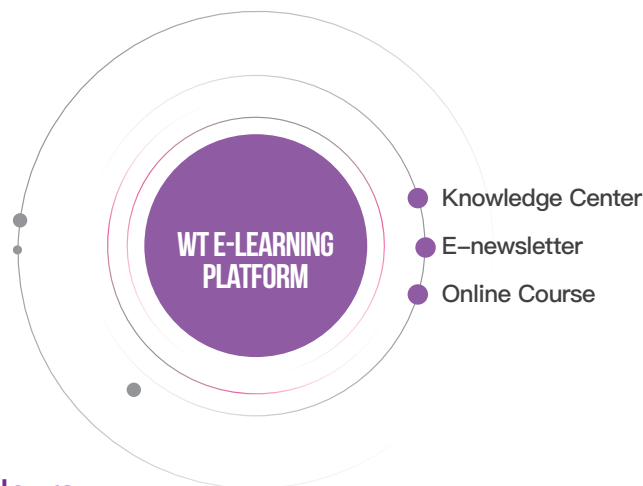
**Health lectures:** External professional lecturers are hired to conduct health talks on different topics.  
**Health advocacy bulletin board:** stay updated with current health trends and provide the latest health information every month by combining current events.

# Talent Cultivation/Development

The cultivation of talents is the driving force for the continuous growth of an organization. Therefore, the Company pays great attention to the development of employees, sets education and training norms, plans and develops blueprints for training, and establishes a multi-learning platform through WT E-Learning so that employees can develop comprehensively.

## WT E-Learning Platform

Through the combination of e-newsletter, knowledge center, and online courses, we integrate internal and external resources to enrich the platform content. Whether it is professional knowledge, management skills or company activities/course information, it is easy to read and learn through the rich content and sharing posts to create a platform for WT knowledge transfer and communication.



## 2018 Course Types and Training Hours

**Management courses:** different management courses are designed according to the level of employees to improve the management skills of the supervisors and establish leadership thinking, so that the supervisors can lead the subordinates to achieve organizational goals. In 2018, 256 hours of in-house training were conducted.

**Professional courses:** in response to the needs of various departments, we offer a variety of professional courses to improve the employees' professional skills. In 2018, 527.5 hours of in-house training and 303 hours of external training were conducted.

**General education curriculum:** through the various training activities and mentor system, new recruits are assisted to quickly integrate into the work environment and identify with the corporate culture and business philosophy. In 2018, 1,545 hours of in-house training were conducted.

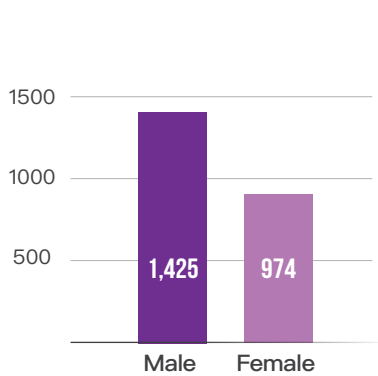
The total number of training hours in 2018 for the three major courses mentioned above totaled 2,631.5 hours.

## Demonstrating Diversity and Inclusion

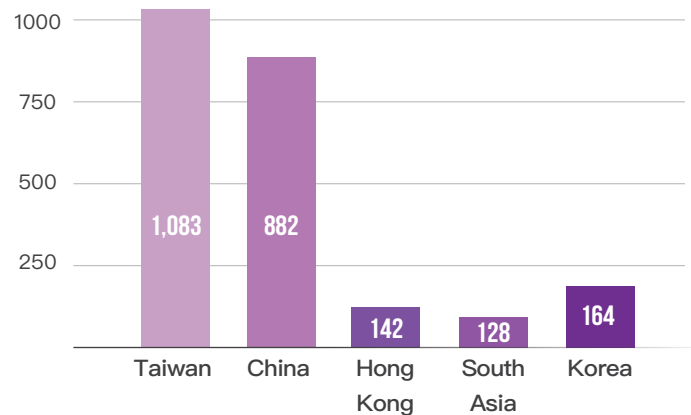
WT has been able to grow steadily and continue to pursue excellence thanks to a professional service team. WT knows that "people" are the most important capital of a company. A company's greatest driving force comes from the employees who can work together! In order to create a better working environment for employees and attract outstanding professionals to join, WT will make the most appropriate development, maintenance and application of all human resources in the organization, so that the organization and people can work in the best way. In order to maximize manpower and promote organizational development, WT is fully committed to the development of human resource management functions in order to achieve the core goal of "To delegate the right tasks to the right people to unlock their full potential."

In response to the rapid growth of the operation and the Group's long-term development strategy, the Company pre-reserves talents to optimize the Group's personnel composition in terms of level, number and structure, so that the Group will have an overall advantage in the future. By the end of 2018, the number of employees grew to 2,399 people, up 9.2% from 2017, among which WT Microelectronics (Taiwan) employs 696 persons.

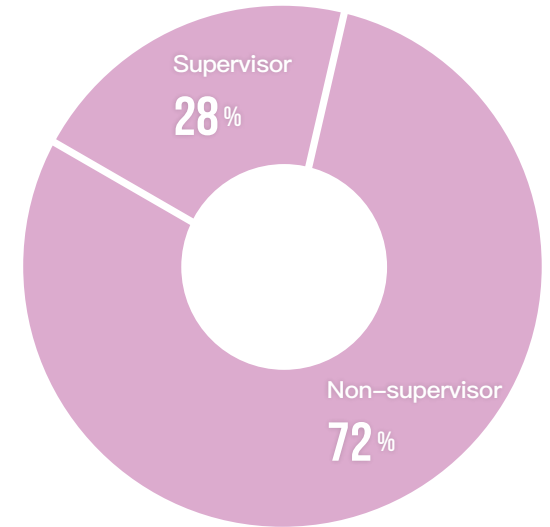
The success of WT is built on outstanding talents. We have a young team with 88.1% of employees with a bachelor's degree or above. Employees between the age of 20 and 40 take up almost 70% of the manpower. When facing the ever-changing business environment and market trends, WT is able to showcase the responsiveness, innovation and energy.



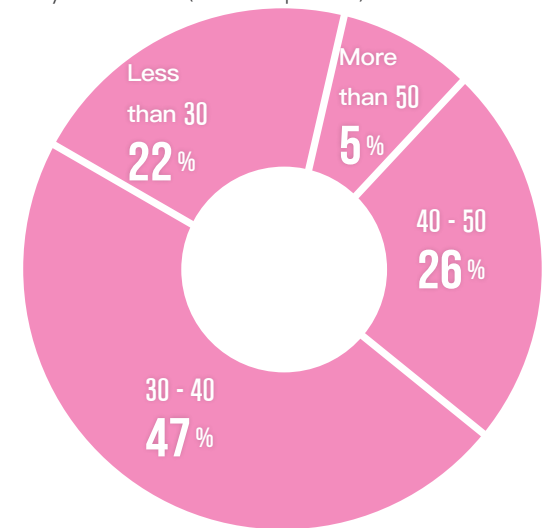
▲ Global business locations, Number of Employees by Gender (Unit: Person)



▲ Global business locations, Number of Employees by Region (Unit: Person)



▲ Business locations in Taiwan, Number of Employees by Job Levels (Unit: Proportion)



▲ Business locations in Taiwan, Number of Employees by Age (Unit: Proportion)

# The Welfare Committee Provides Abundant Employee Benefits

WT is committed to creating a warm and friendly workplace environment, and a series of welfare measures are formulated by the special units of the Welfare Committee. In addition to annual festival cash gifts, Dragon Boat Festival and Mid-Autumn Festival cash gifts or gifts, cash gifts for colleagues' marriage, birthdays, childbirths, hospitalizations, and funerals, there are also dozens of discounts for high-quality special stores.

## Events Organized by the Sports Society

Happy Run Society called on the colleagues to participate in Nan'ao Public Welfare Road Run, which was successfully completed with the support of enthusiastic residents along the way. At the same time, the basketball society and badminton society held friendship matches with industry peers, showing the team's enthusiasm and vitality in the course of matches. The WT Cup Badminton Match sponsored by the badminton society invited all societies to co-sponsor, and was organized by board game society. It set up a board game area and designed small games to make the families happy. The floral art society carefully prepared the award-winning flower gifts for the winners. In addition, the microfilm society assisted in photography to capture wonderful memories, and all the societies jointly displayed the warmth of the WT family.

## Professional Stress Relief Arrangement for Public Welfare of the Visually Impaired

The visually impaired masseurs of the Foundation for the Blind were invited to provide stress relief massage services to colleagues in the office, so that colleagues can stretch their muscles. In 2018, 2,820 employees participated.

## Diversified Association Activities

In addition to the original associations, cooking association and board games association were added in 2018 to make WT associations more diverse and rich. The cooking association offers cooking courses for Chinese, Western, exotic cuisines and desserts, and the cooking is in groups of two. They can not only acquire cooking skills, but also the best way to interact and cooperate with each other to enhance friendship. The board games association is more open to colleagues and families to have fun together and play multiple board games, which can not only relieve pressure in the competition, but also release inner talent and good personality of the children with the selected parent-child board games; the flora art association does not forget to express love with flowers in the important festivals, such as holding hand-made flora activities with carnation on Mother's Day, and expressing motherly love at no cost in warm May.



## Organizing the Boss Scooping Dishes Up Activity

To appreciate the hard work of colleagues, senior managers personally scooped dishes up for their colleagues, enjoyed fresh and diverse cuisines together, and closed the gap between supervisors and subordinates through warm service. Four events were held in 2018.

## Teamwork Activities

We provide various team motivation activities for all departments to participate in, including arranging colleagues to participate in baking cake courses to increase colleagues' teamwork and sense of identity through interesting baking activities; scenario experience drawing course allows members to discuss, brainstorm, achieve emotional expression step by step, take initiatives, manage crisis, and further enhance synergy. The outdoor activities include mountain climbing, room escape, paintball team competitions and other activities to further understand each other and in the process to achieve communication and coordination, solve problems, stimulate creativity to enhance staff morale. The participants totaled 426 persons, accounting for 42% of all colleagues.

## Gymnasium/Fitness Center

The Company attaches great importance to the physical and mental health of its colleagues. Ms. Lin Yong-Qing, who has won the honor of Mariana Tourism Ambassador and is "the pride of Taiwan", was invited to teach yoga classes at the Company. In addition, together with the Zhonghe Sports Center, we have launched various physical fitness courses such as weight training, TRX, flywheel, and aerial yoga, encouraging our colleagues to take part in them enthusiastically, with 469 participants in 2018.

## Festival Activities

For Dragon Boat Festival, we held fun activities in the summer, not only eating delicious food, grabbing glutinous rice dumplings filled with meat, experiencing wrapping mochi, but also playing scavenger hunt, and taking pictures with festival figures, so that the participants could enjoy the festival warmly and happily. On the day of the winter solstice, there was a self-help bar for colleagues to enjoy tangyuan dessert, which symbolizes the success of everything. In addition, we launched a toy capsules charity sale on Christmas day and provided our employees with the opportunity to make moose and sheep felts to enjoy the festive atmosphere together.



## Domestic One-day and Two-day Trips

With trips organized by the Welfare Committee, not only can colleagues invite families to participate, but also the travel itineraries are arranged for colleagues to have a thorough understanding of local cultural characteristics, private tourist destinations, and delicacies of the season. We also plan the most anticipated hand-made activities for parents and children to enjoy together, so as to create good memories between colleagues and family members through tourism activities. In 2018, a total of 753 employees participated in the annual travel trip.

## Nursing Room / Mini-Library

We provide a well-equipped, comfortable and well-managed nursing room. The Company also has a mini-library to provide books and newspaper, magazines, publicity at the corner, etc. for employees to rest and read. We also build a TV wall in public space, broadcasting fixed topics weekly, association activities, clips of the trips, departmental team motivation activities, festival activities, the latest notice information, etc., in order to achieve the promotional effect of the activities.

## Fresh Food Ingredients

The Welfare Committee strictly selected the Germany's top fully automatic coffee machine, used carefully selected high quality coffee beans that has passed SGS multiple toxin tests, purchased organic tea products from Hualien Ruisui which are planted by natural agricultural method, as well as fresh milk with strong and pure fragrance in high quality. In addition, we provide non-GMO freshly-made soybean milk drinks and fresh fruits directly from the source every week, which can not only provide employees with safe and healthy products, but also directly give back to farmers to fulfill our social responsibility.

## Departmental Dinners

Each department became closer to the colleagues by departmental dinners. 737 people participated in barbecue for the Mid-Autumn Festival, and 1,668 people participated in Christmas hot pot dinner at the end of the year.



## Employee Retirement System and Pension

Employees are important assets of the Company. We value and take care of our employees' lives after retirement. Since July 1, 2005, we have established retirement schemes for Taiwanese employees in accordance with the "Labor Pension Act." The Labor Standards Act, Labor Pension Act, and other regulations govern employee retirement.

The Labor Retirement Reserves Supervision Committee was established in February 1998. It consists of 9 members, 2 from the employers and 7 from the employees. It is re-elected every four years to review the amount of labor retired reserves, storage and payment to ensure labor rights. At present, 2% of the total monthly salary is paid for the retirement reserve, and the account is stored in the Bank of Taiwan (formerly known as the Central Trust). The Company selects the part of the labor pension system as defined in the "Labor Pension Act." The monthly pension is paid to the employee's personal account of the Bureau of Labor Insurance at a rate of not less than 6% of the salary. The Company believes that only by providing employees with a safe working environment and a sound welfare system can employees best exert their strengths to create maximum value.





# Respect for Human Rights

## Follow the "ILO Declaration of Fundamental Principles and Rights at Work"

With regard to recruitment, hiring, and retention in employment, WT has always complied with the "ILO Declaration of Fundamental Principles and Rights at Work", in order to provide a work environment without discrimination where both men and women are equal.

At the same time, we do not tolerate any form of discrimination based on gender, race, age, skin color, nationality, religion, marital status, sexual orientation, background, physical or mental disabilities or any other reasons. Furthermore, WT also never hires child labor, and also never forces or compulsorily labors or violates the rights and interests of disabled people and indigenous people.

## Human Rights Management Expanding to Supply Chain

WT requires suppliers to absolutely abide by the relevant laws and regulations of the countries in terms of wages, labor conditions, employment conditions, safety and health standards, as well as providing a dignified and safe working environment. In terms of ethics, WT requires that employees and their families of suppliers should not accept any form of illegitimate interests, and promise to abide by the relevant laws and regulations of intellectual property rights, commit to fair trade, and not participate in unfair competition such as false advertising.

More importantly, in recent years, global stakeholders have continued to be concerned about the human rights issue of "conflict minerals" in Africa. Both the United States and the European Union have enacted laws requiring enterprises to disclose whether ore raw materials come from mines in the Democratic Republic of the Congo and neighboring countries that have improper labor control and non-human rights treatment. WT requires suppliers to ensure that metals such as tantalum, tin, tungsten and gold contained in their products are not classified as conflict minerals.

# ILO Declaration of Fundamental Principles and Rights at Work

CHAPTER

04

# Social Impact

Flipped Education to Make the  
World a Better Place



The WT Education Foundation has long cared for Taiwan, and the rest of the world, as we believe that education will bring the next generation of elegant character and also serve as a driving force of progress.

WT Microelectronics established the “WT Education Foundation” in December 2014. Mr. Ming–Ji Yang was the Chairman of the board and Ms. Shu–Yuan Wen was the CEO of the foundation. Through establishing the foundation, the Company hoped to promote non–profit cultural and educational activities by calling on the employees of the group to participate in the spreading the Company's care to all corners of the society. The Company hoped to make a contribution as a corporate citizen, achieve social welfare, environmental sustainability and corporate governance.

The five main public welfare themes of WT Education Foundation are "multicultural education", "cultivate literary and artistic knowledge", "flipped education", "inspire the next generation" and "Respecting life". The total amount of expenditure donated by WT Technology Foundation in 2018 was NT\$7,548,000. The number of participants or beneficiaries reached 34,573.

4,688 persons

## Multicultural Education

Cheng Zhi Education Foundation: Zheng–Min Elementary School, Yunlin County KIST Private

The Alliance Cultural Foundation: 2018 Sharestart Asia Conference

The Alliance Cultural Foundation: Junyi Experimental High School Creative Experimental Course Plan

National Tsing Hua University: Science Fortune Bag Activity for 2018 International Day of Women and Girls in Science

New Taipei Municipal Tur Ya Kar Elementary & Junior High School: Guided Ecology Course Across Dahan River

5,035 persons

## Cultivate Literary and Artistic Knowledge

Nanhu Elementary School, Dahu Township, Miaoli County: Cultural and Creative Visits for "Exploring the Local to Create New Life" by the Art and Culture Association

CYM Association: "A Journey of Rural Drama" by CYM Troupe

Teach For Taiwan (TFT) Education Foundation: "Two-year full-time Teaching Project"

Vox Nativa Association Taiwan: 2018 Academic Year Online Course Counseling Program

Zheng-Min Elementary School, Yunlin County: Subsidy for Runway Renovation Project/Subsidy for Office Renovation Project

Yanxing Taiwan Association: Young Students Scholarship Program

College of Social Sciences, Fu Jen Catholic University: Student Self-Learning Award Program

Taiwan Premature Baby Foundation: Premature Birth Prevention and Education Promotion

Kidney Disease Prevention Foundation: Nutrition Control Series Activities for Kidney Disease in "Kidney-enriching Canteen"

### Flipped Education

3,640<sub>persons</sub>

### Inspire the Next Generation

110<sub>persons</sub>

### Respecting Life

21,100<sub>persons</sub>

## 4.1 Multicultural Education

### Demonstration of Education Reforms and Teaching Practice

#### 4.1.1

### Open up Unlimited Possibilities for Basic Education

#### Cheng Zhi Education Foundation Zheng–Min Elementary School, Yunlin County KIST Private

The WT Education Foundation, in cooperation with the Cheng Zhi Education Foundation, donated NT\$1.66 million to the Cheng Zhi Education Foundation for six years, totaling NT\$10 million, to support the Zheng–Min Elementary School KIST Private Management of Public School Sponsorship Program in Yunlin County.

The WT Education Foundation in view of the impact from sub–replacement fertility, every child's education is very important, schools in the rural areas need high–quality teachers who would spend more time with students in order to allow disadvantaged children to have the opportunity for development. Through specific actions, the WT Education Foundation has poured resources in support of Zheng–Min Elementary School to attract more excellent teachers to serve in rural schools, turn the life of disadvantaged children around in hope of finding an excellent scheme for Taiwan's basic education and bringing infinite possibility to Taiwan's education reform through the cooperation model of introducing private resources into schools sponsored by government and run by private organizations.



◀ On June 19, 2018, Ming–Ji Yang, Chairman of the WT Education Foundation, personally participated in the first graduation ceremony and the farewell party of Zhengmin Elementary School sponsored by the Foundation.

## 4.1.2

## Connecting Teachers All over the Country to Spread the Influences of Sharestart



▲ The theme of the 2018 Sharestart Asia Conference was "Connection and Diffusion".

## The Alliance Cultural Foundation 2018 Sharestart Asia Conference

Since 2016, the WT Education Foundation has sponsored the Alliance Cultural Foundation to hold the Sharestart Asia Conference. In 2018, it sponsored NT\$400,000.

The theme of the 2018 Sharestart Asia Conference was "Connection and Diffusion". Through the exchange of teaching practice experience in Sharestart, we can "connect" the consensus of teachers' community and encourage teachers to continue with learning and innovation. With the export of Taiwan's educational innovation experience, the influence of "diffusion" in the Chinese educational circle can be achieved.

In order to change the spoon-fed education, Teacher Hui-Cheng Zhang has established the "Sharestart Teaching Method" since 2013. Teachers have devoted a lot of efforts in preparing lecture materials beforehand, supplementing sufficient information and designing good quizzes so that students can understand knowledge from simplicity to depth and think deeply. Finally, as the host of the classroom, they return the dais back to the students and guide students to express their opinions. Through training workshops, attendance by lecturers and teachers' community, the "Sharestart Teaching Method" affects more than 12,000 teachers every year. It is hoped that Sharestart's teaching wisdom will be shared to change the spoon-fed education.

### 4.1.3

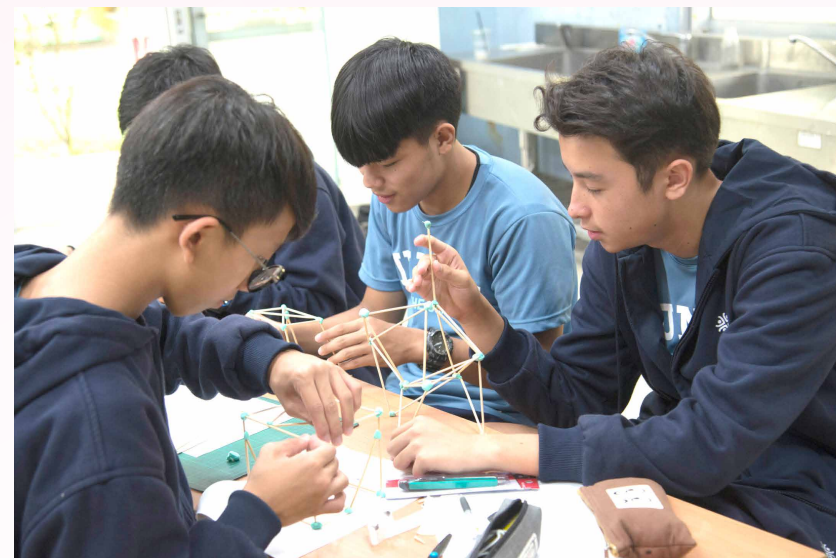
## Atypical Education to Create Future Talents

### The Alliance Cultural Foundation

### Junyi Experimental High School Creative Experimental Course Plan

Mr. Stanley Yen, Chairman of The Alliance Cultural Foundation, chaired by a prominent community member, has set up the Junyi Education School, which is dedicated to promoting the creative learning group of experimental high schools and the public welfare plan of experimental courses in Taiwan. The WT Education Foundation recognizes the idea of Mr. Stanley Yen, Chairman of the Foundation, and has been cooperating with them for a long time since 2015. In 2018, the WT Education Foundation sponsored NT\$2 million to support the "Junyi Experimental High School Creative Experimental Course Project", benefiting 378 students and 50 faculty members.

The courses of "Junyi Experimental High School Creative Experimental Course Plan" include three major themes: (1) International Hospitality, (2) Green Architecture, (3) Contemporary Art. Through practical and experiential teaching methods, students' non-disciplinary knowledge and culture can be cultivated and their abilities for the future society can be reserved. At the same time, through practical and experiential teaching methods, we can build up the ability of true learning and problem solving, accumulate self-confidence and courage to explore ourselves, and cultivate talents of life skills and self-practice in all-round education.





## 4.1.4

### Response to International Day of Women and Girls in Science 11 February

Professor Ming-Fong Tai of Physics Department, Tsing Hua University

#### Science Fortune Bag Delivery Activity for 2018 International Day of Women and Girls in Science

The WT Education Foundation sponsored NT\$200,000 to support the Science Fortune Bag campaign initiated by Professor Ming-Fong Tai of Physics Department, Tsing Hua University.

In response to the International Day of Women and Girls in Science 11 February, Professor Ming-Fong Tai of Physics Department, Tsing Hua University, made 3,500 fun and interesting popular science bags, which were distributed free of charge in all parts of the country. As long as the people completed the on-site breakthrough games, they could take the science fortune bags home.

On the day of the event, the science breakthrough game took the public to learn about the female scientists, as well as electrostatic devices that allowed people to experience raised hairs, and the "black hole game" that enabled participants to learn about cosmic physics. As long as eight checkpoints were completed, the science fortune bag could be brought back home. There were six kinds of material bags in the fortune bag for people to play with science, such as magic optical illusion, magic piggy banks, ultraviolet beads and so on. It is hoped that more female students will follow Madame Curie's spirit and devote themselves to scientific research.



◀ Professor Ming-Fong Tai of Physics Department, Tsing Hua University, responded to the United Nations International Day of Women and Girls in Science by making 3,500 fun and interesting popular science bags. The WT Education Foundation sponsored this meaningful event. (Photo credit: Professor Ming-Fong Tai of Physics Department, Tsing Hua University)

## 4.1.5

### Environmental Education Tour of Constructed Wetlands

#### New Taipei Municipal Tur Ya Kar Elementary & Junior High School: guided ecology course across Dahan River

The WT Education Foundation supported the New Taipei Municipal Tur Ya Kar Elementary & Junior High School. In 2018, it donated NT\$20,000 to respond to the "guided ecology course across Dahan River" initiated by the school in New Taipei Shulin District.

Combining the issues of watershed culture and natural resources, the curriculum planning includes two main axes of "teacher empowerment" and "student learning". It also implements the cross-disciplinary experience curriculum of "I Love Antler Creek" and establishes the "Small Peach Eco-Tour Club".

The "Dahan River constructed wetland corridor" in the Shulin District of New Taipei City is currently praised by environmental groups as the most beautiful sewage treatment plant in Taiwan. In addition to providing the environmental function of purifying domestic sewage and alleviating the pollution pressure of rivers, this area can also provide a good habitat for organisms and form a natural and beautiful outdoor ecological classroom.

The WT Education Foundation sponsored this guided tour, hoping that children will witness the purification magic of constructed wetlands, recognize the importance of ecological conservation, and protect wetlands, which is an unforgettable environmental education trip for children.





## 4.2 Cultivate Literary and Artistic Knowledge

### Develop Self-identity to Maximize Potential

#### 4.2.1

#### Experiencing Vocational Culture

The Art and Culture Association of Nanhu Elementary School in Miaoli County

Cultural and Creative Visits for "Exploring the Local to Create New Life" by the Art and Culture Association

In 2017, the WT Education Foundation sponsored Nanhu Elementary School of Dahu Township at Miaoli County to establish the art and culture association. Through weekly art and culture professional courses, children's artistic and literary strengths in painting and photography are enhanced, and children's self-confidence and achievement are raised. In 2018, the Foundation continued to sponsor NT\$18,000 to the art and culture association of Nanhu Elementary School to support the cultural and creative visits for "Exploring the Local to Create New Life". Under the sponsorship of public welfare funds, teachers and students of the art and culture association have been able to gain a deeper understanding of the vocational culture through field trip to the Sanxia District, and experienced cultural and creative activity such as the Sanxia blue dyeing DIY. This meaningful outdoor education activity helped disadvantaged students to enlighten their artistic talents, expand their cultural visions and enhance their ability to create the future.

- ◀ Children from the art and culture association of Nanhu Elementary School visited the Sanxia District to experience the vocational culture and enhance their ability to create the future.

## 4.2.2

### Children's Theatre Combines Education with Entertainment

#### CYM Association: rural tour plan for children's play

The WT Education Foundation supported the CYM Association and donated NT\$200,000 for public welfare in 2018 in response to the rural tour plan for children's play initiated by the association.

CYM Association, founded in Hualien, is a non-profit organization for children's theatre. Its main focus is on environmental protection and life education. It goes on tours in Hualien and other small rural areas throughout the country. Through the "rural play tour", college students who serve as theatre volunteers can perform practical theatre and feel the local places. It also brings theatre into the rural areas to create the first play in the children's lives who live in rural areas.

One of the plays, *The Wishing Tree*, outlines the story of animals living in a beautiful forest with human, but human desire is growing stronger and stronger and gradually destroys the place where they live together.

So, the animals decide to move to another new forest and start a new life. After moving to the new forest, the little rabbit is worried about its mother who was captured by humans, so the elderly chimpanzee suggests that they all go together to find the magical wishing tree in the forest. However, the animals don't know where the wishing tree is! Can they finally find the wishing tree and let the mother of the little rabbit come back safely?

The WT Education Foundation has sponsored non-profit organizations for creations of children's theatre and play tours in rural areas, so that the children in rural areas can feel the joyful charm of drama, and then absorb the knowledge of environmental protection and life education imperceptibly.



▲ The children of Fengli Elementary School in Hualien were waiting outside the theatre.



▲ The children of Jianqing Elementary School in Hualien were holding wishing stars in line for admission.



## 4.3 Flipped Education

### Balancing Learning Resources and Eliminating Urban-rural Gaps



▲ TFT teachers walking out of classroom into communities.

TFT's education program for children in rural areas witnesses changes in children, teachers, communities and the overall educational environment. ▶

### 4.3.1

### Brighten the Hopes of Rural Children

#### Two-year full-time Teaching Project of the Teach for Taiwan Foundation

Since 2015, the WT Education Foundation has sponsored the Teach for Taiwan (TFT) Foundation by sponsoring NT\$900,000 per year to support the TFT-initiated education program for children in rural areas. It's a beautiful process to witness the changes of children, teachers, communities and the overall educational environment, to participate in a beautiful process of life influencing life, generation influencing generation, and brightening Taiwan's education and future.

TFT's public welfare mission is to recruit young people with a sense of mission to devote themselves to rural elementary schools with demand. After being approved after interviews and six weeks of intensive training, they will devote to rural elementary schools as full-time teachers for two years. TFT will provide continuous training and support systems for teachers, making them the promoters of Taiwan's quality education. Up to now, TFT has more than 120 teachers, covering Taitung, Tainan, Pingdong, Yunlin, Hualien, Nantou and other counties and cities, which affects more than 3,200 children.

Teach For Taiwan said: "It's a great honor to establish a stable and long-term cooperation with the WT Education Foundation, which is an important and valuable partner of TFT, giving us enough energy to continue to teach for Taiwan. TFT noted that it is worth mentioning the WT Education Foundation is not only a financial sponsor to TFT, but also sharing and exchanging educational ideas to each other, so that both sides are full of energy and move forward more steadily.





- ▲ At the end of each semester, there will be a happy meeting for the tutors and students, and the scene is warm.



- ▲ Vox Nativa Taiwan initiated the "Academic Year Online Course Counseling" program, inviting excellent urban university students to conduct one-on-one distance instruction for Xinyi Township students in Nantou County, so as to reduce the gap between urban and rural education resources.

## 4.3.2

### Learning with Zero Distance

#### Vox Nativa Association Taiwan: Academic Year Online Course Counseling Program

The WT Education Foundation has sponsored the Vox Nativa Taiwan since 2015 to support the "Academic Year Online Course Counseling" Program. In 2018, we sponsored NT\$500,000. The program invites excellent urban teachers and university students to conduct one-on-one distance homework counseling on weekday evenings, weekends, winter and summer breaks for Xinyi Township middle school students in Nantou County. At the end of each semester, we invite university partners to the mountain to meet with elementary school students they tutor to do activities over two days and one night, so that they can meet and enjoy each other.

In May 2008, the Vox Nativa Taiwan was established at the foot of Yushan Mountain, Xinyi Township, Nantou County. Every February, indigenous children of the second grade in primary schools of various tribes in Xinyi Township are recruited. 70% of the children belong to Bunun tribe. Nearly 90% of them belong to disadvantaged families such as low-income, single-parent and grandparenting. Through the "Academic Year Online Course Counseling" Program, the Vox Nativa Taiwan enables urban university students to accompany children in the rural areas remotely through digital technology, improve their academic performance and reduce the gap between urban and rural education resources.

### 4.3.3

## Run! Children

### Zheng–Min Elementary School, Yunlin County Runway and Office Public Welfare Renovation Project

The WT Education Foundation supported the public welfare renovation project of Yunlin County Zheng–Min Elementary School in 2018. The public welfare expenditure was NT\$100,000. To solve the problem that the existing red earth runway of the school is full of weeds, which is not conducive to students' activities and participation in physical education courses, the comfort and safety of the track can be improved after renovation.

In addition, the WT Education Foundation also sponsored the public welfare renovation project of Zheng–Min Elementary School in Yunlin County in 2018, with a public welfare expenditure of NT\$250,000. The renovated office can provide a comfortable office environment for teachers, and add additional hardware equipment to improve the recharging space for teachers after work.



Before construction

The red earth runway was covered with weeds, making it difficult to exercise.



After construction

Provide safe running and jumping environment.

## 4.4 Motivate the Next Generation

### 4.4.1

## The Dream of Travelling in the Sky

### Yanxing Taiwan Association Young Student Scholarship Program

Since 2016, the WT Education Foundation has sponsored NT\$200,000 annually for "Scholarship" program of the Yanxing Taiwan Association to economically assist disadvantaged students with both good morals and good academic performance, and to provide financial support and career guidance.

In addition to the grant of NT\$20,000 per year to eligible students, the Yanxing Taiwan Association has also established a "tutor-student" system. Members of the association act as tutors to solve difficult problems in life for students. Yi-Fen Chen, head of the Yanxing Taiwan Association, said in an interview: "We are like large geese in the geese flock. We hope that through our experience, we can lead the little geese to fly higher and higher."

In addition, Yanxing Taiwan Association also organizes diversified activities every year to carry out close exchanges between local residents and students. The annual highlights include:

Holding thematic lectures: for example, in March 2018, Bo-Jun Liu, a member of the TV drama "The

Teenage Psychic" team, was invited to share her career experiences. In April 2018, Xin-Ying Fan was invited to give a lecture on the entrepreneurship of agronomic students.

Organizing business visits: for example, a visit to Yahoo Taipei in July 2018.

During the 10-day summer break in 2018, eight Taiwanese little geese traveled to the mainland to attend the Yanxing China Mission, and went to the local high schools of the mainland to promote the campaign. The locations included Hohhot in Inner Mongolia, Zhengzhou in Hunan, Shijiazhuang in Hebei and Anyang in Henan.

The Yanxing Taiwan Association participates in the "Project LET'S GO" volunteer service project initiated by American college students. "Project LET'S GO" is going to organize English summer camps in Taiwan's rural areas. This year, it traveled to Yilan Dongao, Kaohsiung Xiaolin, Taitung Chishang and Taitung Dulan in Taiwan, bringing a variety of fun courses to children in rural areas, including art, music, science and English courses.

### 4.4.2

## My Future is in My Hands

### College of Social Sciences, Fu Jen Catholic University Student Self-Learning Award Program

The WT Education Foundation has supported the "Self-Learning Award Program" for the College of Social Sciences, Fu Jen Catholic University. Since 2017, it has donated NT\$100,000 annually for five consecutive years, totaling NT\$500,000. It is estimated that more than 50 students will benefit from the donation.

The "Self-Learning Award Program" refers to the initiative of the students from the College of Social Sciences, Fu Jen Catholic University to establish learning communities and actively plan learning themes and objectives. Learning topics include "Practice and Professional Learning", "Multicultural Learning", "Service Learning" or "Innovative Entrepreneurship Learning".

The theme of this year's program was diverse and rich, and young students were fully engaged in the closing ceremony to share the creative results of each group. Topics include "Preserving the Tai-Ya Tribe Hunting Culture in Documentary Films", "Good Classes", "Research on in-depth Learning of Simulated Investment Data Trading", "Asian Financial Camp", "Flipped English Learning".

The WT Education Foundation will continue to motivate the next generation through specific public welfare actions, encourage young students to be limitless creative, and participate long-term in important social issues of youth cultivation.



## 4.5 Respecting Life

### Giving Back to Social Welfare and Caring for Life

#### 4.5.1

### Guard Little Feet and Step out Grand Lives

#### Taiwan Premature Infant Foundation – Premature Birth Prevention and Education Promotion Public Welfare Plan

The WT Education Foundation, together with Taiwan Premature Infants Foundation, is concerned about the social issues of premature infants with very low weight under 1,500 grams, and guards these palm-size treasures. According to the study, premature infants account for the largest proportion of neonatal deaths, especially those premature infants less than 1,500 grams. These babies have immature organ functions and may have slow development, which need to be looked after and cared for.

There are more than 20,000 premature infants in Taiwan every year. Through case managers to track the health status of palm-size babies and arrange professional medical treatment in time, early diagnosis and treatment can be achieved. In addition, if the development of premature infants is slow, it can be referred to the hospital for diagnosis immediately, and early care can be given. Follow-up social policy and educational institutions will set up a complete care network to provide comprehensive care, and teach parents the skills of care, so that the little angels can grow healthier and happier.

The WT Education Foundation and the Taiwan Premature Baby Foundation have long-term cooperation to promote the prevention of premature births with correct concepts and knowledge. Through combining community resources, parents' growth groups, nanny and nursing staff seminars, weekly delivery and neonatology seminars, as well as publicity on the Taiwan Railway and MRT light boxes, we aim to educate people to understand the signs of premature birth and strengthen premature birth prevention and treatment. The goal is for the public to better understand premature infants and provide a full range of services and care for families with premature babies.

In 2018, the WT Education Foundation sponsored a public lecture by Taiwan Premature Baby Foundation, which benefited 1,060 people. In addition, it has sponsored 22 light boxes for promotion of the World of Premature Infant Day. The WT Education Foundation takes concrete actions to care for the social issues of premature infants. It also supports and embraces premature infants with love, so that palm-size babies can receive complete care.

▼ Premature infant massage.





## 4.5.2

### Creating "Kidney Benefiting" Life

#### Kidney Disease Prevention Foundation Nutrition Control Series Activities for Kidney Disease in "Kidney-enriching Canteen"

The WT Education Foundation spent NT\$500,000 on public welfare in 2018 to support a series of activities on nutrition control of kidney diseases, which is named as "Kidney-enriching Canteen" organized by the Kidney Disease Prevention Foundation. The campaign aims to promote awareness, treatment and prevention of kidney diseases. The WT Education Foundation responds to the public welfare through specific actions and assists in promoting the public welfare activities of kidney disease nutrition control.

The public welfare activities include (1) two physical courses of low protein kitchen classrooms in Taipei, (2) two physical courses of low protein kitchen classrooms in Kaohsiung, (3) two manuals of low protein recipes, 10,000 copies each, and (4) the release of 10 low protein recipe videos.

Through this charitable act, the WT Education Foundation is expected to achieve benefits as follows: (1) To improve the nutritional knowledge of patients with kidney diseases about low-protein diet control. (2) Through the joint discussion of nutritionists and chefs, low-protein recipes suitable for patients with chronic kidney disease is designed, so that patients with kidney disease can apply them in real life.

The WT Education Foundation assists all citizens to build a "Kidney-Benefiting" life through a series of activities on nutrition control of kidney diseases in the "Kidney-enriching Canteen".



▲ The WT Education Foundation responds to the Kidney Disease Prevention Foundation, sponsoring physical cooking courses and advocating low-protein cuisine in order to reduce the burden of kidney and help all citizens build a "kidney-benefiting" life.

## 4.6 WT Group Joins Staff Welfare Committee

### Actively Benefiting Local Society

#### 4.6.1

### Recycling, Transferring Love and Loving the Earth

#### Donation of 209 Computer Peripherals

The WT Group Joins Staff Welfare Committee (hereinafter referred to as the WT Welfare Committee) donated 209 pieces of used and serviceable electronic equipment and household appliances, such as laptops, desktops, screens and multi-function printers, to the Chongai Development Center under the First Social Welfare Foundation, with a market value equivalent to NT\$727,090. The WT Welfare Committee promotes circular economy caring activities for recycling, transferring love and loving the earth, which not only achieves the purpose of recycling and reusing resources, but also benefits the poor and disadvantaged groups in the community.

#### 4.6.2

### Enthusiastic Response to Carol Singing

#### Celebrate Christmas with the Underprivileged

The Chongai Development Center under the First Social Welfare Foundation is a non-profit organization focusing on employment counseling for mentally handicapped youth. For every Christmas, the First Social Welfare Foundation organizes a carol singing in the community. The WT Welfare Committee specially prepares small biscuits for enthusiastic performers and friends to celebrate the festival together.



#### 4.6.3

### Working Hand in Hand with the New Taipei City Blind Welfare Association

#### Blind Welfare Association Provided 400 Employment Opportunities in 2018

The WT Welfare Committee cooperates with the non-profit organization, New Taipei City Blind Welfare Association, to provide colleagues with massage services in our company, providing employment opportunities to visually impaired friends with nearly 400 people annually benefiting from enhancing the confidence and identity of visually impaired friends in the workplace. The New Taipei City Blind Welfare Association aims to expand the vision of the life of the visually impaired and help the visually impaired to smoothly adapt to the workplace.

## 4.6.4

### Holding Heartwarming Christmas Charity Sale

#### Donation of all Proceeds from the Sale to Non-profit Organizations

WT Welfare Committee's love does not fall behind anyone else. Christmas is the most popular holiday for children. However, for many disadvantaged families, there is no joy or expectation. Therefore, the Welfare Committee has launched a heartwarming project for this festival. The first project is "doing charity work enthusiastically, do it with your hands". The exquisite small gifts are capsule toys, which are made by several charity organizations. The second project is "warm love, unlimited donation" campaign. The total revenue of the charity sale was NT\$307,914 and all of which was donated to non-profit organizations.



## 4.6.5

### Purchase and Distribution for Love on Festival

#### Cooperation with Public Welfare and Social Welfare Organizations to Subscribe for Festive Gifts

The WT Welfare Committee purchases festival gifts in cooperation with public welfare organizations, presents rice as gift boxes during the Spring Festival, chooses rice planted by Hualien farmers, in a friendly subscription manner, so that farmers have no worries about the future and may concentrate on cultivating high-quality crops. This enables the colleagues to eat healthy and safe agricultural products. A total of 1,100 boxes were subscribed for a total amount of NT\$668,360. On Mother's Day, the honey baked cake made by the "ABRAZO Shelter Workshop of Down Syndrome Foundation" was carefully selected. A total of 1,050 boxes of honey baked cakes were purchased with a total amount of NT\$281,138 to help Down babies realize their dreams of living on their own.

## 4.7 WT Microelectronics Co., Ltd.

### Donation of Van to the Taiwan University Hospital Yunlin Branch to Improve the Quality of Meal Transportation and Medical Service

WT Microelectronics (non-Foundation) spent NT\$2,337,000 on the purchase of a 6.9-ton van for public welfare. The van was refitted and equipped. It was donated to the Taiwan University Hospital Yunlin Branch in July 2018 to provide transportation services from central kitchen meals in Huwei Branch to Douliu Branch. As of the end of the reporting period, nearly 300,000 patients, visitors and employees have been benefited.

Wen-Hong Xu, executive director of WT Microelectronics, said that the Company has spared resources and is willing to give back to the society for the public welfare. In recent years, Yunlin County has witnessed a marked improvement in the quality of medical care. I am especially grateful to the doctors of the Taiwan University Hospital for their service in Yunlin for taking care of the villagers while leaving their hometowns and move to Yunlin. This time I have the opportunity to donate van to Yunlin Branch to give back to my hometown, I am deeply moved. I sincerely hope that the donated van can help the hospital, help the medical operations and benefit the villagers of my hometown.

Rui-Ren Huang, President of Taiwan University Hospital Yunlin Branch, pointed out that the distance between Douliu and Huwei Branches is 14 kilometers. The patients and employees in Douliu Branch were served by 3.5-tons minivans with three meals of food boxes, tube feeding diet, medical equipment and goods. Because of the increasing volume of business services, it was already in short supply. Sometimes, it was necessary to increase the number of transportation times to deliver them, which caused inconvenience in medical work. With the chance to share the results of 14 years' hard work in Yunlin Branch with Wen-Hong Xu, Executive Director of WT Microelectronics, we talked about the close access by Yunlin villagers to perfect medical care in our hospital, and that we have won their trust and affirmation. Ms. Xu, the Executive Director, learned about the transport difficulties between the two branches and expressed that medical services could not wait, and was willing to give back to the community by donating a van to help solve the hospital problems.



◀ WT Microelectronics donated a 6.9-ton van to Yunlin Branch to make the delivery of meals between Douliu and Huwei Branches more convenient and improve the quality of medical services. Wen-Hong Xu (third from the right), Executive Director of WT Microelectronics, handed over the vehicle key model to Director of the hospital, Rui-Ren Huang (fourth from the right).

# APPENDIX

## Independent Auditor's Limited Assurance Report



### 會計師有限確信報告

資會綜字第 19003391 號

文聯科技股份有限公司 公鑒：

本事務所受文聯科技股份有限公司（以下稱「貴公司」）之委任，對 貴公司選定 2018 年度企業社會責任報告書所報導之績效指標執行確信程序。本會計師業已確信竣事，並依據結果出具有限確信報告。

#### 確信標的資訊與適用基準

有關 貴公司選定 2018 年度企業社會責任報告書所報導之績效指標（以下稱「確信標的資訊」）及其適用基準詳列於 貴公司 2018 年度企業社會責任報告書第 61 頁之「確信項目彙總表」。前述確信標的資訊之報導範圍業於企業社會責任報告書第 62 頁之「報告書邊界與範疇」段落述明。

#### 管理階層之責任

貴公司管理階層之責任係依照適當基準編製企業社會責任報告書所報導之績效指標，且維持與績效指標編製有關之必要內部控制，以確保績效指標未存有導因於舞弊或錯誤之重大不實表達。

#### 會計師之責任

本會計師係依照確信準則公報第一號「非屬歷史性財務資訊查核或核閱之確信案件」，對確信標的資訊執行確信工作，以發現前述資訊在所有重大方面是否有未依適用基準編製而須作修正之情事，並出具有限確信報告。

本會計師依照上述準則所執行之有限確信工作，包括辨認確信標的資訊可能發生重大不實表達之領域，以及針對前述領域設計及執行程序。因有限確信案件取得之確信程度明顯低於合理確信案件取得者，就有限確信案件所執行程序之性質及時間與適用於合理確信案件者不同，其範圍亦較小。

本會計師係依據所辨認之風險領域及重大性以決定實際執行確信工作之範圍，並依據本委任案件之特定情況設計及執行下列確信程序：

- 對參與編製確信標的資訊之相關人員進行訪談，以瞭解編製前述資訊之流程、所應用之資訊系統，以及攸關之內部控制，以辨認重大不實表達之領域。

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- 基於對上述事項之瞭解及所辨認之領域，對確信標的資訊選取樣本進行查詢、觀察、檢查及重新執行測試，以取得有限確信之證據。

此報告不對 2018 年度企業社會責任報告書整體及其相關內部控制設計或執行之有效性提供任何確信。

#### 會計師之獨立性及品質管制規範

本會計師及本事務所已遵循會計師職業道德規範中有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及盡專業上應有之注意、保密及專業態度。

本事務所適用審計準則公報第四十六號「會計師事務所之品質管制」，因此維持完備之品質管制制度，包含與遵循職業道德規範、專業準則及所適用法令相關之書面政策及程序。

#### 先天限制

本案諸多確信項目涉及非財務資訊，相較於財務資訊之確信受有更多先天性之限制。對於資料之相關性、重大性及正確性等之質性解釋，則更取決於個別之假設與判斷。

#### 有限確信結論

依據所執行之程序與所獲取之證據，本會計師並未發現確信標的資訊在所有重大方面未有未依適用基準編製而須作修正之情事。

#### 其它事項

貴公司網站之維護係 貴公司管理階層之責任，對於確信報告於 貴公司網站公告後任何確信標的資訊或適用基準之變更，本會計師將不負就該等資訊重新執行確信工作之責任。

資誠聯合會計師事務所

會計師 徐永堅

徐永堅



中華民國 108 年 9 月 6 日

## Summary of Assurance Items

No.	Subject Information	Applicable Benchmark	Page Number
1	During the training of new staff, the Company arranges the promotion of important management regulations for the "Ethical Corporate Management Best Practice Principles", "Codes of Ethical Conduct", and "Procedures for Ethical Management and Guidelines for Conduct". In 2018, WT Microelectronics launched 55 batches for new employee training with 138 trainees in total.	Batches of new employee training and number of trainees in 2018. The information disclosed above is the statistics compiled by WT Microelectronics Co., Ltd.	15
2	In 2018, the proportion of new recruits was 20.0%, and the proportion of separating employees was 9.6% (note). Note: The statistics of employees above does not include students who work part-time.	The number of new and separating employees in 2018 is counted and calculated on the employee roster. The information disclosed above is the statistics compiled by WT Microelectronics Co., Ltd. Baseline for the proportion of new recruits: [(Number of new employees in 2018) / (Number of staff on December 31, 2018)] * 100%. Basis for the calculation of the number of separating employees: [(Number of separating employees in 2018) / (Number of staff on December 31, 2018)] * 100%. Note: The staff, new and former employees in the calculations above do not include students who work part-time.	29
3	The total electricity consumption of WT Group's Taiwan offices (including Zhonghe, Shenkeng, Hsinchu, Taichung and Tainan) in 2018 was 1,021,043 kWh, the annual per capita electricity consumption was 1,011 kWh, and the total electricity consumption of Taiwan's logistics center was 325,937 kWh.	2018 annual total electricity consumption of the Group's offices in Taiwan (including Zhonghe, Shenkeng, Hsinchu, Taichung, and Tainan), annual per capita electricity consumption, as well as the annual total electricity consumption of the logistics center in Taiwan. Benchmark for calculating annual per capita electricity consumption: (The total power consumption of WT Group's Taiwan Offices in 2018/Number of employees in Taiwan Offices on December 31, 2018). The information above is the statistics from WT Microelectronics, Morrihan, Techmosa, Maxtek Technology, HongTech Electronics and NuVision Technology.	21
4	The total amount of expenditure donated by WT Education Foundation in 2018 was NT\$7,548,000.	The total amount of donation expenditure for the 2018 WT Education Foundation. The information above is the statistics of WT Education Foundation.	40
5	In 2018, WT Microelectronics (including subsidiaries Techmosa, Morrihan, Maxtek Technology, NuVision Technology, and HongTech Electronics) signed 285 Non-Disclosure Agreements (NDA) with customers and 13 with OEMs. No legal proceedings were brought by the customer or an OEM for violation of the NDA.	The number of Non-Disclosure Agreement (NDA) signed in 2018 with the customers, and the number of NDA agreements signed with the manufacturers in the year. The information above is the statistics from WT Microelectronics, Techmosa, Morrihan, Maxtek Technology, NuVision Technology, and HongTech Electronics.	11



## Report Profile

This report is the Corporate Social Responsibility (CSR) report issued by WT Microelectronics Co., Ltd. (hereinafter referred to as "the Company", "WT Microelectronics", "WT" or "we"). The data and contents disclosed are mainly based on the Corporate Social Responsibility related performance of fiscal year 2018 (from January 1, 2018 to December 31, 2018). For information integrity and comparability, some data will be traced back to 2015 or extended to 2019. In the future, the Corporate Social Responsibility Report will be issued regularly every year.

### Report Data Collection

The data and information in this report are collected and documented by various departments in charge of their respective duties before being confirmed by the heads of these units. The information and statistics are derived from the results of surveys and investigation done by the Company. The financial data is based on public information certified by the CPAs and is denominated in NTD. The collection, measurement, and calculation methods of various indicators were mainly based on the local regulatory requirements. For areas not covered by local regulations, international standards were referenced. Where no international standards were applicable, industry standards or industry practices were adopted.

### Report Compilation Principles

The content of this report is based on the performance of the economy, the environment and the society to specifically describe the relevant actions and recent results of the Company. The structure of the report is based on the Global Reporting Initiative (GRI) sustainability reporting guidelines. The disclosure principle is based on the core options.

### Report Boundary and Scope

The geographical boundary of this report is the Taiwan area of WT Microelectronics Co., Ltd. Except for the financial information and part of the sustainability information verified by the accountant, it does not include the re-investment in the consolidated financial statements. The Company expects to gradually incorporate its overseas operations into future reports to provide a complete picture of the Group's corporate social responsibility.

### Report Assurance

This report is entrusted to PwC Taiwan in accordance with the ROC Statements of Assurance Engagements Standard No. 1 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" for independent limited assurance. The assurance report is attached in the appendix to this report.

### Contact Information

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Company Website: <http://www.wtmec.com/WT/>

## Stakeholder Consensus

WT Microelectronics adheres to the commitments to OEM, customers, employees, shareholders and the society by listening carefully to the stakeholders and continuing to do our utmost to balance the rights and interests of all stakeholders, making WT Microelectronics a trustworthy quality enterprise. Striving for excellence is WT Microelectronics' overall standards. We believe that there is always room for improvement. We will do our best for every task, constantly reflect on ourselves in order to improve, and strive to pursue the greatest achievements. Through communicating with stakeholders from a variety of channels, we can understand the opinions and feedback of all stakeholders, as well as using this to focus on issues of interest. These can then be taken into consideration for the development and adjustment of the Company's CSR management direction. At the same time, this motivates the disclosed content of our report to better respond to the stakeholders' expectations and needs.

## Stakeholder Communication

We refer to the interactions between stakeholders and the internal operations of our peers within the industry to identify eight major categories of stakeholders: OEM/upstream suppliers, customers, shareholders/investors/banks, media, employees, suppliers/outsourcers, government agencies/competent authorities, community/NGOs.

As a semiconductor distributor, the Company has consistently adhered to the principle of "supporting downstream customers to shorten their R&D time and increase their competitiveness, as well as assisting upstream suppliers in product promotion and marketing." Therefore, we value the quality and integrity of stakeholder communication channels. We have considerable responsibilities towards stakeholders. Therefore, we have set up a stakeholder area in the company website ([http://www.wtmec.com/WT/?page\\_id=2024](http://www.wtmec.com/WT/?page_id=2024)) in order to understand the needs and expectations of the stakeholders through various means and communication channels. The following table lists the communication channels, frequency, and key stakeholder concerns.

## List of Stakeholder Communications

Stakeholder	Topics of Concern	Channel of Communication	Frequency of Communication	Response from WT
OEM/ Upstream Suppliers	Economic performance Integrity management Product trading compliance Environmental protection compliance Training and education Client satisfaction Warehouse and cargo security	Meeting, telephone, and e-mail On-site audit	Immediate/Irregular intervals Main suppliers conduct annual security audits	Continuous integrity management and ethics education for employees Continuous ECCN (U.S. Export Classification Control Numbers, which is the US export control of high-tech products and technologies, especially integrated circuits) training for employees Compliance with regulations established by the European Union and the US Securities and Exchange Commission for substances WT Microelectronics Security Measures Report
Customers	Integrity management Customer health and safety Marketing and labeling Customer privacy	Meeting, telephone, e-mail, customer internal web communication platform	Immediate/Irregular intervals	Continuous integrity management and ethics education for employees Compliance with regulations established by the European Union and the US Securities and Exchange Commission for substances
Shareholders/ Investors/ Banks	Economic performance Market presence	Meeting, telephone, and e-mail	Weekly	Quarterly performance briefings Roadshows abroad and domestic meetings at irregular intervals
Media	Economic performance Market presence	Meeting, telephone, and e-mail	Every quarter	Quarterly performance briefings and press releases

## List of Stakeholder Communications

Stakeholder	Topics of Concern	Channel of Communication	Frequency of Communication	Response from WT
Employees	Employment	Complaint mailbox/Complaint hotline	Irregular intervals	No complaints in 2018
		Company internal webpage	Irregular intervals	Information concerning the employees is disclosed when needed
		Labor–Management Meeting/Welfare Committee	Every quarter	Labor–Management Meetings and the Welfare Committee meetings are held quarterly according to regulations
		Health advisory	Immediate/Irregular intervals	Physician consultation: 2–3 hours per month Healthcare manager consultation: Irregular intervals
Suppliers/ Contractors (Warehouses)	Major supplier audits and environmental assessments	Telephone, mail, and supplier visit Suppliers/Contractors (Warehouse)	Supplier monthly quality meeting	Quality monthly meeting minutes
		Major supplier audits and environmental assessments Telephone, mail, and supplier visit	Supplier annual audit	Supplier audit report
	Customer health and safety	Telephone and mail	Year	Major suppliers provide proof of environmentally–friendly materials
Suppliers/ Contractors (Office)	Workplace health and safety Supplier management and selection Compliance with the regulations Product quality and responsibility Procurement strategy Transportation and transaction security	E–mail, telephone, supplier survey, annual bargaining, exclusive corresponding contact, visiting and receiving suppliers	Immediate/Irregular intervals	Annual audit selection Major suppliers provide relevant supporting documents

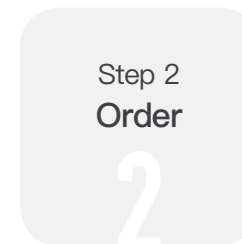
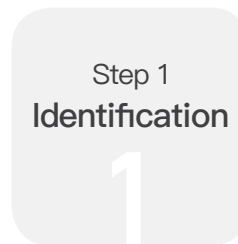
## List of Stakeholder Communications

Stakeholder	Topics of Concern	Channel of Communication	Frequency of Communication	Response from WT
Government agencies/ Competent authorities	Corporate governance and integrity management Employee rights and labor relations Compliance	Participate in regulation briefings and seminars, official documents, e-mails, telephone calls, questionnaire responses organized by the competent authorities. The Company's official website has a section dedicated to stakeholders. Provide communication channels for government agencies/competent authorities, disclose information on Market Observation Post System (MOPS), in financial reports, in annual reports and on official websites. Regularly and irregularly make declarations, actively cooperate with government agencies /competent authorities to promote various measures and participate in the evaluation held by competent authorities.	Immediate/Irregular intervals	Continuous employee ethics and anti-corruption education and training Promote labor relations Cooperate with government agencies/competent authorities to handle and communicate matters in compliance with laws and regulations Maintain good interactions with government agencies/competent authorities
Communities	Social care Public welfare activities Caring for rural areas and disadvantaged groups Environmental protection	E-mail, telephone, and field visits	Immediate/Irregular intervals	Please refer to the chapter of Community Care for details. WT Microelectronics cares about public welfare and the society Caring for rural areas and disadvantaged children
NGO	Social welfare	The WT Microelectronics Education Foundation sponsors public welfare programs, participates in the operation of external organizations, and has established a stakeholder section on our official website, providing communication channels for community members, e-mail, telephone, and field visits	Immediate/Irregular intervals	Actively and continuously promote and participate in social welfare activities to exert positive strength

## Identification of Material Issues

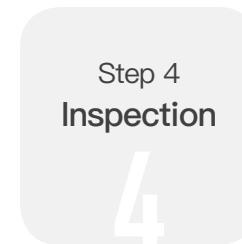
In order to achieve effective stakeholder communication, we conducted four major processes through systematic critical assessments, including identification, sequencing, validation and review based on GRI guidelines to identify the major issues for the Company. Based on the matrix of concerns of stakeholders and the economic, environmental and social impacts of the Company's operations, we have identified eight material issues, including economic performance, compliance with environmental protection regulations, customer health and safety, customer privacy, compliance with social economic regulations, anti-corruption, marketing and labeling, and employment. The following table will provide detailed explanations and disclosures on these major issues.

According to GRI guidelines, industry characteristics, peer comparison, CSR working group discussions, and external expert advice, etc., questionnaires concerning the related issues were given to stakeholders to fill out in order to confirm the degree of concern for the Company's economic, environmental and social impacts.



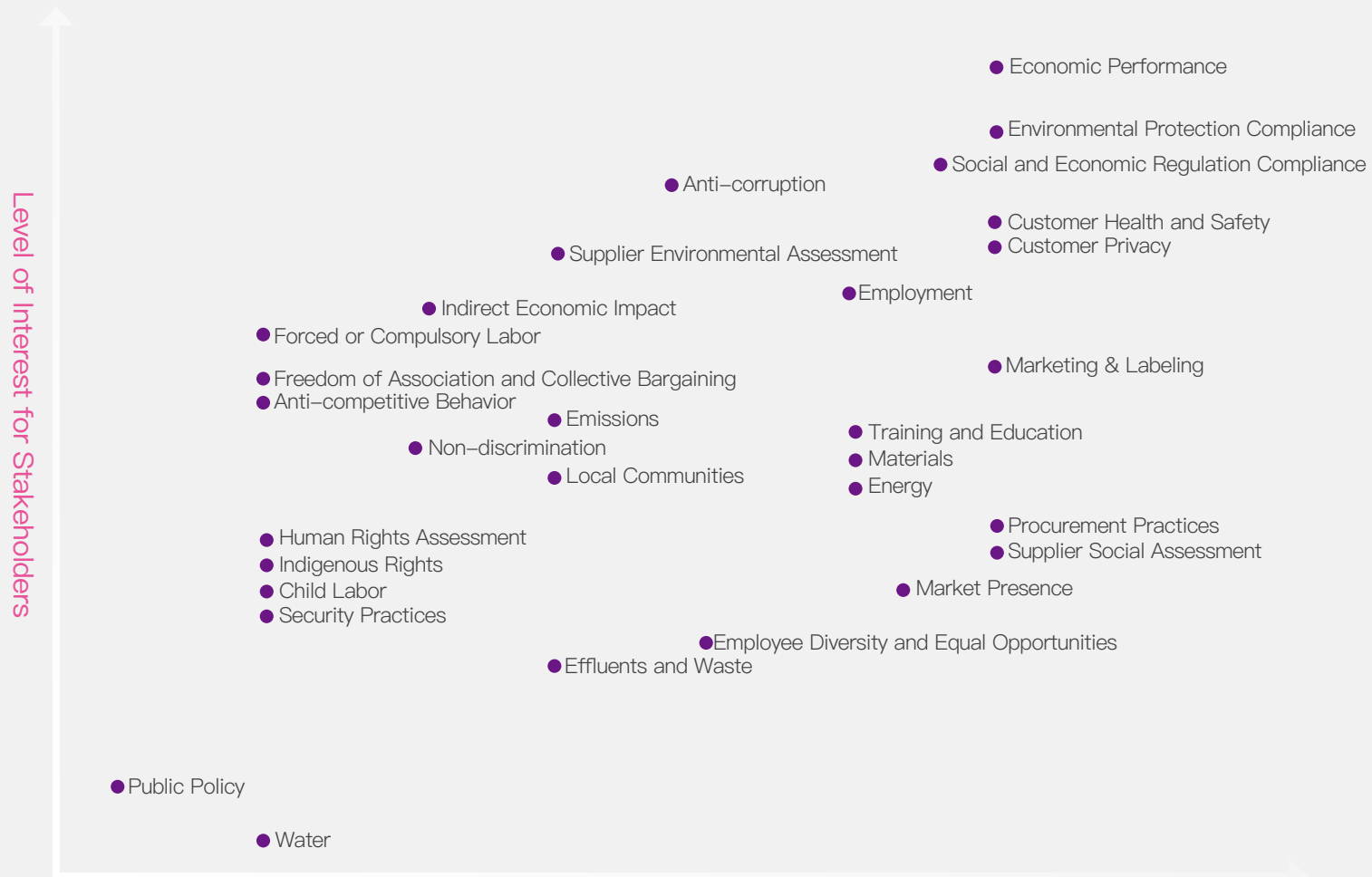
The CSR working group gives scores and weights to the issues included in the questionnaire to obtain a two-dimensional matrix diagram based on statistical analysis. The vertical axis shows the degree of interest of stakeholders, and the horizontal axis is the degree of impact on sustainability (the issue's internal impact as well as its impact on the economy, environment and society). Finally, based on the distribution of the topics on the two-dimensional matrix diagram, eight material issues were selected.

Based on the identified material issues and the GRI guidelines, the impact of the material issues on the inside and outside of the organization is determined to establish reporting boundaries.



The CSR working group reviews whether the report adequately responds to material issues and provides responses to confirm its completeness.

## Analysis on Material Issues



Impact on Sustainability (the issue's internal impact as well as its impact on the economy, environment and society)

## 2018 Material Topics Corresponding to GRI Guidelines

Material Topics	Report Boundary						Corresponding Chapter
	Within the organization	Outside the organization					
		Shareholders/ Investors/Banks	Employees	OEM/Upstream supplier	Customers	Government agencies/ Competent authorities	
Economic performance	V	V	V			V	1.Economic Impact
Anti-corruption	V			V			1.Economic Impact 2.Environmental Impact
Environmental protection regulations compliance	V	V		V		V	2.Environmental Impact
Employment	V		V				3.Best Employer
Customer health and safety	V			V	V		2.Environmental Impact
Marketing and labeling	V			V	V		2.Environmental Impact
Customer privacy	V			V	V		2.Environmental Impact
Social and economic regulation compliance	V	V		V		V	1.Economic Impact 2.Environmental Impact



## External Initiatives

WT Microelectronics has not signed any externally developed economic, environmental and social charters, principles, or other initiatives.

## Trade Association Membership

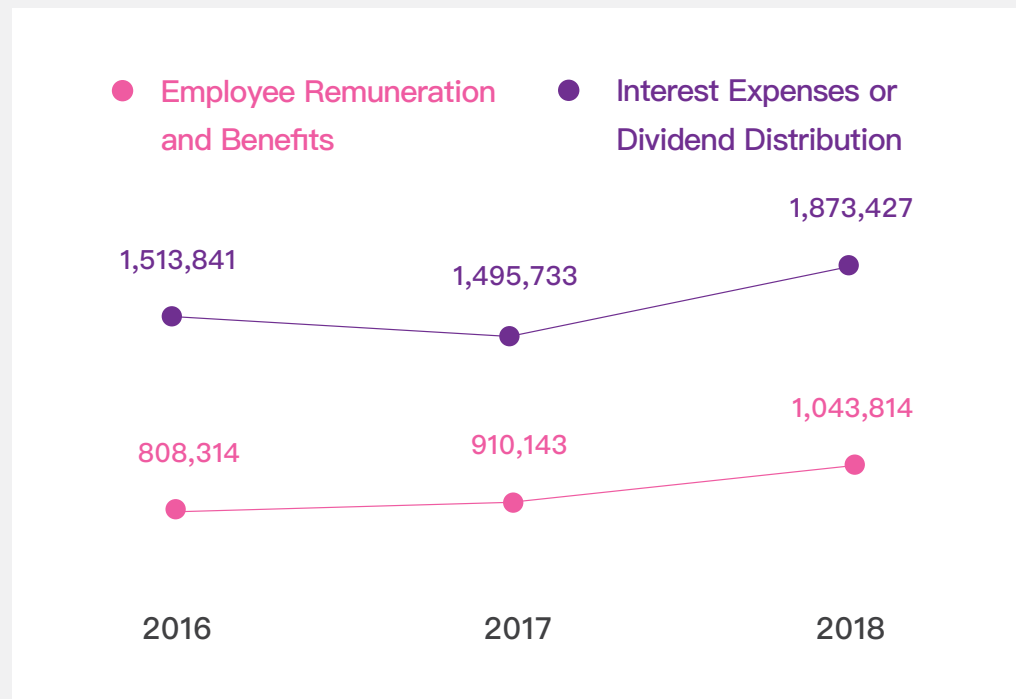
The Company has gained much experience in operation thanks to the feedback and opinion exchanges garnered through participating in the Trade Association. These opinions have helped us boost the benefits in our operation.

Name of the Organization	Membership	Participation in Projects or Committees	Sponsorship
Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)	First-grade member	No	No
Taipei Electronic Components Suppliers' Association (TCCSA)	Formal member	No	No

## Economic Performance from 2016 to 2018. (Unit: NT\$1,000)

Year	2016	2017	2018
Direct economic value generation			
Income	113,756,279	147,003,489	213,658,198
Distribution of direct economic value			
Operating costs	110,636,804	142,930,078	209,128,174
Employee salaries and benefits	808,314	910,143	1,043,814
Interest expenses or dividend distribution	1,513,841	1,495,733	1,873,427
Tax	165,349	253,364	343,105
Community investments	9,919	8,523	9,876

From 2016 to 2018, "Employee Remuneration and Benefits" and "Interest Expenses or Dividend Distribution" were growing, and operating results were shared with stakeholders, employees and shareholders.



## Government Subsidy in 2018

Area	Type of Subsidy	Amount of Subsidy
Taiwan	Tax relief and deduction	R&D investment was offset by NT\$3,012,384
China	Subsidy (Note)	Refund of NT\$563,000 (RMB123,483.06) for personal income tax handling fee Business support fund of NT\$11,311,000 (RMB 2.48 million) Renovation subsidy NT\$10,946,000 (RMB 2.4 million)

Note: The average exchange rate between RMB and NTD was 4.5608 in 2018

Since August 2018, Information Security Software Has Been Upgraded and Blocked 1,536 Viruses and Deleted 3,036 Viruses in Total.

Completed virus protection measures	8	9	10	11	12	Total
Blocked	437	393	273	249	184	1,536
Deleted	819	409	469	746	593	3,036

## Proportion of Local Procurement from 2016 to 2018. (Unit: thousand NTD)

Category	2016			2017		
	Local purchase amount	Total purchase amount	Local purchase percentage	Local purchase amount	Total purchase amount	Local purchase percentage
Administration-related	5,952,270	5,952,270	100%	11,579,175	11,579,175	100%
IT-related	7,189,784	7,189,784	100%	2,578,937	2,578,937	100%
PDC	2,530,413	2,531,766	100%	3,665,627	3,665,627	100%
FAE	2,551,381	2,627,859	97%	1,170,470	1,267,206	92%
<b>Total</b>	<b>18,223,848</b>	<b>18,301,679</b>	<b>99.60%</b>	<b>18,994,209</b>	<b>19,090,945</b>	<b>99.50%</b>

Category	2018			Note
	Local purchase amount	Total purchase amount	Local purchase percentage	
Administration-related	46,070,312	46,107,662	100%	Zhonghe 6th Floor/Taoyuan Warehouse
IT-related	10,779,675	10,779,675	100%	Storage devices ↑ 6M
PDC	14,228,057	14,228,057	100%	Taoyuan warehouse conveyor / Monitor Project
FAE	4,159,277	4,182,998	99%	
<b>Total</b>	<b>75,237,321</b>	<b>75,298,392</b>	<b>99.92%</b>	

## Packaging Material Usage Statistics

	Unit	2016	2017	2018
Decomposable PE Bubble Bag Filler	Roll	234	198	390
Number of Outer Boxes	Unit	55,825	80,362	128,940
Number of Packing Boxes	Unit	19,974	28,924	46,564
Number of Anti-Static Sheets	Unit	7,116	8,645	10,980

## 2016 – 2018 Statistical Table of Average Packaging Material Recycled

	Unit	2016	2017	2018
Use of recycled packaging materials	Boxes	19,496	15,246	20,015
Number of boxes shipped	Boxes	149,416	163,464	313,099
Average packaging material recycling rate	Percentage	13%	9%	6%

## 2016 – 2018 Amount of Paper Saved (in 10,000 sheets)

	2016	2017	2018
	22	21	26

## Total Electricity Consumption of WT Group (Unit: kWh)

Boundaries	2016	2017	2018
Taiwan Offices (including Zhonghe, Shenkeng, Hsinchu, Taichung and Tainan)	868,163	885,267	1,021,043
Taiwan Logistics Center	220,091	260,614	325,937

Note: The increase in total office power consumption in Taiwan in 2018 was attributed to the merger of MAXTEK, a subsidiary company, into Zhonghe Headquarters in June 2018 and the expansion of three floors.

## Greenhouse Gas Emissions of WT Group (Unit: CO<sub>2</sub>e tons)

Boundaries	2015	2016	2017	2018
Taiwan Offices of WT Group	514.72	460.13	490.44	565.66
Taiwan Logistics Warehouse	n/a	n/a	144.38	184.34

## Major supplier brands that comply with RoHS and REACH

Brand	RoHS	REACH	IDT	Part number	Part number
ADI	V	V	MAGNACHIP	V	V
Allegro	Part number	Part number	MARVELL	Part number	Part number
AMBARELLA	V	V	MAXIM	V	V
Amlogic	Part number	Part number	Maxlinear (EXAR)	V	V
AOS	Part number	Part number	MICRON	V	V
Broadcom (AVAGO)	Part number	V	MICROSEMI(MICROCHIP)	Part number	Part number
Capella	Part number	Part number	MPS	Part number	V
DIODES	V	V	NANYA	V	V
ESMT	V	V	Nuvoton	V	V

## Major supplier brands that comply with RoHS and REACH

Brand	RoHS	REACH
NXP	V	V
OMNIVISION	Part number	Part number
ON	V	V
OSRAM	V	V
REALTEK		V
RENESAS	V	V
RICHTEK	V	V

SEMTECH	Part number	Part number
SILERGY	V	V
SILICON LABS	Part number	Part number
SKYWORKS	V	V
ST	V	V
Synaptics	Part number	Part number
Taiwan Semi	Part number	Part number
TI	V	V
Winbond	Part number	V



## Major Supplier Brands Pass Conflict Mineral Regulations Statistics

Brand	Conflict minerals regulations		
ADI	Part number	MAXIM	V
Allegro	Part number	Maxlinear (EXAR)	V
AMBARELLA	V	MICRON	V
Amlogic	V	MICROSEMI (MICROCHIP)	V
AOS	V	MPS	V
Broadcom (AVAGO)	Part number	NANYA	V
Capella	Part number	Nuvoton	V
DIODES	V	NXP	V
ESMT	V	OMNIVISION	Part number
IDT	V	ON	V
MAGNACHIP	Part number	OSRAM	Part number
MARVELL	V	REALTEK	V
		RENEASAS	V
		RICHTEK	V
		SEMTECH	Part number
		SILERGY	Part number
		SILICON LABS	V
		SKYWORKS	V
		ST	V
		Synaptics	Part number
		Taiwan Semi	Part number
		TI	V
		Winbond	V

## Global Business Locations, Number of Employees by Region (Unit: Person)

Area	2016	2017	2018
Taiwan	812	1,057	1,083
China	645	783	882
Hong Kong	110	122	142
South Asia	78	94	128
Korea	118	141	164
Total	1,763	2,196	2,399

## Global Business Locations, Number of Employees by Gender (Unit: Person)

Gender	2016	2017	2018
Male	1,059	1,312	1,425
Female	704	884	974
Total	1,763	2,196	2,399

## Business Locations in Taiwan, Number of Employees by Gender (Unit: Person)

Gender	2016	2017	2018
Male	348	364	395
Female	225	257	301
Total	573	621	696

## Business Location in Taiwan, Number of Employees by Academic Qualifications (Unit: Person)

Education Background	2016	2017	2018
Master and P.H.D.	147	167	195
Bachelor's	345	372	418
Associate degree or less	81	82	83
Total	573	621	696

## Business Location in Taiwan, Number of Employees by Academic Qualifications (Unit: Proportion)

Education Background	2016	2017	2018
Master and P.H.D.	26%	27%	28%
Bachelor's	60%	60%	60%
Associate degree or less	14%	13%	12%
Total	100%	100%	100%

## Business Location in Taiwan, Number of Employees by Age (Unit: Person)

Age	2016	2017	2018
Less than 30	102	119	150
30~40	294	310	328
40~50	157	166	181
Greater than 50	20	26	37
Total	573	621	696

## Business Location in Taiwan, Number of Employees by Age (Unit: Proportion)

Age	2016	2017	2018
Less than 30	18%	19%	22%
30~40	51%	50%	47%
40~50	27%	27%	26%
Greater than 50	4%	4%	5%
Total	100%	100%	100%

## Business Location in Taiwan, Number of Employees by Job Levels (Unit: Person)

Employee Category	2016	2017	2018
Supervisor	183	193	198
Non-supervisor	390	428	498
<b>Total</b>	<b>573</b>	<b>621</b>	<b>696</b>

## Business Location in Taiwan, Number of Employees by Job Levels (Unit: Proportion)

Employee Category	2016	2017	2018
Supervisor	32%	31%	28%
Non-supervisor	68%	69%	72%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Note 1: The size of the manpower listed in this paper, except for the number of people in the Group, is based on the manpower of WT Microelectronics (Taiwan) operating base in Taiwan as the place of employment.

Note 2: The Company employs formal staff and has no part-time employees. The outsourced manpower is based on tasks rather than personnel, and the work they do is not the main services provided by the Company, such as the cleaning staff, network and telecommunications equipment maintenance, etc. Therefore, they were not included in the calculation of manpower.

Note 3: The statistical date of the number of employees was on December 31 each year.

### New Employees by Age in 2018 (Unit: Person)

Less than 30	67
30~40	65
40~50	5
Greater than 50	1
<b>Total</b>	<b>138</b>

### New Employees by Gender in 2018 (Unit: Person)

Male	66
Female	72
<b>Total</b>	<b>138</b>

### Separating Employees by Age in 2018 (Unit: Person)

Less than 30	23
30~40	31
40~50	12
Greater than 50	0
<b>Total</b>	<b>66</b>

### Separating Employees by Gender in 2018 (Unit: Person)

Male	34
Female	32
<b>Total</b>	<b>66</b>

## GRI Content Index

GRI Standards	Disclosures	Page Number	Supplemental/Omitted
<b>General Disclosures</b>			
<b>GRI 102 : General Disclosures 2016</b>	102–1 Name of the organization	7	Relevant information is inserted on contents
	102–2 Activities, brands, products, and services	7	As above
	102–3 Location of headquarters	7	As above
	102–4 Location of operations	7	As above
	102–5 Ownership and legal form	7	As above
	102–6 Markets served	10	
	102–7 Scale of the organization	7/33	
	102–8 Information on employees and other workers	33	
	102–9 Supply chain	8	
	102–10 Significant changes to the organization and its supply chain		No significant changes during the year
	102–11 Precautionary Principle or approach	16	
	102–12 External initiatives	70	
	102–13 Membership of associations	70	
	102–14 Statement from senior decision-maker	2–3	
102–16 Values, principles, standards, and norms of behavior	15		
102–18 Governance structure	13–14		

## GRI Content Index

GRI Standards	Disclosures	Page Number	Supplemental/Omitted
<b>General Disclosures</b>			
<b>GRI 102 : General Disclosures 2016</b>	102–40 List of stakeholder groups	63	
	102–41 Collective bargaining agreements		Non-union, not applicable
	102–42 Identifying and selecting stakeholders	63–69	
	102–43 Approach to stakeholder engagement	63–69	
	102–44 Key topics and concerns raised	63–69	
	102–45 Entities included in the consolidated financial statements	62	
	102–46 Defining report content and topic Boundaries	62	
	102–47 List of material topics	62	
	102–48 Restatements of information	62	
	102–49 Changes in reporting	62	
	102–50 Reporting period	62	
	102–51 Date of most recent report	62	
	102–52 Reporting cycle	62	
	102–53 Contact point for questions regarding the report	62	
	102–54 Claims of reporting in accordance with the GRI Standards	62	
	102–55 GRI content index	83	
102–56 External assurance	60/61		

## GRI Content Index

GRI Standards	Disclosures	Page Number	Supplemental/Omitted
Material topic			
Economic Performance			
GRI 103 : Management Approach 2016	103–1 Explanation of the material topic and its Boundary	69	
	103–2 The management approach and its components	3 / 64~68	
	103–3 Evaluation of the management approach	4/6~10	
GRI 201 : Economic Performance 2016	201–1 Direct economic value generated and distributed	71	
	201–3 Defined benefit plan obligations and other retirement plans	37	
	201–4 Financial assistance received from government	73	
Anti-corruption			
GRI 103 : Management Approach 2016	103–1 Explanation of the material topic and its Boundary	69	
	103–2 The management approach and its components	3 / 64~68	
	103–3 Evaluation of the management approach	15	
GRI 205 : Anti-corruption 2016	205–1 Operations assessed for risks related to corruption	15	
	205–2 Communication and training about anti-corruption policies and procedures	15	
	205–3 Confirmed incidents of corruption and actions taken	15	



## GRI Content Index

GRI Standards	Disclosures	Page Number	Supplemental/Omitted
Material topic			
Environmental Compliance			
GRI 103 : Management Approach 2016	103–1 Explanation of the material topic and its Boundary	69	
	103–2 The management approach and its components	3 / 64~68	
	103–3 Evaluation of the management approach	18	
GRI 307 : Environmental Compliance 2016	307–1 Non-compliance with environmental laws and regulations	19	
Employment			
GRI 103 : Management Approach 2016	103–1 Explanation of the material topic and its Boundary	69	
	103–2 The management approach and its components	3 / 64~68	
	103–3 Evaluation of the management approach	28–29	
GRI 401 : Employment 2016	401–1 New employee hires and employee turnover	29	
	401–2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	34–37	

## GRI Content Index

GRI Standards	Disclosures	Page Number	Supplemental/Omitted
Material topic			
Customer Health and Safety			
GRI 103 : Management Approach 2016	103–1 Explanation of the material topic and its Boundary	69	
	103–2 The management approach and its components	3 / 64~68	
	103–3 Evaluation of the management approach	26	
GRI 416 : Customer Health and Safety 2016	416–1 Assessment of the health and safety impacts of product and service categories	26	
	416–2 Incidents of non–compliance concerning the health and safety impacts of products and services	26	
Marketing and Labeling			
GRI 103 : Management Approach 2016	103–1 Explanation of the material topic and its Boundary	69	
	103–2 The management approach and its components	3 / 64~68	
	103–3 Evaluation of the management approach	12	
GRI 417 : Marketing and Labeling 2016	417–1 Requirements for product and service information and labeling	12	
	417–2 Incidents of non–compliance concerning product and service information and labeling	12	

## GRI Content Index

GRI Standards	Disclosures	Page Number	Supplemental/ Omitted
Material topic			
Customer Privacy			
GRI 103 : Management Approach 2016	103–1 Explanation of the material topic and its Boundary	69	
	103–2 The management approach and its components	3 / 64~68	
	103–3 Evaluation of the management approach	11 / 16	
GRI 418 : Customer Privacy 2016	418–1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	11 / 16	
Socioeconomic Compliance			
GRI 103 : Management Approach 2016	103–1 Explanation of the material topic and its Boundary	69	
	103–2 The management approach and its components	3 / 64~68	
	103–3 Evaluation of the management approach	11	
GRI 419 : Socioeconomic Compliance 2016	419–1 Non-compliance with laws and regulations in the social and economic area	11	

## GRI Content Index

GRI Standards	Disclosures	Page Number	Supplemental/Omitted
Other topics			
<b>GRI 200 : Economic</b>			
GRI 204 : Procurement Practices 2016	204-1 Proportion of spending on local suppliers	74	
<b>GRI 300 : Environmental</b>			
GRI 301 : Materials 2016	301-1 Materials used by weight or volume	75	
	301-2 Recycled input materials used	75	
	301-3 Reclaimed products and their packaging materials	75	
GRI 302 : Energy 2016	302-3 Energy intensity	21	
GRI 305 : Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	76	
	305-4 GHG emissions intensity	23	
GRI 308 : Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	26 / 76~77	
<b>GRI 400 : Social–Employees</b>			
GRI 404 : Training and Education 2016	404-1 Average hours of training per year per employee	32	
GRI 405 : Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	33 / 81	
GRI 413 : Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	39–58	
GRI 414 : Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	39–58	



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