



2021 ESG Report



Environmental



Social



Governance

Sustainable Development Goals

In 2015, the United Nations (UN) announced the 17 Sustainable Development Goals (SDGs) and aimed to achieve them by 2030. The SDGs are indivisible and encompass the three dimensions of sustainable development: the environmental, social and economic. All countries, local governments, corporations and civil society can use these goals to set their own agenda and plan for initiatives and policies for their organizations.

ASMedia has adopted the SDGs as the framework for our sustainability commitment and promise. To accomplish our sustainability mission, we look for ways to protect natural resources, prevent and control water, land and air pollution and secure social justice while conducting business. Based on the SDGs, we have implemented sustainability policies and programs. In this report, we address our environmental, social and governance (ESG) focus areas and commitments. The priority SDGs for ASMedia are highlighted in the descriptions below.



No Poverty

- ASMedia donates Uniform Invoices to local public welfare foundations, including the Eden Social Welfare Foundation, the Sunshine Social Welfare Foundation and the Syin-Lu Social Welfare Foundation. Between 2013 and 2021, we have donated a total of 4,737 Uniform Invoices.
- We order baked goods and lunch boxes from the Sefun Bakery House and the Syin-Lu Social Welfare Foundation to support and empower the intellectually and developmentally disabled community, and buy gift boxes from the Andao Social Welfare Charity Foundation to help the vulnerable people in the society. Between 2013 and 2021, we have ordered a total of 704 boxes of goods.



Quality Education

- ASMedia diligently seeks new opportunities for academia and industry collaboration and has worked with the National Taiwan University, the National Tsing Hua University and the Fu Jen Catholic University to support and nurture future talent. Between 2013 and 2021, we have made a cumulative investment of NT\$7,710,675 in the industry-academia collaboration.



Gender Equality

- ASMedia has been working hard to achieve gender equality and diversity in the whole organization.
- ASMedia implements the policy of equal pay, and gives both men and women equal pay for equal work according to their work experience and education.
- We implement the maternal health program, set up the lactation room in the workplace, and offer unpaid parental leave which eligible employees can take to look after their child's welfare.



Good Health and Well-being

- We take care of our employees' health by providing them with annual health checkups, the Employee Assistance Program (EAP), as well as onsite health clinics. Onsite health clinics are staffed by qualified medical professionals and provide quality healthcare to our employees on a regular basis.
- We promote the sports culture through setting up various sports clubs (e.g., jogging, basketball, softball, etc.) and hosting sports competitions. Our employees can participate in these sports activities to maintain good health.
- ASMedia's COVID-19 response includes management approaches and a set of prevention measures to reduce the risk of employees contracting the disease.
- We donate money to many local hospitals and medical foundations every year, including the Taiwan Head and Neck Society, the Digestive Organs Transplantation Foundation, the Liver Disease Prevention and Treatment Research Foundation as well as the Good Liver Foundation. Between 2013 and 2021, we have donated NT\$17,000,000 to support the country's healthcare system.
- We joined the WPG Ladies Open donation campaign. By engaging in sports-related activities, we hope to advocate a healthy lifestyle for everyone.



Clean Water and Sanitation

- Treasuring water resources is important in ASMedia's operations. By implementing numerous water conservation projects and promoting water conservation awareness, we have reduced water use intensity by 40% from our 2017 base year.
- ASMedia joined the "Do One Thing for Tamsui River" campaign. We promote green procurement and reduction of wastewater discharge. 240 employees participated in the campaign in 2020.



Affordable and Clean Energy

- ASMedia continues to improve products by implementing the energy efficient design process. Our goal is to move toward efficient energy use.
- We keep taking energy saving actions. Currently, 90% of the conventional light bulbs on major floors of the office building have been replaced with LED light bulbs, and 10% of the split air conditioners have been replaced with the frequency conversion air conditioners.



Decent Work and Economic Growth

- Demand for semiconductors remains strong despite the pandemic. In 2021, the operating profit reached NT\$1.937 billion, which was an outstanding performance.
- In 2021, ASMedia was among the top ten public companies offering the highest annual salaries to its employees.
- All of ASMedia's direct suppliers have signed the Responsible Business Alliance (RBA) Code of Conduct and the declaration of non-use of conflict minerals to improve the overall supply chain employment conditions and environment.
- Taking ISO 45001 occupational safety and health management system as the foundation, ASMedia has been working on creating a safe working environment. The number of occupational injuries and diseases in the past three years was 0.
- To support local economic development, 100% of the raw materials for our products come from local sourcing.



Industry, Innovation and Infrastructure

- In 2021, we invested 16.46% of the total revenue in research and development (R&D), as we are aware of the importance of our technology and continually strive to improve competitiveness in technology growth.
- ASMedia continues launching new products. By enhancing the performance and compatibility of the products, our high-speed products continue to meet market needs and enhance human welfare.



Reduced Inequalities

- We participate in the "Your Old Computer is Their New Hope" campaign, which is a program that donates used computers to educational institutions in the rural areas. Between 2013 and 2021, we have donated 89 used computers to rural schools, and help bridge the urban-rural digital divide.
- ASMedia protects the legal rights and interests of people with disabilities. The number of employees with disabilities we hire is in accordance with the local law.



Responsible Consumption and Production

- ASMedia requires all our suppliers to comply with the international environmental regulations and standards, including the European Union's Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), the Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS), ISO 14001 and so on. We expect all our suppliers to work together toward reducing negative impacts on the environment through manufacturing processes.
- We reduce the usage of paper by continuously converting existing paper forms to the Enterprise Information Portal (EIP) system—a system that supports electronic formats and improves the overall application processes. In 2021, our paper consumption reduced by 5%, compared to 2020.
- We have sent the wafer scrap and test boards to the certified environmental protection company for proper disposal in order to reduce the direct impact on the environment.



Climate Action

- We have created mid-term and long-term plans to reduce energy use and carbon emissions, and continue to monitor energy use in the workplace, such as energy consumption for office equipment and use of materials.
- In the ESG report, we adopt the reporting framework of the Task Force on Climate-related Financial Disclosures (TCFD) to disclose the climate-related risks and opportunities to our business.
- We monitor and offer voluntary disclosure of greenhouse gas (GHG) emissions (i.e., Scope 1, Scope 2 and Scope 3 emissions), and continue to impose measures to reduce carbon emissions. In 2021, our GHG emission intensity (i.e., Scope 1 and Scope 2 emissions) reduced by 36% from our 2017 base year.



Peace, Justice and Strong Institutions

- We comply with the core governance principles of anti-corruption and integrity to run business, and did not commit any violation of ESG-related laws and regulations in 2021.



Partnerships for the Goals

- ASMedia actively participates in local and international business exhibitions and activities to establish global partnership for sustainable development in the semiconductor industry.
- All of our direct suppliers have met the relevant international standards and criteria regarding ESG principles. They continue to create a sustainable supply chain environment.

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Chapter

1 Letter from Our Chairman

Despite the ongoing challenges posed by the COVID-19 pandemic to businesses, organizations, and individuals, 2021 continued to be a year of growth, resilience and innovation for ASMedia. As COVID-19 vaccination rates increased in Taiwan as well as across the world, we saw economies in many parts making gradual recoveries. Meanwhile, difficult challenges came to the fore: The pandemic caused a surge in demand for semiconductor chips, but shortages of raw materials and energy continued. ASMedia has risen to these challenges and met our sustainability commitment through systematic and consistent effort over time. This year's environmental, social and governance (ESG) report is expanded to include the Sustainability Accounting Standards Board (SASB) Standards in addition to the revised Universal Standards of the GRI Sustainability Reporting Standards 2021.

The global shortage of semiconductors due to supply chain issues has been causing reverberations across many sectors, especially the technology industry. Nonetheless, ASMedia continued to deliver strong operating performance and excellence at all levels, and advanced our path to sustainability in 2021. We started undertaking voluntary disclosure of sustainability information since 2020, and have been committed to corporate citizenship ever since. Although ASMedia has no fabrication plant for manufacturing chips, we implement green workplace initiatives and introduce a variety of concrete measures aimed at saving energy and reducing our carbon footprint. We ensure compliance with safety and environmental standards across the company, and actively obtain international certifications related to environmental protection. In 2021, highlights included reducing energy use intensity by 32.4% from a 2017 base year. Our innovative technology incorporates green design in the manufacturing process, specifications, and the upgrade of existing technology, which allows us to deliver our sustainability goals by continually reducing energy consumption and conserving the planet's natural resources.

Many charitable organizations experienced declines in donations due to the negative economic impact of COVID-19. ASMedia stepped up efforts to alleviate such impact through engaging in various social welfare programs, including sponsoring schools in rural areas and donating to social welfare foundations and medical institutions. Furthermore, we created a healthy and safe work environment for our employees, and provided them with timely assistance and protection, in order that they would feel loved and cared in tumultuous times and be able to overcome the crisis together.

As mentioned earlier, shortages of raw materials presented a great challenge to the semiconductor industry, and ASMedia was no exception. We tackled the issue by effectively adjusting production capacity, launching new products to generate increased revenue, improving operational stability, and adopting a business continuity plan (BCP) to strengthen our management system in the event of an unplanned disaster. With its effective corporate governance and impressive business performance, ASMedia had earned both international and national awards and achieved several prestigious rankings for news and media publishers. We prove again that we are a strong team that strives to foster business development and maintain a good relationship with our stakeholders.

2022 is still full of challenges; however, we will stay on the path to sustainability. We will utilize our professional knowledge and skills to keep improving corporate governance, reward our shareholders properly and contribute to society as we move towards creating an even more sustainable future for ASMedia.



Jerry Shen
Chairman, ASMedia Technology Inc.

Chapter

2 About This Report

Introduction

ASMedia's 2021 Environmental, Social, and Governance (ESG) Report is one of its concrete actions towards business sustainability. We aligned with the Global Reporting Initiative (GRI) Standards while preparing this report, and also used other important ESG frameworks and standards to inform the content of this report, including the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and industry-specific Sustainability Accounting Standards Board (SASB) standards. We will continue to disclose ESG information and operational outcomes to the stakeholders in the future, and move forward to achieve our vision of being a sustainable company. We value the opinions and suggestions from the stakeholders, and are committed to continually making progress.

The report is published in 2022, and can be downloaded at the Sustainability section of the ASMedia website.

Report Content and Topic Boundaries

With the 2021 ASMedia ESG Report, we aim to provide stakeholders with information that reflects ASMedia's overall operations, covering calendar year 2021 from January 1, 2021 to December 31, 2021.

ASMedia uses the following boundaries for reporting sustainability data: For the financial data, ASMedia uses its consolidated financial statements for the calendar year 2021. For the environment and social categories, ASMedia uses all sites in its head office. Additional details about the corporate information are available in the 2021 ASMedia Annual Report. There are no significant changes in the size, structure, ownership and supply chain of the company during the reporting cycle compared to our previous report.

References to "ASMedia," "our," "us," throughout this report refer to ASMedia Technology Incorporated.

Compilation Guidelines

The GRI Standards used in this report correspond to the 2016 version, except for the following: GRI 1: Foundation (2021), GRI 2: General Disclosures (2021), and GRI 3: Material Topics (2021). A GRI Content Index can be found in the Appendices.

External Assurance

The financial data in this report comes from the consolidated financial statements that were prepared, audited and verified by the PricewaterhouseCoopers LLP Taiwan (PwC Taiwan) in accordance with the International Financial Reporting Standards (IFRS). Financial data is presented in New Taiwan dollars (NT\$).

External Initiatives

In addition to aligning our disclosure with the GRI Standards and the SASB Standards, ASMedia is committed to advancing the United Nations Sustainable Development Goals (UN SDGs), as the SDGs are essential to our company's strategy to promote sustainable business management. We also created the corporate guidelines and policies that comply with the international standards and frameworks such as the Universal Declaration of Human Rights, the Responsible Business Alliance (RBA) Code of Conduct, and the Responsible Minerals Initiative (RMI). Furthermore, we require our suppliers to sign the declarations of non-use of prohibited substances and meet related international standards, including the European Union's Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS). We respect and protect all human rights, and take steps to reduce adverse impact on the environment.

Business Location

ASMedia's headquarter in New Taipei City.

Contact Information

If you have any suggestions or questions regarding the ASMedia ESG Report, we can be contacted via mail, email or phone at the following:

ASMedia Contact Information
6F, No. 115, Minguang Rd., Xindian Dist.,
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<https://www.asmedia.com.tw>
+886-2-22196088
Public relations email: asmedia_pr@asmedia.com.tw
Investor relations email: asmedia_investor@asmedia.com.tw

Chapter

3 Stakeholder Engagement

Identifying and Selecting Stakeholders

We prioritize key stakeholders according to their level of impact on our business, and integrate their perspectives on the company's priorities and impacts into the materiality assessment. To identify key sustainability issues and their impact on ASMedia and our stakeholders, each department will hold meetings to identify whether issues are considered material based on the internal considerations, industry trends, supply chain practices and suggestions from our stakeholders. We identify and select our stakeholders after assessing the importance of economic, environmental, and social issues in the context of overall business management and performance. We also reference the five principles from AccountAbility's AA1000 Stakeholder Engagement Standard 2015 to select our stakeholders: 1) Dependency; 2) Responsibility; 3) Tension; 4) Influence; 5) Diverse Perspectives. The six types of key stakeholders in this year include: 1) shareholders or investors; 2) customers; 3) suppliers/contractors; 4) employees; 5) governmental agencies; 6) communities.

ESG Questionnaire for Stakeholders

We used the ESG Questionnaire for Stakeholders to collect stakeholders' perspectives on the ESG issues. After analyzing and verifying the data internally, we compiled a list of stakeholders' opinions and issues. Then, we entrusted an external professional consulting agency to evaluate the list based on the GRI standards. Afterwards, we made final decisions on the 2021 material topics. ASMedia has addressed issues that concern the stakeholders in this report.

In addition to the standard processes stated above, we create the [Stakeholder web page](#), where our stakeholders can find related email addresses and websites. For questions and suggestions regarding major issues or grievances, we can be contacted via the following email addresses:

Customer Service: asmediaservice@asmedia.com.tw

Workplace violence complaint: #asmedia885@asmedia.com.tw

Investor relations email: asmedia_investor@asmedia.com.tw

Public relations email: asmedia_pr@asmedia.com.tw

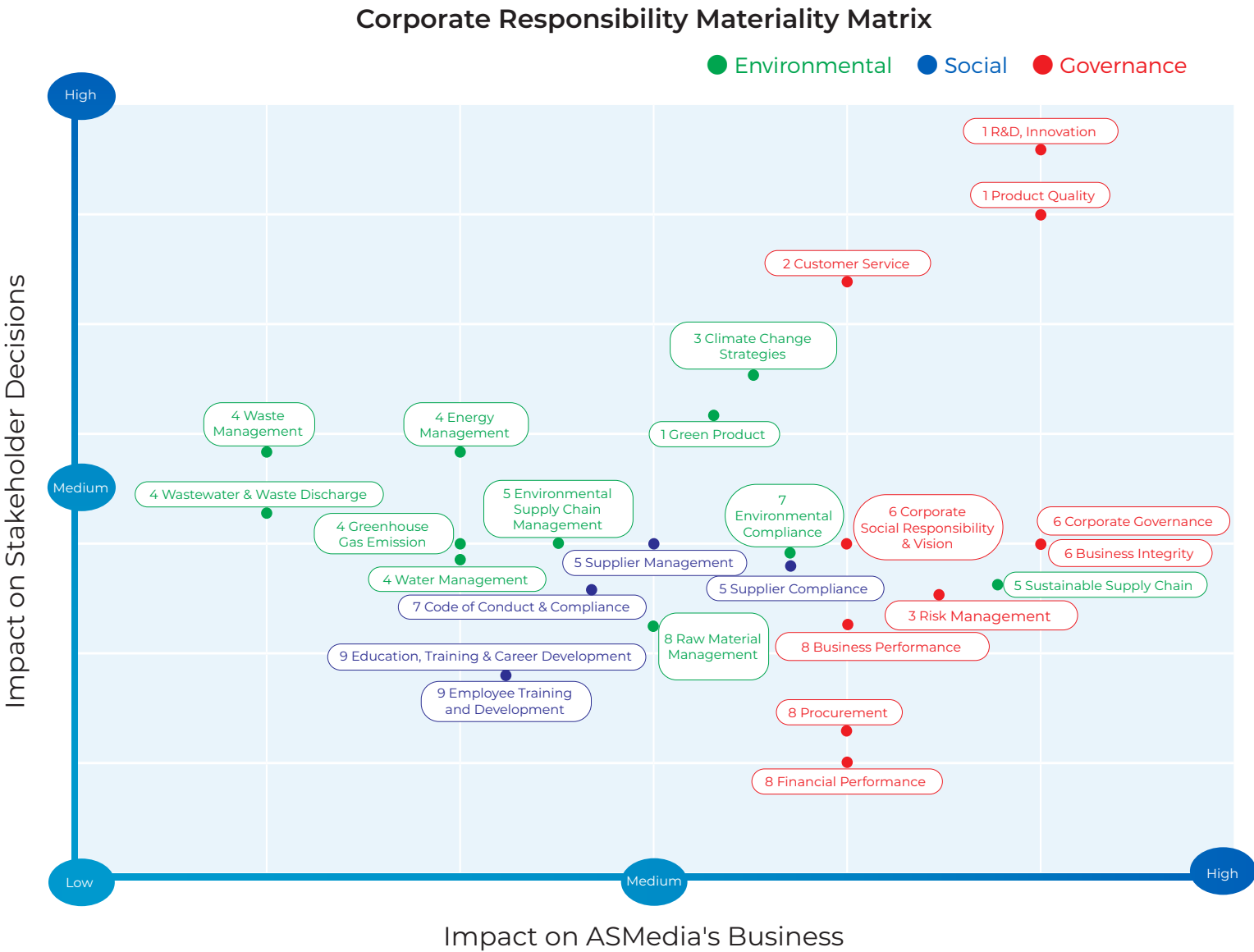
Stakeholders, Their Concerns, Contact Point & Frequency

Stakeholders	Stakeholders' Concerns	Contact Point & Frequency
 Shareholders/ Investors	<ul style="list-style-type: none"> Brand Image Business Performance Product Technology and Competitiveness 	<ul style="list-style-type: none"> Earnings call: Twice a year (The exact date/time will not be made public until the call is approaching.) Shareholders' meeting: Once a year, in June each year Investor relations website: https://www.asmedia.com.tw Investor relations email: asmedia_investor@asmedia.com.tw Market Observation Post System: https://mops.twse.com.tw/mops/web/index
 Customers	<ul style="list-style-type: none"> Environmental Compliance Supplier Environmental Assessment Product Compliance 	<ul style="list-style-type: none"> Corporate website: https://www.asmedia.com.tw Customer satisfaction survey: Once every six months Mails and calls: Daily Customer Service: asmediaservice@asmedia.com.tw Sign the environmental pledge
 Suppliers/ Contractors	<ul style="list-style-type: none"> Environmental Compliance Supplier Environmental Assessment Supplier Assessment for Labor Practices Process Technology and Quality Yield 	<ul style="list-style-type: none"> Mails and calls: Daily Customer Service: asmediaservice@asmedia.com.tw Supplier appraisal or audit visit: Once a year Quality meeting: Monthly or quarterly Sign the environmental pledge
 Employees	<ul style="list-style-type: none"> Employee-Employer relationship Occupational Health, Safety and Environment Education, Training and Performance Evaluation 	<ul style="list-style-type: none"> Corporate website: https://www.asmedia.com.tw Whistleblower system on the corporate website Workplace violence complaint: asmedia885@asmedia.com.tw Employee satisfaction survey: Occasionally Free employee health checkups and consultation Legal consultation: Electronic forms Performance interviews: Every six months
 Government Agencies	<ul style="list-style-type: none"> Corporate Governance Compliance with laws and regulations Labor/Management Relations Anti-Corruption and Antitrust Environmental Compliance 	<ul style="list-style-type: none"> Correspondence: Occasionally Market Observation Post System: https://mops.twse.com.tw/mops/web/index Customer Service: asmediaservice@asmedia.com.tw
 Communities	<ul style="list-style-type: none"> Community Involvement Labor/Management Relations Environmental Compliance Green Products 	<ul style="list-style-type: none"> Public Welfare Activities: Occasionally Industry-academic cooperation: Occasionally Customer Service: asmediaservice@asmedia.com.tw

Material Topics

We communicate with stakeholders to collect the key topics and their concerns. We consider the significance, completeness and stakeholder inclusiveness of the topics in the sustainability context while evaluating each topic. We carefully identify, arrange, verify and inspect each topic to ensure that the report includes all the material topics as well as the respective impact levels to both the organization and stakeholders alike.

157 questionnaire responses were collected from December 1 to December 31 in 2021. The data was analyzed and the results are presented in the following diagram and tables.



Material Topics, Scope and Degree of Impacts

■ Direct Impact ● Indirect Impact ▲ Economic Impact

Rank	Materiality Topics	Reasons	Shareholders/ Investors	Customers	Suppliers/ Contractors	Employees	Governmental Agencies	Communities
1	Corporate Governance	To strengthen our Board of Directors and ensure good corporate governance, we keep improving transparency and information disclosure.	■	●		■	●	
2	Innovation, R&D, and Product Competitiveness	As a leading IC design company specializing in high-speed transmission PCIe, USB and SATA, ASMedia needs to remain highly competitive in world markets through continual innovation, research and development of technologies.	●	▲	●	■		
3	Customer Satisfaction	We value the suggestions and feedback from our customers, as these are the motivation for us to grow and move toward success. We accept our customers' opinions in an open-minded and transparent manner and strive to build stronger partnerships with our customers.	●	■				
4	Risk Management	In the business management, we use both the risk indicators and the process performance indicators to monitor the processes, and implement preventive measures to reduce business risk and increase our competitiveness in the market.	■	●	●	■		
5	Operational Performance	Our R&D activities and business operations continue to drive the operational performance. ASMedia continues to make progress and make profits to reward our shareholders on their investments.	■	▲	▲	■		
6	Supply Chain Management	ASMedia has applied strict criteria for selecting suppliers, including high quality, strong service, delivery dependability, and cost. We are also committed to corporate social responsibility and ensure a minimal negative impact on the environment. Our goal is to build a secure and sustainable semiconductor supply chain.		●	■	●		
7	Legal Compliance	ASMedia is committed to integrity, transparency and responsibility. We establish the management policy based on integrity, and provide a robust corporate governance framework as well as an effective risk control mechanism to meet our corporate sustainability goals.	■		●	■	■	
8	Talent Development	Talent development is a key to increasing our market competitiveness, as well as R&D and technology development. It also offers a stable talent pool for the company.				■		■
9	Environmental Sustainability	We dedicate ourselves to environmental protection. Not only do we support zero discharge of industrial wastewater and reduction of factory emissions, we also promote eco-friendly policies on saving energy, reducing carbon footprint, and reusing resources.		●	▲	●		■

Management Approach and Evaluation of Material Topics

Rank	Material Topic	Management Approach	Objective	Evaluation and Performance	Disclosure Location	GRI Disclosure No.
1	Corporate Governance	<ul style="list-style-type: none"> Strengthen our Board of Directors, enhance the company's reputation, strengthen the risk management culture, provide suggestions regarding strategic decision-making. Specify the distribution of rights and responsibilities among various stakeholders such as board members, managers, and shareholders. 	Ensure that profits of shareholders and stakeholders are maximized and that the rights and responsibilities of all shareholders, operational teams, and stakeholders are reasonably defined and distributed under the supervision of management team and an internal system of checks and balances.	<ul style="list-style-type: none"> No.10 in Business Next's Top 10 Public Companies Offering Highest Annual Salaries 2021 No.7 in Business Next's Top 20 Q1 EPS Public Companies 2021 No.49 in CommonWealth Magazine's 100 Fastest-Growing Companies 2021 No.4 in Business Next's Top 30 EPS Public Companies 2020 No.5 in Business Next's 20 Best-Paying Public Companies 2020 No.10 in CommonWealth Magazine's 200 Most Resilient Public Companies 2020 No.4 in CommonWealth Magazine's 50 Best-Performing Companies 2020 No.1 in Business Next's 100 Most Valuable Companies 2020 No.26 in Harvard Business Review's 100 Best-Performing CEOs in Taiwan 2020 Nominee for the 2020 GSA's Best Financially Managed Semiconductor Company No.50 in CommonWealth Magazine's 100 Fastest-Growing Companies 2019 In Forbes Asia's 200 Best Under A Billion List for two consecutive years CRIF's TOP 5000 Best-Performing Companies 	<ul style="list-style-type: none"> Corporate Governance Policy and Approach Governance Structure and Delegating Authority Advanced Governance 	<ul style="list-style-type: none"> 2-9 2-12 2-13 2-17
2	Innovation, R&D, and Product Competitiveness	<ul style="list-style-type: none"> ASMedia will continue to invest in nurturing R&D talent, increase innovation and make progress in high-speed technology products, and work in close collaboration with major international manufacturers and related supply chains. As a leader in high-speed interfaces, we not only focus on innovative research and development to keep up with the changing specifications of each generation, but also actively expand our market, with an emphasis on customized products that aim to find new markets beyond personal computers. 	Continue to lead in the USB product line and provide customers with complete solutions from 5G, 10G, 20G and USB 4. Continue to drive demand for signal boosters and repeaters and provide customers with high speed signal design solutions.	<ul style="list-style-type: none"> ASMedia's total R&D spending reached NT\$989,056 thousand in 2021, which represented 16.46% of the total revenue. 	<ul style="list-style-type: none"> Innovative Technologies R&D Strengths 	<ul style="list-style-type: none"> Self-defined
3	Customer Satisfaction	<ul style="list-style-type: none"> Based on ASMedia's management philosophy, we continually provide high quality products to our customers and maintain good customer relationships. 	<p>Short-term, mid-term and long-term goals for customer satisfaction:</p> <p>Short-term goal: Within one year, we hope to reach a satisfaction score of 87 or higher from each customer.</p> <p>Mid-term goal: Within two years, we hope to reach a satisfaction score of 90 or higher from each customer.</p> <p>Long-term goal: Within three years, we hope to hope to a satisfaction score of 92-93 or higher from each customer.</p>	<ul style="list-style-type: none"> We conduct a customer satisfaction survey twice per year—one in the first half of year and the other in the second half of year—to collect and measure customer satisfaction. The average customer satisfaction score for 2021 was 93 (out of 100), which reached our goal. 	<ul style="list-style-type: none"> Customer Satisfaction/Service 	<ul style="list-style-type: none"> Self-defined
4	Risk Management	<ul style="list-style-type: none"> ASMedia operates under conservative and prudent principles and does not engage in high-risk or opportunistic behaviors. Identify common risks and develop strategies to manage them so as to prevent losses. 	We regularly identify risks and report them in a timely manner to ensure proper and safe transactions and stable operations. This is to prevent potential risks from negatively impacting our future revenue.	<ul style="list-style-type: none"> We have created risk management policies, such as the Corporate Governance Best Practice Principles, the Ethical Corporate Management Best Practice Principles and the Employee Code of Conduct. ASMedia has obtained the ISO 9001: 2015 quality management system certification. 	<ul style="list-style-type: none"> Risk Management Climate-related Risks and Opportunities Prevention and Management of COVID-19 	<ul style="list-style-type: none"> 201-2
5	Operational Performance	<ul style="list-style-type: none"> Work in close collaboration with major international manufacturers and related supply chains and bring in outstanding performances in operations, product development as well as applications. Improve operational performance and pursue the sustainable development goals. 	We set the operating target for the following year based on the global economic fluctuations, domestic and international market conditions, and the company's development strategies.	<ul style="list-style-type: none"> ASMedia generated NT\$6.01 billion in revenue in 2021, down 14% from the same period a year earlier. Our gross profit was NT\$3.21 billion, down 12%; our overall gross profit margin grew to 54%. Our operating profit was NT\$1.937 billion, down 22%. Our profit after tax was NT\$3.19 billion, up 9%; net profit margin was 53%; earnings per share after tax was NT\$46.23. 	<ul style="list-style-type: none"> Operational Performance 	<ul style="list-style-type: none"> 201-1

Rank	Material Topic	Management Approach	Objective	Evaluation and Performance	Disclosure Location	GRI Disclosure No.
6	Supply Chain Management	<ul style="list-style-type: none"> We will inspect the supplier environmental and social impact assessment report to ensure that each product from each supplier is compliant with the environmental protection regulations. If a breach of the contract or of the environmental regulations is identified, we will notify the supplier and demand for compensation, the amount of which depends on the seriousness of the offense. 	<p>We continue to improve the sustainable supply chain management and the sustainability risk assessment.</p> <p>100% of our raw materials are purchased from smelters that conform to international sustainability sourcing validation programs.</p>	<ul style="list-style-type: none"> We conduct supplier audits and supplier evaluations to ensure our suppliers' product quality, engineering capability, as well as compliance with ESG-related laws and regulations. In 2021, 100% of our direct suppliers were given an A Grade in the supplier audit report. In 2021, 100% of our direct suppliers met the environmental and social standards. In 2021, none of our suppliers violated any environmental, social and economic laws and regulations. We have a specific proportion of local procurement of services and supplies to reduce carbon emissions from freight movements, thus minimizing environmental pollution. In 2021, 100% of manufacturing and raw materials were procured locally. In 2021, we sent the conflict minerals survey to our direct suppliers, and took their return rate to be the key performance indicator. 	<ul style="list-style-type: none"> Supplier Management and Evaluation 	<ul style="list-style-type: none"> 204-1 308-1 414-1 414-2
7	Legal Compliance	<ul style="list-style-type: none"> Based on integrity, transparency, and accountability, we formulate the management policy referencing the Company Act, the Securities and Exchange Act, the Business Entity Accounting Act, the Political Donations Act, the regulations related to the Taiwan Stock Exchange Corporation (TWSE)/Taipei Exchange (TPEX) listed companies and other business practices. By improving corporate governance and implementing efficient control mechanisms to reduce risk, we aim to achieve our sustainability goal. 	No violation of corruption or integrity laws and regulations.	<ul style="list-style-type: none"> We have established the Ethical Corporate Management Best Practice Principles and the Guidelines for the Adoption of Codes of Ethical Conduct. We have a rigorous assessment mechanism and standard procedures responsible for evaluating a potential business partner before forming a business partnership. The Human Resources Department and the legal team are responsible for formulating and monitoring the ethics management policy and related prevention plans. They also report to the Board annually on a regular basis. We did not commit any act which violates the corruption or integrity laws and regulations in 2021. Until now, ASMedia has not made any political contributions. ASMedia pays the taxes in compliance with the laws. We do not set up any offshore companies that do not engage in business purposes or economic activities, nor do we move to any offshore tax haven for the purpose of tax avoidance or to enjoy relaxed regulations. 	<ul style="list-style-type: none"> Ethics and Regulatory Compliance Tax, Governance, and Risk Management 	<ul style="list-style-type: none"> 414-2
8	Talent Development	<ul style="list-style-type: none"> We continue to seek industry-academia collaboration opportunities with universities to nurture future talent through designing projects, providing research funding and sponsoring overseas competitions to broaden students' horizon. We work with educational institutions earnestly and create various collaboration opportunities. By inviting industry professionals to share their knowledge and practical experiences with students, the latter can familiarize themselves with technical and professional skills and knowledge during their school years. 	We adopt the industry-academia collaboration model to help students grow, develop, and become top talent equipped with global perspectives.	<ul style="list-style-type: none"> ASMedia's President donated NT\$5 million to support National Tsing Hua University's Study Abroad Expansion Program. We sponsored the Fu Jen Catholic University to build the New Experiment Building for the College of Science and Engineering in support of a quality learning environment. We sponsored National Taiwan University's Research Project in Cooperative Education Program. Until 2021, the total amount of money that ASMedia has invested in the industry and academia collaborations has reached NT\$7,710,675. 	<ul style="list-style-type: none"> Nurturing Young Talent 	<ul style="list-style-type: none"> Self-defined
9	Environmental Sustainability	<ul style="list-style-type: none"> The outsourced manufacturing plants that we contract with are required to comply with environmental laws and regulations regarding their working environment and manufacturing processes. The production materials need to comply with ASMedia's "Product Restricted Substances Control Procedures." We continue to promote energy conservation and resource recycling. The concrete measures include waste separation, complete replacement with energy-efficient light bulbs, lights off when not in use, time and temperature restrictions for usage of ACs, and promotions of paperless practices. The President will convene the responsible units to jointly set sustainability goals, CSR development strategies and guidelines, and then report the implementation results at the Board meeting. 	<p>Reduce per capita water use by 1%.</p> <p>Set short-term, mid-term, and long-term goals for energy conservation and carbon footprint reduction. See the Going Green in the Workplace: Strategies that Reduce Carbon Footprint section in the Environmental Protection chapter of this report.</p>	<ul style="list-style-type: none"> In 2021, 90% of the office lighting has been replaced with energy-efficient lighting. In 2021, 100% of the laptops are labelled with Energy Star. In 2021, 89% of the total products in the office have been replaced with green products. 	<ul style="list-style-type: none"> Green Design Energy Management Water Management Energy Conservation Waste Reduction, Recycling and Reuse Green Procurement 	<ul style="list-style-type: none"> 302-1

Chapter

4 About ASMedia

Our Company

Founded in March 2004, ASMedia is headquartered in New Taipei, Taiwan. ASMedia became publicly listed on the Taiwan Stock Exchange in 2012 (Stock Code: 5269. TW). In 2021, ASMedia's highest market value was about NT\$169.9 billion and the total number of employees was 246. We are an expert in high-speed integrated circuit (IC) design and development, and have a remarkable capability to research and develop the high-speed physical layer (PHY). Through continuous technological innovations, outstanding performance, best quality as well as value creation, we become a trustworthy supplier of high-speed IC design products to the customers. Our core business includes developing and designing SuperSpeed Universal Serial Bus (USB) controller ICs, Peripheral Component Interconnect Express (PCIe) bridges, Serial Advanced Technology Attachment (SATA) controllers, high-speed signal switches and custom application-specific integrated circuit (ASIC) solutions. We provide the best products and technical support to our customers. The major domestic motherboard companies and global original equipment manufacturers (OEMs) are all our customers. ASMedia's net sales reached NT\$6,009,012 thousand in 2021. Our key markets include America and Asia.

Ownership and Legal Form

ASMedia is a company formed and registered under the Company Act introduced by the Republic of China (Taiwan). The ownership of the company belongs to all of its shareholders.

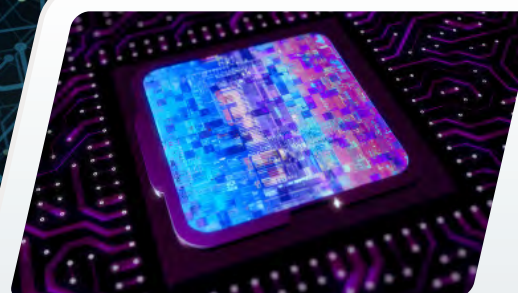


Net Sales in 2021
NT\$ 6,009,012 thousand



USB Controller

We offer complete USB 3.2 Gen 1, USB 3.2 Gen 2x1, USB 3.2 Gen 2x2 and USB 4 host and device controllers known for their outstanding quality.



ASIC

We offer custom ASIC solutions to our global network of customers.



PCIe Bridge

We offer a broad portfolio of industry leading PCIe Bridges that are high performance, multi-purpose, highly flexible and highly configurable.



SATA Bridge and Controller

ASMedia offers SATA port multipliers, SATA RAID controllers, PCIe to SATA controllers as well as PCIe to SATA RAID controllers.



High-Speed Signal Switch

To improve the signal integrity and quality, we design the high-speed signal switches with the best performance to meet the demands of various customers.

Honors

We make transparent the plans for establishing ASMedia's highest governance body and ensure that the decisions made by our highest governance body align with ASMedia's sustainability goals. In recent years, we have received several awards and been awarded prestigious rankings by various renowned newspapers and magazines for our outstanding corporate governance practices and management performance.

No.49 in CommonWealth Magazine's 100 Fastest-Growing Companies 2021

台灣中小企業在新冠疫情下的總體檢，誰連續在榜？誰異軍突起？ | 天下雜誌 (cw.com.tw)

排名	2020-21 排名變化	公司名稱	產業類別	行業別	2018-20 營收總額 (億元)	2020 營業收入 (億元)	2020 純益總額 (億元)	2020 淨利率 (%)	2020 資產 報酬率 (%)	2020 股東權益 負債比率 (%)
49	↑11	廣心科技	製造業	IC設計	38.02	5.81	0.35	6.02	2.49	14.83
47	新上榜	廣新科技	製造業	半導體	37.72	12.29	0.34	27.18	15.48	26.94
46	新上榜	福和證券	金融業	證券	37.36	6.83	2.57	37.63	3.51	51.26
45	新上榜	祥碩科技	製造業	IC設計	37.01	69.87	29.28	41.91	18.66	10.13
50	↑14	聯華實業投資控股	製造業	產業投資	36.82	95.44	30.99	32.67	5.54	6.97
51	新上榜	永誠國際證券投資顧問	金融業	投資顧問	36.12	2.52	0.07	2.78	5.26	9.33
52	新上榜	美商摩根大通銀行台北分公司	金融業	銀行	35.20	44.20	25.02	56.61	3.29	59.51
53	↑40	台新綜合證券	金融業	證券	35.03	30.83	7.73	25.07	1.43	8.49
54	新上榜	仲衡資產	金融業	信託及資產管理	33.90	13.07	7.64	58.45	3.94	12.86
55	↑33	大樹藥業	製造業	醫藥保健	32.78	86.41	1.94	2.25	3.23	12.76
56	新上榜	欣豐光電	製造業	軟體	31.69	7.37	1.09	14.79	17.58	27.18
57	新上榜	聚隆科技	製造業	光電	31.50	33.39	5.51	16.50	16.76	20.64
58	新上榜	新台灣久保田	製造業	機械設備	31.22	23.66	1.60	6.76	12.85	14.95
59	新上榜	上緯國際投資控股	製造業	建築工程	31.20	98.68	6.26	6.34	5.12	9.76
60	↑46	鈺太科技	製造業	電子	31.18	18.98	3.09	16.28	19.31	24.90
61	新上榜	大華光學科技	製造業	醫療及社會服務	31.07	20.53	4.83	23.53	15.24	23.69
62	新上榜	海龍電子工業	製造業	電腦週邊設備	31.06	38.92	4.11	15.70	15.17	28.51
63	新上榜	東興鋼鐵	製造業	金屬製品	31.02	65.87	4.15	6.30	8.35	14.84
64	新上榜	勤豐科技	製造業	化學材料	30.49	12.14	1.36	11.20	12.07	22.67
65	新上榜	京華超微	製造業	機械設備	30.42	3.81	0.86	22.57	21.13	42.57
66	新上榜	松翰科技	製造業	IC設計	30.41	53.71	10.26	19.10	20.15	26.32
67	新上榜	中國信託綜合證券	金融業	證券	30.35	24.50	8.57	34.98	2.47	9.70
68	新上榜	伊露數位科技	製造業	軟體	29.79	70.25	1.52	2.16	4.40	9.38
69	新上榜	遠東證券投資顧問	金融業	投資顧問	29.78	1.60	0.11	6.88	5.02	14.86

Source: CommonWealth Magazine. (October 23, 2021). 100 Fastest-Growing Companies 2021.

No.7 in Business Next's Top 20 Q1 EPS Public Companies 2021

上市櫃企業 Q1 財報最賺 TOP20 強出爐！誰賺贏台積電？哪家企業吊車尾？ | 數位時代 (bnext.com.tw)

名次	股號	公司名	EPS
1	3008	大立光	39.62
2	3293	鈺象	16.73
3	2454	聯發科	16.21
4	2357	華碩	13.18
5	2915	潤泰全	12.8
6	6415	矽力-KY	10.69
7	5269	祥碩	10.35
8	2327	國巨	10.17
9	4746	台耀	9.84
10	6582	申豐	9.83
11	6669	緯穎	9.72
12	3034	聯詠	9.66
13	6781	AES-KY	9.29
14	2207	和泰車	9.16
15	8299	群聯	8.56
16	3533	嘉澤	8.06
17	1590	亞德客-KY	7.66

Source: Business Next. (May 18, 2021). Top 20 Q1 EPS Public Companies 2021.

No.4 in Business Next's Top 30 EPS Public Companies 2020

上市櫃 EPS 高獲利 TOP 30 榜單出爐，大立光 182.9 元居冠，哪 5 家公司賺贏股后矽力-KY？ | 數位時代 (bnext.com.tw)

序	公司名稱	股票代號	基本每股盈餘 (元)	營業收入 (千元)
1	大立光	3008	182.9	55944489
2	緯穎	6669	49.25	186927647
3	鈺象	3293	48.38	8426000
4	祥碩	5269	44.16	6987470
5	群聯	8299	44.14	48790000
6	華碩	2357	35.76	412780439
7	矽力-KY	6415	35.72	13876445

Source: Business Next. (April 5, 2021). Top 30 EPS Public Companies 2020.

No.5 in Business Next's 20 Best-Paying Public Companies 2020

1,628 家上市櫃企業員工年薪全揭開！誰年薪破 400 萬元？誰加薪最多？高薪企業 20 強一次看 | 數位時代 (bnext.com.tw)

序	企業	代號	產業類別	薪資費用 總支出	員工人數	員工 平均年薪
1	鴻準	2354	其他電子業	7億1684萬	171	419萬
2	永豐餘	1907	造紙工業	1億4137萬	34	415萬
3	愛山林	2540	建材營造	4億188萬	102	394萬
4	崑鼎	6803	其他	3123萬	8	390萬
5	祥碩	5269	半導體業	9億79萬	243	370萬

Source: Business Next. (June 2, 2021). 20 Best-Paying Public Companies 2020.

No.1 in Business Next's 100 Most Valuable Companies 2020

數位時代「高價值企業 100 強」出爐！半導體大軍橫掃榜單、電子業逆境突圍關鍵解析 | 數位時代 (bnext.com.tw)

1	祥碩科技	半導體	69.87	高速傳輸控制IC設計	1031.40	86.53	41.9	35.1	95.715
2	鈺象電子	文化創意	84.26	遊戲機台、線上遊戲研發及營運	534.71	59.24	40.47	58.47	93.92
3	台積電	半導體	13392.55	晶圓代工製造	152211.33	25.17	38.69	29.84	92.805
4	聯發科	半導體	151.00	觸控、生物辨識等消費IC設計	594.08	59.15	21.15	37.84	91.895
5	精材科技	半導體	72.78	CMOS影像感測元件封裝	491.16	56.4	23.74	41.59	91.72
6	力旺電子	半導體	17.77	記憶體矽材料	671.75	26	39.79	38.13	90.305
7	立積電子	半導體	53.50	射頻IC設計	400.63	94.58	16.19	48.75	89.775

Source: Business Next. (May 31, 2021). 100 Most Valuable Companies 2020.

No.4 in CommonWealth Magazine's 50 Best-Performing Companies 2020

「所有需求都一起爆發了」亂世實力股：最佳營運績效 50 強 | 天下雜誌 (cw.com.tw)

排名	公司名稱	18年~20年 營收成長率 (%)		18年~20年 稅後純益成長率 (%)		2020年 營業額成長率 (%)		2020年 稅後純益成長率 (%)		2020年 股東權益成長率 (%)		18年~20年 稅後純益總額 (億元)		總分	主要產品
		得分	得分	得分	得分	得分	得分	得分	得分	得分	得分	得分			
1	鈺象電子	65.75	20	97.16	18	51.18	20	59.25	19	72.52	18	62.52	18	111	微電子、遊戲機及線上遊戲
2	海悅國際開發	82.10	20	73.33	14	41.32	20	114.09	20	145.66	19	24.15	19	110	不動產開發代辦
3	信宇國際	53.68	20	251.37	20	22.13	18	124.30	20	598.94	20	16.17	12	110	高品質鋼材
4	冠德建設	37.63	19	157.20	19	19.31	14	78.41	20	141.21	19	51.45	17	108	不動產開發及銷售
4	立積電子	42.09	19	121.19	19	39.63	20	94.55	19	353.40	20	12.34	10	108	射頻IC設計
6	祥碩科技	37.01	19	75.01	17	20.76	14	86.52	20	203.42	19	48.49	17	108	高速傳輸控制IC設計
7	宏達國際科技	45.30	20	176.99	19	35.73	20	92.81	19	244.12	20	6.65	7	106	電腦周邊設備
8	廣聚科技	38.85	19	313.89	20	24.63	17	90.00	20	979.45	20	9.07	8	104	智慧教育與視訊會議系統
8	聯華實業投資	53.57	20	54.99	15	40.43	20	109.04	20	136.54	19	11.31	10	104	影像感測器
8	科耀 (開曼)	41.86	19	101.21	19	26.61	18	76.76	20	202.02	19	11.82	10	104	薄膜電致發光
11	松翰科技	30.41	18	73.97	14	26.32	18	66.03	19	200.00	19	17.07	12	103	微控制及光學感應產品

Source: CommonWealth Magazine. (May 18, 2021). 50 Best-Performing Companies 2020.

No.10 in CommonWealth Magazine's 200 Most Resilient Public Companies 2020

獨家 | 2021《天下》韌性企業調查：疫情之年，逆轉勝 200 贏家榜單 | 天下雜誌 (cw.com.tw)

Source: CommonWealth Magazine. (May 18, 2021). 200 Most Resilient Public Companies 2020.

排名	公司名稱
1	世紀鋼鐵結構
2	嘉威生活
3	圓剛科技
4	岱宇國際
5	茂林光電科技 (開曼)
6	采鈺科技
7	明泰科技
8	新唐科技
9	立積電子
10	祥碩科技
11	秀育企業

Awards and Rankings



5,000 Best-Performing Companies

The China Credit Information Service company (CRIF) selects 5,000 best-performing public and private companies in Taiwan with sales over NT\$100 million. CRIF is the only organization in the country to use parent company only financial statements as the basis for the corporate ranking survey.

ASMedia was on Forbes Asia's 200 Best Under A Billion List.

Forbes Asia ranks its Best Under A Billion list each year, which recognizes 200 top-performing publicly listed small and mid-sized companies in the Asia-Pacific region with sales under US\$1 billion. The candidates are screened on sales, earnings growth, debt and corporate governance and those which obtain highest scores will qualify for the list.



No.49 in CommonWealth Magazine's 100 Fastest-Growing Companies 2021

In CommonWealth Magazine's 's 100 Fastest-Growing Companies, they used the data about 2,000 companies collected by CommonWealth Magazine during 2018 and 2020. All the selected companies reached NT\$100 million to NT\$10 billion in revenue and earned positive net income for three consecutive years. Based on the growth rate of the company, CommonWealth Magazine ranked the 100 fastest-growing companies in the manufacturing, service and finance sectors in Taiwan.

No.1 in Business Next's 100 Most Valuable Companies 2020

Business Next (BN) has been watching closely the public companies from 15 industry sectors for several years. Based on the 2020 financial statements from the database established by the Taiwan Economic Journal (TEJ), BN ranks the top 100 companies using various financial indicators with different weights.

No.4 in CommonWealth Magazine's 50 Best-Performing Companies 2020

CommonWealth Magazine has conducted research on 2,000 companies for over thirty years. They used the data from three consecutive years regarding revenue, profit, shareholder rights and rewards, and the other three indicators to rank the 50 best-performing companies. They also used the data to find out the most robust and healthy companies, and to identify the industry trends.

No.10 in Business Next's Top 10 Public Companies Offering Highest Annual Salaries 2021

Business Next used the data from the joint report "2021 Employees' Average Salary in Publicly Traded Companies" by the TWSE and Taipei Exchange, and listed the top 10 companies offering highest annual salaries. The salary includes basic salary, overtime pay, bonuses, rewards, travel expenses, and may also include other types of alternative compensation such as employee stock options.

2012

2017

2018

2019

2020

2021

2022

No.50 in CommonWealth Magazine's 100 Fastest-Growing Companies 2019

In CommonWealth Magazine's 's 100 Fastest-Growing Companies 2019, they used the data about 2,000 companies collected by CommonWealth Magazine during 2016 and 2018. All the selected companies reached NT\$100 million to NT\$10 billion in revenue in 2018 and earned positive net income for three years. Based on the growth rate of the company, CommonWealth Magazine ranked the 100 fastest-growing companies in the manufacturing, service and finance sectors in Taiwan.



Nominee for the 2020 GSA's Best Financially Managed Semiconductor Company

GSA brings together leaders from 25 countries and 250 corporate members. The purpose of the organization is to establish a profitable and sustainable semiconductor ecosystem. The Best Financially Managed Semiconductor Company Award is derived based on a broad evaluation of the financial health and performance of public fabless and IDM semiconductor companies.

No.26 in Harvard Business Review's 100 Best-Performing CEOs in Taiwan 2020

Harvard Business Review (HBR, Chinese version) selected 300 largest companies in Taiwan by market capitalization using data from the Taiwan Stock Exchange. The companies where their CEOs served less than two years or had criminal records were eliminated from the list. In 2020, ASMedia's Chairman, Jerry Shen, ranked 26th among 246 companies in the list.

No.7 in Business Next's Top 20 Q1 EPS Public Companies 2021

According to the financial reports of 938 public companies that were published by the Taiwan Stock Exchange Corporation (TWSE), Business Next selected the top 20 companies with the highest EPS in the first quarter of 2021.

No.4 in Business Next's Top 30 EPS Public Companies 2020

According to the financial report published by the TWSE, Business Next selected the top 30 public companies with the highest EPS in 2020.

No.10 in CommonWealth Magazine's 200 Most Resilient Public Companies 2020

The CommonWealth Magazine's Top 200 Resilient Companies list recognizes 200 most-resilient publicly listed Taiwanese companies (companies that posted revenue growth in the first half of 2020 and had the highest revenue growth rate for the whole year).

No.5 in Business Next's 20 Best-Paying Public Companies 2020

Business Next used the data on thousands of publicly traded companies' annual salaries to rank the 20 best-paying companies in 2020. The data came from Taiwan's Financial Supervisory Commission.

Operational Performance

ASMedia generated NT\$6.01 billion in revenue in 2021, down 14% from the same period a year earlier. Our gross profit was NT\$3.21 billion, down 12%. Nonetheless, our overall gross profit margin grew to 54%; operating profit was NT\$1.937 billion, down 22%. We made a total of NT\$3.19 billion profit after tax, up 9%; our net profit margin was 53%, and the earnings per share after tax was NT\$46.23.

Demand for PC products was strong due to remote working; as a result, the market of external storage controllers witnessed a significant growth. Demand for USB 3.2 10G/20G and other high-speed host controllers in the high-level platforms among our original design manufactures (ODMs) remained the same. Although demand for high-speed transmission circuits remained strong, supply chain disruptions had slowed down production and output growth. We effectively adjusted productivity capacity to meet the market demand, and as there was a high demand for USB controller ICs and PCIe products by customers in China, ASMedia's revenue remained strong in 2021.

Operating profit in 2021
NT\$1.937 billion

Percentage of Major Products between 2019 and 2021 (NT\$ thousand; %)

Year	2019		2020		2021	
Main products	Amount	Percentage	Amount	Percentage	Amount	Percentage
High-speed interface ICs	3,082,137	82.28%	6,005,582	85.95%	4,560,956	75.90%
High-speed device ICs and others	663,987	17.72%	981,888	14.05%	1,448,056	24.10%
Total	3,746,124	100	6,987,470	100	6,009,012	100

2019-2021 Financial Results (NT\$ thousand; except for EPS: NT\$)

Item/Year	2019	2020	2021
Operating revenue	3,746,124	6,987,470	6,009,012
Gross profit	1,864,969	3,628,141	3,210,404
Operating profit/loss	1,169,191	2,472,712	1,937,712
Non-operating income and expenses	-7,556	872,207	1,628,704
Profit before income tax	1,161,635	3,344,919	3,566,416
Profit for the year from continuing operations	965,207	2,927,912	3,193,148
Profit for the year	965,207	2,927,912	3,193,148
Other comprehensive income (net of tax)	8,417	1,434,283	541,114
Total comprehensive income	973,624	4,362,195	3,734,262
Profit attributable to owners of the parent	965,207	2,927,912	3,193,148
Total comprehensive income attributable to owners of the parent	973,624	4,362,195	3,734,262
Earning per share (in NT dollars)	16.08	44.16	46.23

Direct Economic Value Generated and Distributed between 2019 and 2021

(NT\$ thousand)

Item/Year		2019	2020	2021
Direct economic value	Revenue	3,738,568	7,859,677	7,637,716
Economic value distributed	Operating cost	2,042,882	3,569,472	3,142,993
	Employee salaries and benefits	541,302	952,701	931,750
	Payment to funders (e.g. Board of Directors, shareholders)	840,870	1,674,814	1,813,897
	Payment to government (sales tax, income tax, property tax)	180,098	431,931	348,916
	Donation to charitable entities, art and educational activities, community recreational facilities	5,097	6,050	10,785
Retained economic value		128,318	1,224,709	1,389,374

Note: Economic value retained = Direct economic value generated - Economic value distributed



Sustainability Team

As a leading high-speed IC design company in Taiwan, ASMedia is committed to sustainable development. We devote ourselves to connecting the company's core abilities with corporate social responsibility (CSR). While seeking profits for the company, we also focus on developing sustainability in the four major aspects: environmental, social, corporate governance and supply chain management. We use the SDGs to set our agenda and plan for management approach and concrete actions.

In ASMedia, the President leads all the departments to coordinate with each other in the CSR related projects and activities. Under the President's instructions, each department shall set up and carry out the CSR projects. ASMedia adopts the Plan-Do-Check-Act/Adjust (PDCA) cycle for continuous improvement when running CSR projects. We focus on topics that concern the stakeholders in the regular meetings, discuss the issues with the external consulting agency, solicit stakeholders' opinions and suggestions via questionnaires, and then collect a list of material topics. ASMedia is committed to contributing to sustainable development through continually inspecting the company's internal and external conditions, swiftly adjusting the management policies and concrete measures, formulating proper performance goals and effectively responding to stakeholders' requests.

Prevention and Management of COVID-19

As the COVID-19 pandemic ravages the globe since 2020, cities around the world and businesses of all sizes have been hit hard. ASMedia takes on the challenge by thoroughly abiding by the Guidelines for Enterprise Planning of Business Continuity in Response to the Coronavirus Disease 2019 issued by the Taiwanese government. Based on the simulation results of COVID-19 scenarios, we also introduced prevention measures to reduce potential impacts on ASMedia's operations.

The prevention measures are mainly implemented in the workplace—ASMedia's headquarter, as we do not own a semiconductor foundry. Since our employees' health and safety is of paramount importance, we increase the frequency of cleaning and sanitizing the workplace, promote disease prevention awareness on a regular basis, measure body temperatures, provide prevention items and conduct COVID-19 infection survey every day. Based on the level of outbreak, we also set up staggered shifts to protect our employees while continuing the operations.

Visitor restriction policies have been implemented and adjusted to adapt to changing circumstances: During the pandemic, all visitors must comply with the restriction policies. They are required to measure their body temperatures, wear masks, and register real names for the visitor record. We will decide whether to ban visitors from visiting our site according to the extent and severity of the outbreak.

In addition, we have a robust information technology (IT) system in place for maintaining infection prevention and control measures to make our business resilient beyond COVID-19. For instance, we encouraged our employees to download COVID-19 contact tracing applications so that we can keep track of the contacts of people infected with the coronavirus and implement contingency measures. We also obtained information about which communication and technology tools that our employees might need when working from home. By preparing the video conferencing equipment, we kept the communication going smoothly while our employees worked from home. The information security system was upgraded as well to ensure safety of information for our employees working remotely. To learn more, see the [Information Security Risk](#) section in the Corporate Governance chapter of this report.

As COVID-19 will not go away within a short time, it is likely that we will witness more outbreaks. ASMedia anticipates and proactively addresses relevant risks. We have made contingency plans and implemented the plans in advance. In 2022, we will formulate the COVID-19 business continuity plan (BCP) to address a wide variety of potential effects. We will ensure the health and safety of our employees, maintain normal business operations and protect the rights of our stakeholders.

Visitors are required to use the alcohol disinfection sprayer.



Entrance Control



Alcohol Disinfection

COVID-19 Prevention Measures



Sanitation in the Workplace

- Disinfect door handles and meeting rooms twice a day.
- Install the digital thermometer and the alcohol disinfection spray at each entrance and exit.
- Disinfect all the testing equipment with the ultraviolet (UV) light every day.
- Every six months, we hire professional sanitation companies to sanitize the entire office space. (During the pandemic, we receive the sanitation service every two months. When under the level 3 alert, we get the sanitation service once a week.)



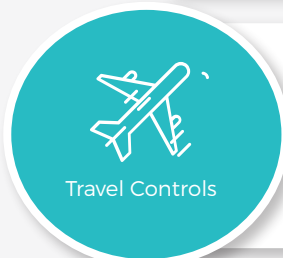
Body Temperature Measurement

- All employees are required to take their temperatures whenever they enter the office and record their temperatures in the database.
- If an employee has a fever (forehead temperature $\geq 37.5^{\circ}\text{C}$), the employee should take sick leave and rest at home.



Controlled Entrance

- Visitor restriction policies have been implemented during the pandemic. Our employees are encouraged to use telephone meetings and video meetings.
- All visitors are required to measure their body temperatures and register real names for the visitor record.
- If a visitor has a fever (forehead temperature $\geq 37.5^{\circ}\text{C}$), or does not wear a mask, he or she will not be allowed to enter the office.
- Personal visitors are prohibited from coming to the office. Visitors' activities are limited to the lounge area.
- In case the governmental authorities impose a ban on onsite dining at restaurants, ASMedia will offer free lunch during this period of time to protect safety of employees, as the employees will be advised not to go out unless necessary.



Travel Controls

- All international business trips are suspended.
- Any personal international travel is prohibited.
- Any personal domestic travel needs to be documented for future tracking.



Leave of Absence Policy

- If an employee has a family member that needs to isolate when having COVID-19, he or she needs to inform the company and apply for official leave to work from home.
- Anyone who has symptoms, such as headache, sore throat, fever and cough, needs to wear a mask and see the doctor as soon as possible.
- Anyone who has acute respiratory symptoms or fever needs to apply for sick leave and rest at home. Our employees are also advised to reduce the frequency of going to the hospitals during the pandemic.
- Our employees are encouraged to take official leave to get a COVID-19 vaccine.



Temporary Suspension of Group Activities

- Under the level 3 alert, we set up staggered shifts: Our staff are split into Team A and Team B with alternative days for working from home and from the workplace, which helps prevent traffic in the workplace.
- During the COVID-19 pandemic, our employees are prohibited from holding or attending meetings.
- Keep social distancing: we keep a distance of at least 1.5m from each other indoors and at least 1m outdoors. If such social distancing is impossible, then we require everyone to wear their masks.
- When taking the elevator, everyone is required to put on their masks and avoid talking to each other.



Health Promotion

- The frequency of COVID-19 prevention update will vary depending on the severity of the outbreak.
- We encourage our employees to get the COVID-19 vaccine. Each one will be granted half-day official leave and a Starbucks drinks voucher.



COVID-19 Contact Tracing

- Surveys were conducted to collect information about our employees' contact history associated with various outbreak events, including international contact, Tomb Sweeping Day contact and special case contact (e.g., outbreak in the Taiwan Centers for Disease Control's Taoyuan hospital). We also collected information about the ways our employees commuted to work as well as the locations where they worked remotely.



IT Facilities for COVID-19 Prevention

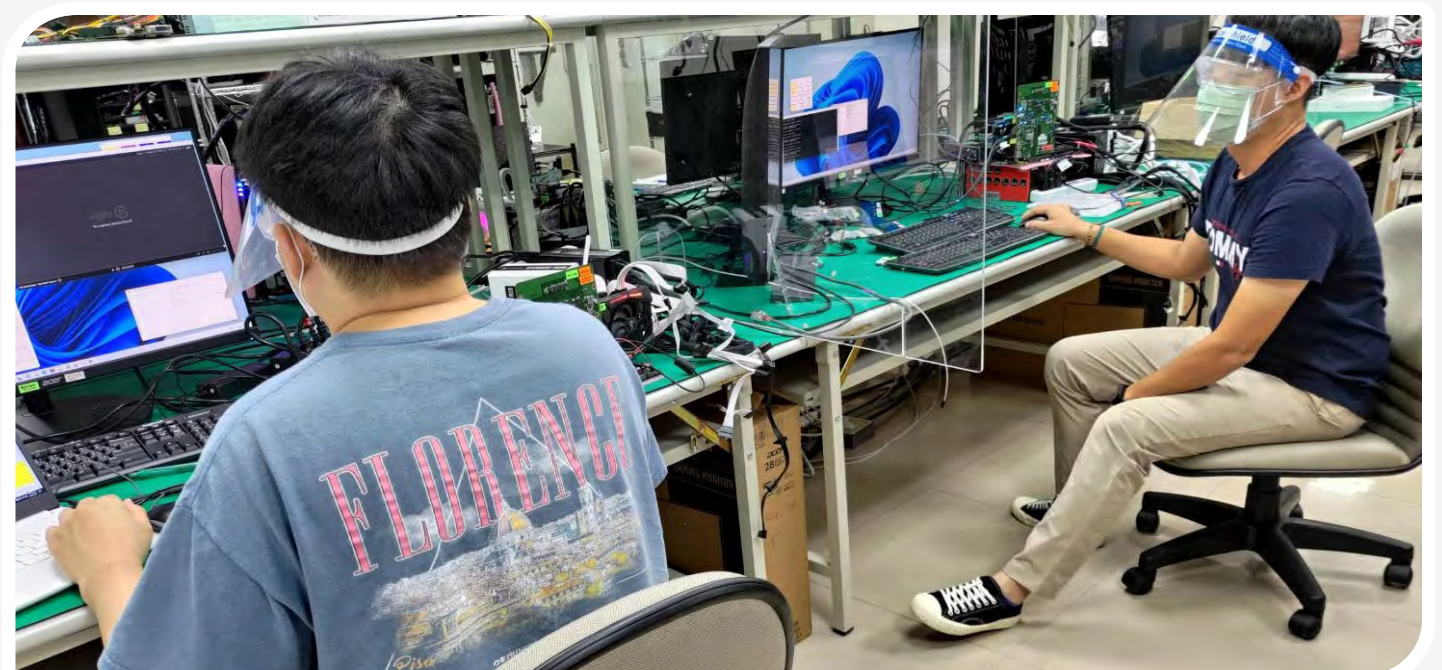
- We set up ASMedia's official Line account to distribute COVID-19 prevention information in real time.
- We encourage our employees to download COVID-19 contact tracing applications so that we can keep track of the contacts of people infected with the coronavirus.
- We obtained information about which communication and technology tools that our employees need when working from home. We also bought the video conferencing equipment to keep the communication going smoothly while working from home.



COVID-19 Prevention and Treatment Packages



Body Temperature Measurement

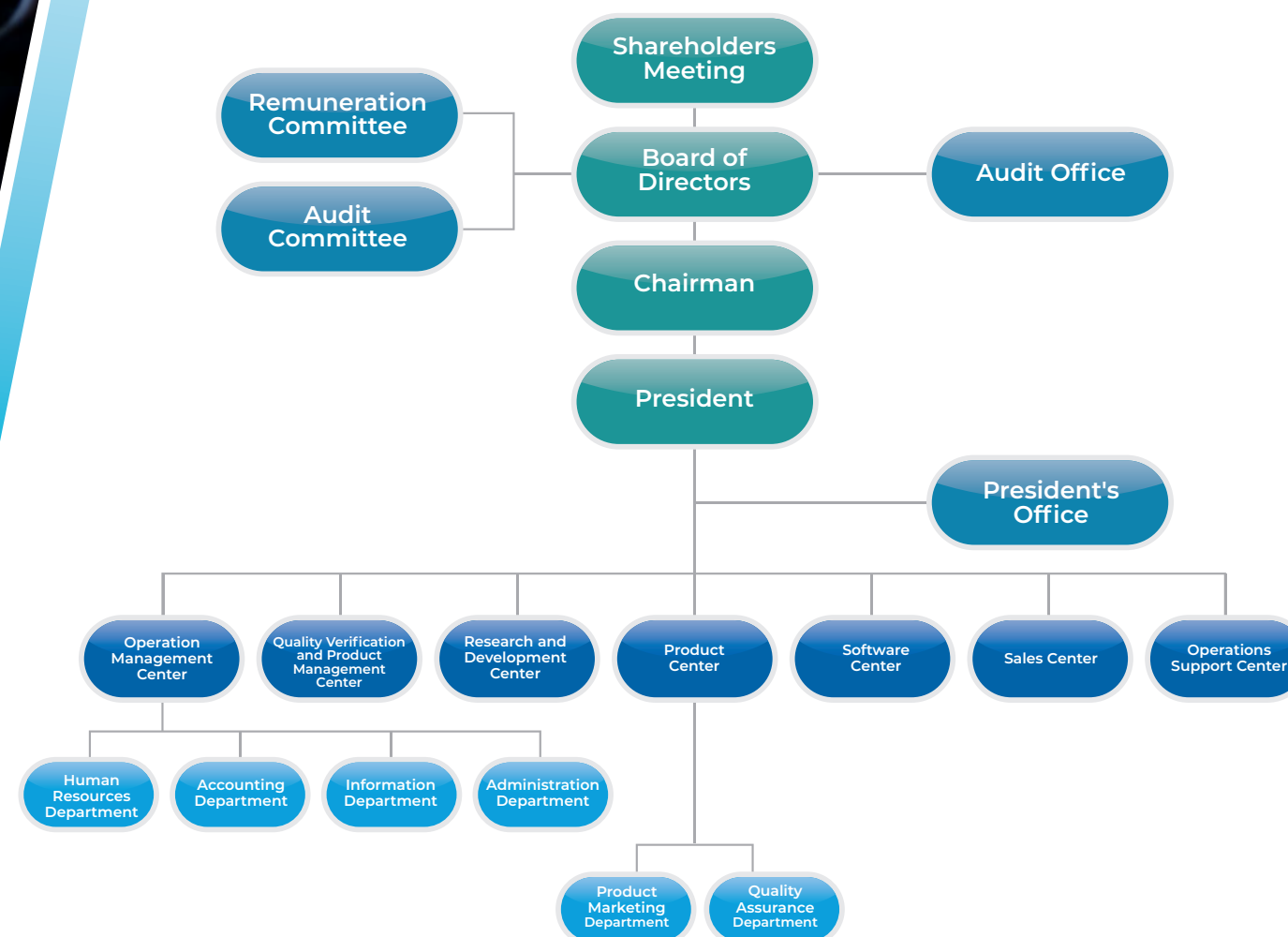


We impose COVID-19 prevention measures in the workplace to protect the health and safety of our employees and keep the business running.

Chapter

5 Corporate Governance

Organizational Chart



Corporate Governance Policy and Approach

To achieve an effective corporate governance, ASMedia remains resolute in increasing transparency of information. Through a good corporate governance, we ensure that the rights and interests of both shareholders and stakeholders are protected. Moreover, we specify the distribution of rights and responsibilities among various stakeholders, operational teams, and shareholders through supervision of the management team and a system of checks and balances within the company.

With regard to the types of risks the company faces, ASMedia has created policies to implement risk management, such as the Corporate Governance Best Practice Principles, the Ethical Corporate Management Best Practice Principles and the Employee Code of Conduct. We promote the policies periodically, and require all the employees to follow the policies. Furthermore, we have established and implemented the performance appraisal procedure as well as the reward-and-punishment procedure. We actively promote and perform good corporate governance in order to build up a high reputation, strengthen risk management, and offer sound strategic management suggestions.

Board of Directors

In ASMedia, the Board of Directors currently consists of 7 directors, including 3 independent directors, and the percentage of independent directors on the Board is 43%. In 2021, there were 7 board meetings, with the overall attendance rate reaching 98%.

The Board directors have professional knowledge and various areas of expertise in corporate governance. They have relevant working experience in the areas of business, legal work, finance, accounting and business cooperation. They continue to obtain information about the latest international trends, and enhance their knowledge and skills in the environmental, social and economic issues. The Board diligently participate in the training and education to keep up with the latest global risks and trends. In 2021, the total number of training hours for the Board was 48, and each one received approximately 6.9 hours of training.

Meanwhile, the Audit and Remuneration Committees are composed entirely of independent directors. All of the Board directors are selected through a nomination system that places emphasis on their professional ability as well as their ethical conduct and reputation. The Board was reelected in June 2020 to serve a term expiring in June 2023.

All the independent directors shall meet the professional qualification requirements, independence requirements and restrictions on concurrent employment that are imposed by the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. By complying with the regulations, ASMedia was able to properly plan corporate innovation strategies, effectively oversee the governance, maintain the shareholders' rights as well as strengthen the corporate governance.

ASMedia complies with the Rules for Performance Evaluation of Board of Directors that is approved by the Board to carry out an internal self-evaluation of performance of the Board, the functional committees and each individual board director every year. Furthermore, the performance evaluation shall be conducted once by an external independent professional institution every three year. Both the internal and external performance evaluation reports shall be presented to the Board in the first quarter of the following year.

In 2021, the performance evaluation of the Board, Board directors, the Audit and Remuneration Committees was conducted in accordance with the Rules for Performance Evaluation of Board of Directors. The results of the performance evaluation are "Outstanding," which strongly suggests that ASMedia's Board has performed well and reached the governance standards. We will continue to improve and refine the Board's functions, talent and diversity in the future, as our goal is to build a high quality corporate governance and reporting to foster investment.

Board of Directors
Training Hours in 2021
48 hours

Board of Directors
Attendance Rate in 2021
98%

Board of Directors

Job Title	Name	Sex	Experience/Education	No. of Attn. Marks
Chairman	Jerry Shen	Male	<ul style="list-style-type: none"> Graduate Institute of Electrical Engineering, National Taiwan University President, Acer Inc. 	7
Director & President	Che-Wei Lin	Male	<ul style="list-style-type: none"> Master of Science in Electrical Engineering, University of Missouri - Columbia Vice President, VIA Technologies Inc. Vice President, Acer Inc. 	7
Director	Ted Hsu	Male	<ul style="list-style-type: none"> EMBA, National Chiao Tung University Vice-Chairman, Pegatron Corp. 	6
Director	Chin-Chuan Hsu	Male	<ul style="list-style-type: none"> School of Medicine, College of Medicine, National Taiwan University Graduate Institute of Clinical Medicine, College of Medicine, National Taiwan University Professor, Department of Internal Medicine, College of Medicine, National Taiwan University 	7
Independent Director	Hung-Chih Chan	Male	<ul style="list-style-type: none"> Department of Economics, National Taiwan University Chief Editor, All Phenomena Section of United Daily News General Manager, Yuan-Liou Publishing Co., Ltd. Chairman, Cite Media Holding Group 	7
Independent Director	Chien-Ping Hsieh	Male	<ul style="list-style-type: none"> Ph.D. in Finance, Kent State University, Ohio Master of Business Administration, University of Missouri - Columbia Chairman/General Manager, Chunghwa Investment Co., Ltd. Chief Financial Officer/Deputy General Manager, Chunghwa Telecom Co., Ltd. Deputy General Manager/Spokesperson, Mega Financial Holding Co., Ltd. Professor, Graduate Institute of Finance, National Taiwan University of Science and Technology 	7
Independent Director	Ching-Chi Wu	Male	<ul style="list-style-type: none"> Ph.D. in Educational Psychology, University of Minnesota Bachelor of Education, National Chengchi University Committee Member, Cultural and Creative Industry Promotion Team/Digital Content Industry Development Committee of Executive Yuan, R.O.C. (Taiwan) Committee Member, The Management Committee of the Chinese Development Fund Chairman, National Chung Cheng Cultural Center Professor and Head of the Department of Psychology, National Chengchi University Adjunct Professor of Graduate Institute of Business Administration, Entrepreneur Class, EMBA, IMBA of National Chengchi University Chairman, Taiwan's Aim for the Top University Program - Innovation and Research, Ministry of Education 	7

Governance Structure and Delegating Authority

ASMedia has both the Audit Committee and the Remuneration Committee. Our employees from each department will evaluate and review potential risks. Afterwards, the managers will collect the risk data and report to the President. ASMedia has the risk management mechanism to identify and analyze risks and will take appropriate measures to prevent and control them.

Moreover, the President leads all the departments to coordinate with each other, set sustainability goals and draw up the CSR related strategies and guidelines. Each department is responsible for implementing the relevant projects based on their duties and responsibilities. For more details about the corporate governance and each department's duties and responsibilities, see 2021 ASMedia Annual Report on ASMedia's website.

The Audit Committee

The primary purpose of the Audit Committee is to monitor the overall risk management framework of the company. The committee comprises 3 independent directors that are selected by the shareholders' meeting. In 2021, the Audit Committee held 5 meetings, and the attendance rate was 100%. The Audit Committee is responsible for properly reporting the company's financial statements, selecting certified accountants, evaluating the accountants' independence and performance, monitoring the company's system of internal controls and compliance with laws and regulations, introducing existing and potential risk management practices and so forth.

The Remuneration Committee

The Remuneration Committee and the Remuneration Committee Charter have been established by resolution of the Board since December 28, 2011. The committee's focus is to execute and evaluate the overall compensation and welfare policy, and recommend the level and form of the directors' (and senior management's) remuneration. The committee evaluates and examines the salaries and rewards of management positions based on their abilities, performances and contributions to the company.

For details about the number of remuneration committee meetings and the attendance of different members, see 2021 ASMedia Annual Report.

Advanced Governance

Our Board directors continue to obtain knowledge and skills about the latest international trends, legal compliance matters, business skills and ESG issues through tailored trainings so as to keep up with the latest market trends. ASMedia's highest governance body has demonstrated their ability to effectively respond to the rapid changes in the external environment and undertake concrete actions in corporate management and risk control. They seek the maximum benefits for all stakeholders and are eager to impose the vision of corporate sustainability management.

2021 Training Courses and Training Hour for the Board

Corporate Governance Courses		
Name	Course Topic	Training Hour
Jerry Shen	Build Corporate Digital Resilience: Emergency Response and Recovery from Ransomware	3.0
	Important Domestic and International Taxation Measures and Trends	3.0
Ted Hsu	Build Corporate Digital Resilience: Emergency Response and Recovery from Ransomware	3.0
	Important Domestic and International Taxation Measures and Trends	3.0
Che-Wei Lin	Corporate Merger and Acquisition Examples: Hostile Takeovers	3.0
	Operation and Effective Decision-Making of the Board of Directors	3.0
Chin-Chuan Hsu	The 13th Taipei Corporate Governance Forum	3.0
	Board of Directors' Responsibility and Risk Management Seminar	3.0
Ching-Chi Wu	2021 ESG/CSR and Sustainable Governance Driven by Major Trends	3.0
	How Do Public Companies Realize ESG Goals in view of Foreign Shareholders' Perspectives and Voting Behavior?	3.0
Hung-Chih Chan	Sustainability in Real Estates and Product Demonstration	3.0
	Digital Opportunities and Digital Talent	3.0
	Money Laundering Prevention and Counter-Terrorism Strategies	3.0
Chien-Ping Hsieh	Blockchain Technology Development and Business Models	3.0
	Audit Committee's Advanced Practical Experiences: Relationship between Auditor and Director	3.0
	10 Must-Have Classes on Corporate Governance	3.0
Total Hours		48

Risk Management

In ASMedia, each management unit regularly evaluates and reviews the risks. The President collects the list of major risks and reports to the Board. We set up early warning and response systems to prevent and control potential risks in the business process.

ASMedia has become ISO 9001:2015 certified. We set up early warning and response systems by using risk indicators and performance indicators so as to minimize operational risks and enhance our business competitiveness. The following table contains detailed information about the risk management, including risk type, causes of risk, responsible unit, and response strategies.



We are proud that ASMedia has become ISO 9001:2015 certified. Achieving the ISO 9001: 2015 certification demonstrates ASMedia's ability to both consistently provide products and services that meet customer requirements and to apply risk-based thinking to our quality management process.

Risk Type	Causes of Risk	Responsible Unit	Formulating and Implementing the Strategies
Strategic and Operational Risk	<ol style="list-style-type: none">Daily operational risks multiply due to the pandemic, as the operations may be disrupted when the staff or customers, including our suppliers, get COVID-19.Strategies need to be reformulated when inflation is on the rise or the economic environment is weak.	Administration Dept. Operations Support Cent.	<ol style="list-style-type: none">Develop and implement COVID-19 prevention measures to protect the safety and health of employees. Monitor customers' operational status and provide support as appropriate, such as COVID-19 prevention materials.Monitor changes of costs of upstream raw materials and maintain good interactions with suppliers and customers to minimize the impact on the company's profit and loss created by price fluctuations in raw material markets. Keep up with latest research results and relevant economic data from major domestic and international economics research institutions and investment institutions to make appropriate policy adjustments in case of inflationary conditions.
Market Risk	When competitors develop new products or designs, our market share might be lost to competitors.	Product Marketing Dept. R&D Cent.	In product development, we use the current IP to integrate high layers and reduce power consumption. In response to demand for high-speed IP development, we invest in new manufacturing procedures, including IO hub product line, differential USB 3.2 products, USB 4, Type-C, and PCIe Gen 4. In addition, we have developed various advanced technologies, including the current high-speed physical layers. In the future, we will create functional designs that incorporate low power consumption and develop advanced manufacturing processes to facilitate development of high-speed products and gain more opportunities to collaborate with major international companies.
Financial Risk	Foreign exchange risk arises as ASMedia does business in more than one currency.	Accounting Dept.	To reduce the impact of exchange rate fluctuations on revenue and profitability, the Accounting Department will keep a portion of revenue earned in US dollars to pay for purchases in the same currency, thus offering a natural hedge against exchange rate fluctuations. The department also keeps watching the impact of the general economic situation on the exchange rate before deciding whether to hedge by means of forward exchange contracts.
Compliance Risk	The company may be exposed to legal penalties or monetary fines when the governments and other regulatory bodies introduce regulations concerning the wastewater and waste treatment, or impose restrictions on the use of certain raw materials.	HR Dept. Administration Dept. Legal personnel in President's Office	<ol style="list-style-type: none">The HR Department regularly reviews personnel-related laws and regulations and conducts annual evaluations and audits.The Administration Department regularly reviews environmental protection and safety laws and regulations and conducts annual evaluations and audits.The legal personnel in the President's Office regularly review industry-specific laws and regulations.
Climate Change Risk	<ol style="list-style-type: none">Increased costs of raw materials stem from climate change.The restrictions on carbon emissions imposed by the governments and the international climate action initiatives may be a potential source of compliance risk and reputational risk.	Operations Support Cent. Administration Dept.	<ol style="list-style-type: none">Ensure that there are at least two or more suppliers to provide raw materials that meet the specifications so as to reduce risks.Install energy and water conservation devices or equipments in office area and promote carbon emission reduction rules.
Supply Chain Risk	<ol style="list-style-type: none">The global initiatives for both human rights and environmental protections may be a potential source of supply chain risk.The supply chain may present compliance risks.	QA Dept.	<ol style="list-style-type: none">Direct suppliers have signed the the Responsible Business Alliance (RBA) Code of Conduct to ensure that they respect human rights and are committed to environmental protection.If a supplier violates any laws, we will immediately initiate a risk investigation and evaluation, and decide whether to continue working with the supplier or not.
Occupational Safety Risk	<ol style="list-style-type: none">There is a likelihood that our staff may suffer harm when they operate the machines or equipments.The hardware equipment in the company's building may be a potential source of occupational safety risk.	HR Dept. Administration Dept.	<ol style="list-style-type: none">The pre-employment training provided to newly hired employees includes the promotion of industrial safety awareness.Regularly inspect the company's hardware and equipment (such as the building, electrical appliances, etc.) to make sure they are in good condition.
Information and Privacy Data Risk	<ol style="list-style-type: none">The company may face an event which results in our employees' information and the suppliers' information being lost, stolen, or compromised.Confidential information, including hard copies that contain such kind of information, may leak out.Hackers may attack the external website or the internal system to steal confidential information.	Information Dept. Legal personnel in President's Office	<ol style="list-style-type: none">The Information Department regularly examines the operation of our official website and detects anomalies. They also check firewall logs to look for any attack, and use the anti-virus software system to detect anomalies in the internal system, and then keep a record of the information.The legal personnel in the President's Office promote confidentiality awareness that avoids mentioning any content of confidential documents inside and outside the company, and label documents with various levels of confidentiality and classify the information in a proper way.Anti-virus software is installed on each computer distributed by the company and regularly updated through the anti-virus server to ensure that the software functions effectively.Hire professional consultants to make recommendations and assist in improving ASMedia's information security system.

Information Security Risk

Information Security Governance

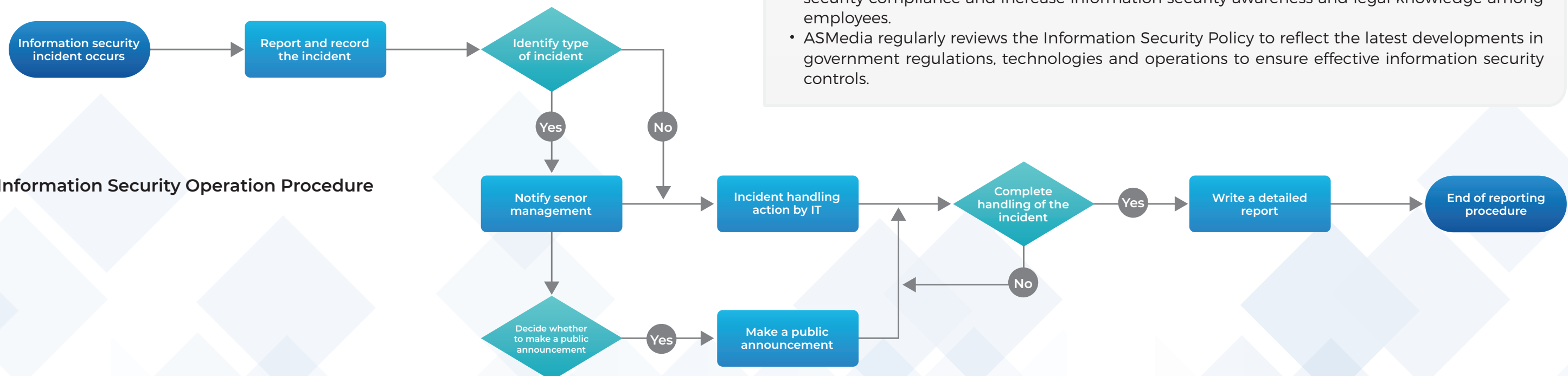
In 2023, we plan to set up an Information Security Committee and a Chief Information Security Officer (CISO) in order to achieve better information security risk management. They will be responsible for developing and implementing information security policies and procedures, and managing information security in an effective way. We aim to build a comprehensive information security protection system and raise information security awareness among our employees through a professional information security unit that manages, plans, oversees, promotes and executes the information security program.

Information Security Policy

We align the Information Security Policy with ISO 27001 and BS 7799. With our internal, practical needs in mind, we establish the policy that encompasses the information services of the information center and other related units in the company.

For ASMedia to stay competitive in the market, our employees are required to manage their own data according to the policies and procedures of the company, and need to be aware of information security issues. In addition to the information security controls, we put emphasis on protecting personal and transactional data to ensure confidentiality, integrity and availability of the data. ASMedia also establishes the Personal Data Protection Policy to better protect the collection, treatment and usage of personal information in each department. By strengthening the information security management, we ensure that the data, systems, equipment, networks as well as software and hardware information security can all be protected. We aim to build a healthy information environment, and are committed to implementing the innovative information security technologies, promoting information security management, and providing our customers with enhanced security services.

Information Security Operation Procedure



We have introduced the following practices to achieve information security:

- Each unit in the information center establishes an inventory of information assets and appoints the owner(s) responsible for appropriate handling and managing of the assets. A risk assessment is performed based on the classification of information assets. For assets that are exposed to higher levels of risks, we implement the risk management plan and control measures to minimize the risks.
- We carry out a necessary assessment of the relevant personnel and require them to sign the related regulations. When they have a job change or leave the job, they shall return the information assets. Both newly hired and current employees need to participate in the information security education and trainings to improve their knowledge about information security.
- We impose strict controls on the office building and information security areas. Unauthorized individuals and items are prevented from accessing the building.
- Our employees are prohibited from setting up a private network to establish internal and external network connections. We also set up a firewall, demilitarized zone (DMZ) and necessary security facilities to block unauthorized traffic. Appropriate backup or monitoring mechanisms are implemented to enable business continuity. Our employees' personal computers all have an antivirus program installed and running, and we update the antivirus program on a regular basis. The use of unauthorized software is prohibited.
- The personal accounts, passwords, and permissions owned by each employee shall be properly stored and used. The management personnel shall check and review the data regularly, back up and perform recovery test of the important operational data regularly as well.
- We integrate the security control mechanism into the initial development phase of the system. For the parts outsourced, we impose stringent requirements on controls and information security in the contract. We also take necessary steps to monitor the system depending on the relevant requirements.
- In the event of information security incidents, the employee shall immediately report the incident and cooperate with the responsible department to solve the problem.
- All employees shall implement the review mechanism in their daily tasks to maintain the accuracy of information; the managers shall supervise the implementation of information security compliance and increase information security awareness and legal knowledge among employees.
- ASMedia regularly reviews the Information Security Policy to reflect the latest developments in government regulations, technologies and operations to ensure effective information security controls.

Concrete Plan for Information Security Management

In an effort to coordinate, manage and supervise an effective information security program, we will create the Information Security Committee. Information security engineers will be hired to undertake information security tasks and activities. Moreover, we will conduct vulnerability assessments and social engineering trainings, evaluate the effectiveness of protection system, run information security tests, promote information security awareness and provide education and training courses. Although we have not purchased the information security insurance, we are resolved to create a safe information security environment and protect all our business systems and data through the operation of the Information Security Committee and implementation of the Information Security Policy. Our next goal is to complete the information security expert system to strengthen the information security protection network and the information security joint defense mechanism. We have joined the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC), and will continue to increase information security talent pool through providing more advanced training programs and certifications. By investing in information security, ASMedia becomes more resilient to risks and potential financial losses.

Between 2017 and 2021, ASMedia did not get any fines for information breaches. Furthermore, we integrate information security and business continuity planning (BCP) to ensure more effective risk management and strengthen resilience. This will allow us to shorten recovery time and mitigate impact of risks, such as hacking and data breaches in the supply chain or in the company, and therefore still achieve our operational goals. In particular, we have developed and implemented the business continuity plan that integrates supply chain risk management. This enables us to deal with the situation when supply chain attacks disrupt operation and cause delays on shipping from ASMedia to its customers.

In terms of BCP, we plan to set up standby generators for the server room or a colocation data center to enhance the reliability of the server room. We also consider establishing the uninterruptible power supply system for network cabinets on each floor. In addition, we are in the process of replacing desktops with laptops for all our employees. Our goal is to enhance both the personal and organizational resilience during emergencies.

Remote Connection during the Pandemic and Information Security Management

Since 2020, the COVID-19 pandemic started making a severe impact on both international and domestic enterprises. Most companies have set up staggered shifts and employees are working from home. Companies face risks that are different than before due to this new mode of working. For instance, remote connections made by the employees working from home force the companies to be exposed to greater vulnerabilities in information security. According to the BCI Horizon Scan Report, both the information and communication disruptions and network attacks are among the top two most challenging threats to business operations in the future, and the direct and indirect financial losses that they cause to the businesses are tremendous.

Facing this challenge, ASMedia has formulated management measures to prevent various attacks by network hackers, which reduces the possibility of business interruption and further increases the organizational resilience. In particular, we adopt the Mobile One Time Passport (MOTP) as our primary requirement for employees working from home to access the Virtual Private Network (VPN). As the MOTP constantly changes the password, it helps prevent password leaks effectively and enhance security protection in the network usage. Furthermore, we have set up security rules for VPNs and established firewalls to control internal and external traffic, and have effectively blocked malicious attacks from the Internet. We have fully implemented ASMedia's Information Security Policy.

Since COVID-19 will not go away soon, we will need to move on to a new normal. We have made adjustments to address relevant issues. In 2022, we will formulate the COVID-19 related business continuity plan to enhance information security while working from home. In the future, we will continue to follow information security management policies and procedures for working remotely, and build a stronger wall for information security. We protect the information of the company and employees, and continuously strengthen operational resilience in response to crises.



Tax, Governance, and Risk Management

ASMedia is committed to tax compliance and corporate social responsibility, and has the end goals of creating business value and establishing a robust tax control framework. We provide clear guidance on handling tax risks, and create tax governance policy as well as the transfer pricing policy to ensure a strong tax governance framework and tax risk management. The following tax governance policy is carried out to further enhance our corporate value, fulfill our corporate citizenship obligations, and implement sustainable corporate development.

Tax Governance and Authority

Tax Governance and Authority:

1. Board of Directors
The Board of Directors is the highest decision-making body for ASMedia to establish the effective tax risk management mechanism. The Board approves the overall tax governance policy in accordance with the overall operation strategy and business environment to ensure the effective operation of the tax management mechanism.
2. Tax Management Unit
ASMedia's tax management unit is the Accounting Department. They report tax related operations to the Board on a regular basis.



Communication Approach to Stakeholders' Tax Issues

ASMedia's main stakeholders are the tax authorities of each country's government. Tax reporting and payment operations are conducted in accordance with the relevant laws and regulations of each country. Whenever there is an uncertainty regarding the applicable laws and regulations in the course of daily operations, we will contact the government authorities directly or through the PwC's office to inquire about appropriate handling methods. In the event of tax audits, we will prepare relevant information immediately upon notification and cooperate with the tax authorities in conducting the audits.



Approach to Tax, Control, and Risk Management

ASMedia's tax governance is based on the principles of transparency, openness and compliance with laws and regulations.

1. Compliance with laws and regulations
 - ASMedia is committed to complying with the local tax regulations and legislations of each operating location as well as the international tax standards. We calculate the tax correctly and report tax within the legal period, so as to fulfill the tax obligations.
 - ASMedia's annual financial statements are provided by the PwC Taiwan for tax reporting.
2. Transparency of information
 - ASMedia ensures the transparency of tax reporting information through providing country-by-country reports, group master file reports and transfer pricing reports to tax authorities in accordance with the national regulations.
 - ASMedia ensures that tax assessments related to decision making are conducted with the participation of a professional internal tax team and external experts who are qualified and experienced.
 - ASMedia uses the legal and transparent tax incentives and does not rely on illegal methods to avoid due taxes.
3. Business substance
 - The corporate structure and transactions are in line with the business substance and do not use particular tax systems for tax avoidance or shift profits to low-tax jurisdictions.
 - When related parties conduct transactions, they shall comply with the general principles of transactions and endeavor to comply with the transfer pricing regulations of each jurisdiction in which they operate, and fulfill their tax obligations in the jurisdictions where the value is created.
 - Based on mutual trust, information transparency and regulatory compliance, ASMedia interacts with tax authorities of different countries in an honest, straightforward, respectful and fair manner, and proactively raises important tax issues to improve their tax environment and system.
4. Honest communication
 - Inter-affiliate transactions are conducted in accordance with the transfer pricing principles published by the Organization for Economic Cooperation and Development (OECD), as well as the relevant regulations of the Base Erosion and Profit Shifting Program (BEPS).
 - ASMedia strives to establish mutual trust and honest communication with tax authorities in different operating regions, and provide practical views and professional advices to improve their tax environment and system.
5. Risk management
 - ASMedia establishes a solid tax risk control system and organizational culture, and carefully evaluates the tax risks. We also develop countermeasures through taking into account the tax maximization, impacts on reputation, risk control and sustainable value in various countries under global operations.



Ethics and Regulatory Compliance

Ethical Values and Behaviors

ASMedia promotes integrity and ethical practices, and obeys the laws and regulations. To build an effective and robust corporate governance framework that aligns with risk management, we formulate the management policy referencing the Company Act, the Securities and Exchange Act, the Business Entity Accounting Act, the Political Donations Act, the regulations related to the Taiwan Stock Exchange Corporation (TWSE)/Taipei Exchange (TPEX) listed companies and other business practices. Moreover, we establish the Ethical Corporate Management Best Practice Principles and the Guidelines for the Adoption of Codes of Ethical Conduct, and frequently educate employees about procedures, policies, and laws relating to their responsibilities.

ASMedia is committed to conducting business with integrity and has established the whistleblowing policy and procedures in compliance with Article 23 of the company's Ethical Corporate Management Best Practice Principles and Article 21 of the Procedures for Ethical Management and Guidelines for Conduct. We adopt a "zero-tolerance" policy against anyone who commits ethical violations. We prohibit corrupt practices or illegal activity of any kind, and have established a whistleblower system. If any employee is aware of or suspects any unethical or unlawful conduct by the ASMedia staff, he or she can use the whistleblowing reporting channel to communicate in a confidential manner. ASMedia complies with the law on whistleblower rights and protection and takes protective measures to protect the personal information and privacy of the whistleblowers.

ASMedia's human resources unit is responsible for formulating and monitoring the ethics management policy and related prevention plans to ensure that the company fully complies with the ethics and legal standards. All employees will receive education training on the code of ethics and business conduct at least once a year, and the topics of the training courses include insider trading, duty of confidentiality and protection of intellectual property rights.

Whistleblower Reporting System

1. ASMedia has an internal independent whistleblower mailbox and a hotline, and entrusts other external independent organizations to provide whistleblower mailboxes or hotline. These anonymous whistleblower mailboxes/hotlines guarantee the whistleblower's anonymity at all times.
2. ASMedia assigns a special person/unit to handle the whistleblower complaint. If the complaint is made against a senior executive or against any Board director, it shall be referred directly to the independent director. We also create a list of complaint categories as well as a respective set of standard operating procedures.
3. Documents to be maintained include: copy of the complaint, records collected during investigation such as electronic data and documents, final reports, and any other working papers relevant to the case.
4. The whistleblower's identity and the content of the complaint shall be kept confidential.
5. We have the policy to protect whistleblowers from retaliation.
6. We provide whistleblower rewards for reporting wrongdoings.

If the special person/unit finds that the complaint involves gross violation of the law or may incur serious harm on the company, they shall immediately provide a written report regarding this matter to the independent directors.



Whistleblower
Reporting System

Compliance Training Effectiveness

To ensure that all our employees are aware of the various compliance issues, we provide the internal training and advocacy resources. ASMedia's management team closely adheres to both local and international policies and laws concerning the business, operations and financial performances, and formulates the related policies and regulations. The legal team will compile the documents and review the company's legal compliance status. In 2021, there were no significant monetary or non-monetary penalties for noncompliance in terms of the economic, environmental and social categories.

Compliance
with the
environmental
laws and
regulations

- Between 2017 and 2021, ASMedia did not violate any environmental laws or regulations. No active cases, pending cases nor resolved cases related to adverse environmental impacts were established against ASMedia.

Compliance
with the social
laws and
regulations

- Between 2017 and 2021, ASMedia did not violate any laws or regulations related to the workplace discrimination or corruption. No active cases, pending cases nor resolved cases on human rights issues were established.

Compliance
with the
economic
laws and
regulations

ASMedia obeys the Fair Trade Act and related laws, and does not conduct any anti-competitiveness practices or commit any antitrust violations, and no legal disputes of such kind had arisen. Between 2017 and 2021, ASMedia did not commit any violations against the laws related to the following events while providing products or services:

- There were no fines or warnings for violations of health and safety regulations related to products and services.
- There were no fines or warnings for violations of information and labeling regulations for products and services.
- There were no fines or warnings for violations of marketing communications, including advertising, marketing and sponsorship.
- No complaint of invasion of customer privacy or loss of customer data was filed.
- There were no personal data breaches.

For additional information about our internal policies, see the company's Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct on ASMedia's website.

6 R&D and Innovation

ASMedia has developed various high-speed Serializer/Deserializer (SerDes) physical layer (PHY) IPs, including PCIe Switch (high-speed switch/multiplexer), Re-Drivers (signal regenerator/signal repeater) that are used to increase signal quality on high-speed interfaces, and host/peripheral bridge ICs for high-speed bus interfaces such as USB 4, USB 3.2 and PCIe Gen 4. These are widely used in computer components, notebooks, external storage devices, USB to VGA/HDMI video converter boxes, and digital recording systems.

Since high-speed interface signals are more susceptible to interference, this presents several challenges in data processing. To meet these challenges and continue offering high-speed solutions, ASMedia has implemented a differential mode to reduce operating voltage (i.e., below 1.5V), power consumption, and electromagnetic interference while increasing noise suppression. Meanwhile, the SerDes is introduced so that the parallel data is converted into serial data and transmitted across a network, and then the recipient reverses the serialization process and reconstructs the data back into its original form. During the data transmission, the internal clock is shared by the transmitter and receiver to achieve synchronization.

In terms of the development of new technology, ASMedia has invested in R&D of USB 4 and PCIe Gen 4, and expects to complete the design plan in the first half of 2022. We anticipate becoming the major supplier of USB 4 host controllers for motherboards as well as personal computers. As top OEMs and motherboard manufacturers will become our customers, we expect USB 4 to drive operating profit growth in the future.

The COVID-19 crisis has sped up the digital transformation trends, and ASMedia anticipates benefitting from such trends through 2022. Demand for semiconductor chips remains strong, and given the current industry trends such as 5G, high-performance chips, portable devices, artificial intelligence, autonomous and electric vehicles, data center and personal computers, the global semiconductor industry is poised for a decade of growth. As a result, new business opportunities arise. The industry trends will drive demand not only for upgrade of high-speed transmission and high-performance integrated circuits, but also for the overall chips. The chip industry will continue to be the focus in the industry. The advanced chip manufacturing process technology in the leading Taiwanese semiconductor companies is highly competitive in the global market, and therefore we expect that the entire semiconductor industry in Taiwan will continue to grow. Nonetheless, the future of the industry still faces several major risks, including the ongoing COVID-19 pandemic, tight wafer capacity, a worldwide shortage of key components, the US-China trade war, technology disputes and so forth.

Innovative Technologies

To excel in today's competitive and agile market, ASMedia continues to innovate technologies and advance at accelerating rates. ASMedia is a fabless integrated circuit (IC) design company specializing in high-speed transmission PCIe, USB and SATA. We are best-known for high-speed transmission interface ICs and high-speed device ICs, such as high-speed Switch ICs, PCIe bridge ICs and USB controller ICs. The high-speed transmission interface ICs, namely, high-speed Switch ICs and PCIe bridge ICs, are mainly used in personal computers, whereas the high-speed device ICs, that is, USB devices, are mostly used in storage devices.

USB Product Line

Since USB 3.0 was launched in 2008, USB 3.2 did not come out until nine years later. Over a decade, many IC companies have strived to innovate technologies and aimed to offer the best solutions in the industry, and yet only a few have succeeded and kept their promises to the customers. ASMedia is one among the very few that have prevailed among their competitors. ASMedia is the only Taiwanese IC design company with the ability to produce comprehensive products including Host, Device and Re-Driver; ASMedia is also the first Taiwanese IC company to obtain USB-IF certification for their USB solutions.

For the product line of USB 3.2 Gen 2x2, ASMedia remains the leading company in the USB technology. We already completed development of host and device controllers, and have begun mass production. Moreover, ASMedia is well-known for its USB 3.1/3.2 technology, and is the world's first to support the USB Attached SCSI Protocol (UASP), the Known Good Device (KGD), and the process design kit (PDK). In 2014, ASMedia presented a live demonstration showing the world's first SuperSpeed USB 3.1, and has since continued to lead the technology of USB host and device controllers. In 2019, ASMedia presented its USB 3.2 Gen 2x2 solution and has been dedicated to leading the market and innovating the products. Currently, our team in ASMedia has been working diligently on developing USB 4 host and device controllers.

USB-IF Product Certification

The USB-IF has defined the USB 3.0/USB 3.1 specification, including the product design targets at the level of interfaces and mechanisms. To make real products complement the 5Gbit/s/10Gbit/s high-speed transmission specification and pass the test, the USB-IF has established a Compliance Program that provides reasonable measures of acceptability. The Compliance Program provides the hardware manufacturers with multiple test specifications to track the USB 3.0/USB 3.1 specification compatibility. Products that pass the test will be added to the Integrator's List and have the right to use the USB 3.0/USB 3.1 logo.

Note: The names for USB 3.0 and USB 3.1 were updated and are now called USB 3.2 Gen 1 and USB 3.2 Gen 2, respectively.

New USB 4 products at a glance

ASMedia has been participating in the development and discussion of USB 4 specification. Compared with the USB 3.2 Gen 2x2 products, the USB 4 product line includes the ASM4242 host controller and the ASM2464PD device controller. A complete USB 4 solution has been deployed ahead of schedule and the mass production is expected to start in 2022.

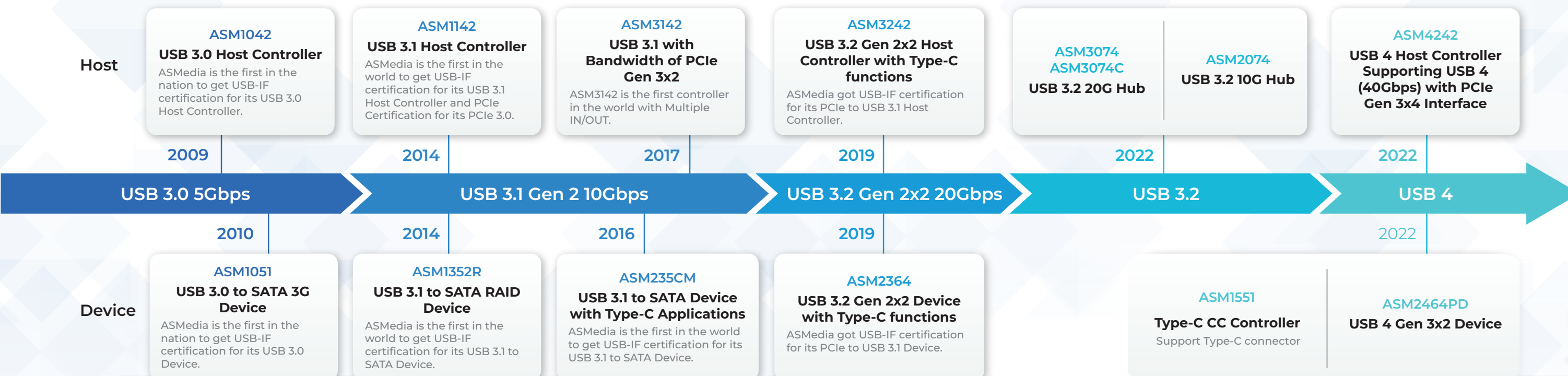
ASM4242

Support PCIe Gen 4x4 interface for two USB 4 (40Gbps) ports, backward compatible with USB 3.2 Gen 2x2 (20Gbps).

ASM2464PD

Support PCIe Gen 4x4 NVMe interface for full USB 4 40Gbps performance.

Development and Highlights of USB Series



PCIe Product Line

ASMedia has completed the development of new PCIe Gen 3 multiplier controller chip and started mass production. Meanwhile, the new generation PCIe Gen 3 to multi-port SATA chip has been developed and entered sample production stage, which will offer customers with high demand for industrial control system and data access a different choice than those produced by the US manufacturers. In terms of new technology, we have invested in the development of PCIe Gen 4 IP to keep developing the high-speed IC market.

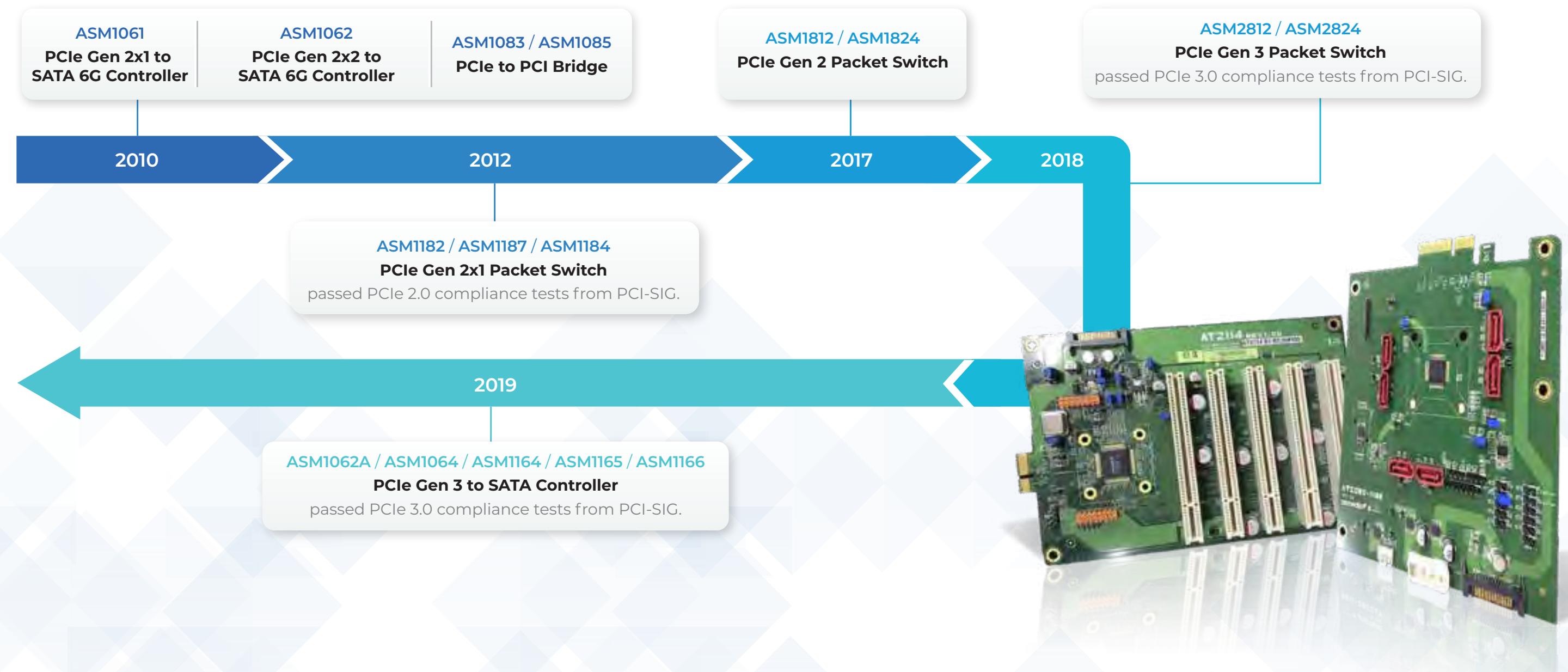
PCIe is the fastest slot on the motherboard as it offers fairly high bandwidth and speeds. The main purpose of PCIe Gen 4 is to address the needs of big data applications, workstations, servers, desktops, laptops, tablets, embedded systems, peripherals, and high-performance computing markets by increasing the bandwidth in a cost-effective manner. Initially, PCIe Gen 3 was the dominant interface in many markets, especially for graphics cards, and then PCIe Gen 4 became available later and reached volume production in 2019.

PCIe Gen 4 has higher bandwidth than PCIe Gen 3, and supports up to 2GB/s of bandwidth per lane; PCIe Gen 4 doubles the bandwidth of PCIe Gen 3. It is backwards compatible, so there is no need to upgrade the existing devices to adopt PCIe Gen 4.

PCIe Certification

The Peripheral Component Interconnect Special Interest Group (PCI-SIG) is an electronics industry consortium responsible for setting the PCIe specification. PCI Express is a registered trademark of PCI-SIG and a bus specification on computer motherboards. PCIe Express certification can be obtained through compliance testing, including Electrical Testing, Configuration Testing, Link Protocol Testing and Transaction Protocol Testing.

Development and Highlights of PCIe Series



High-speed Signal Switches

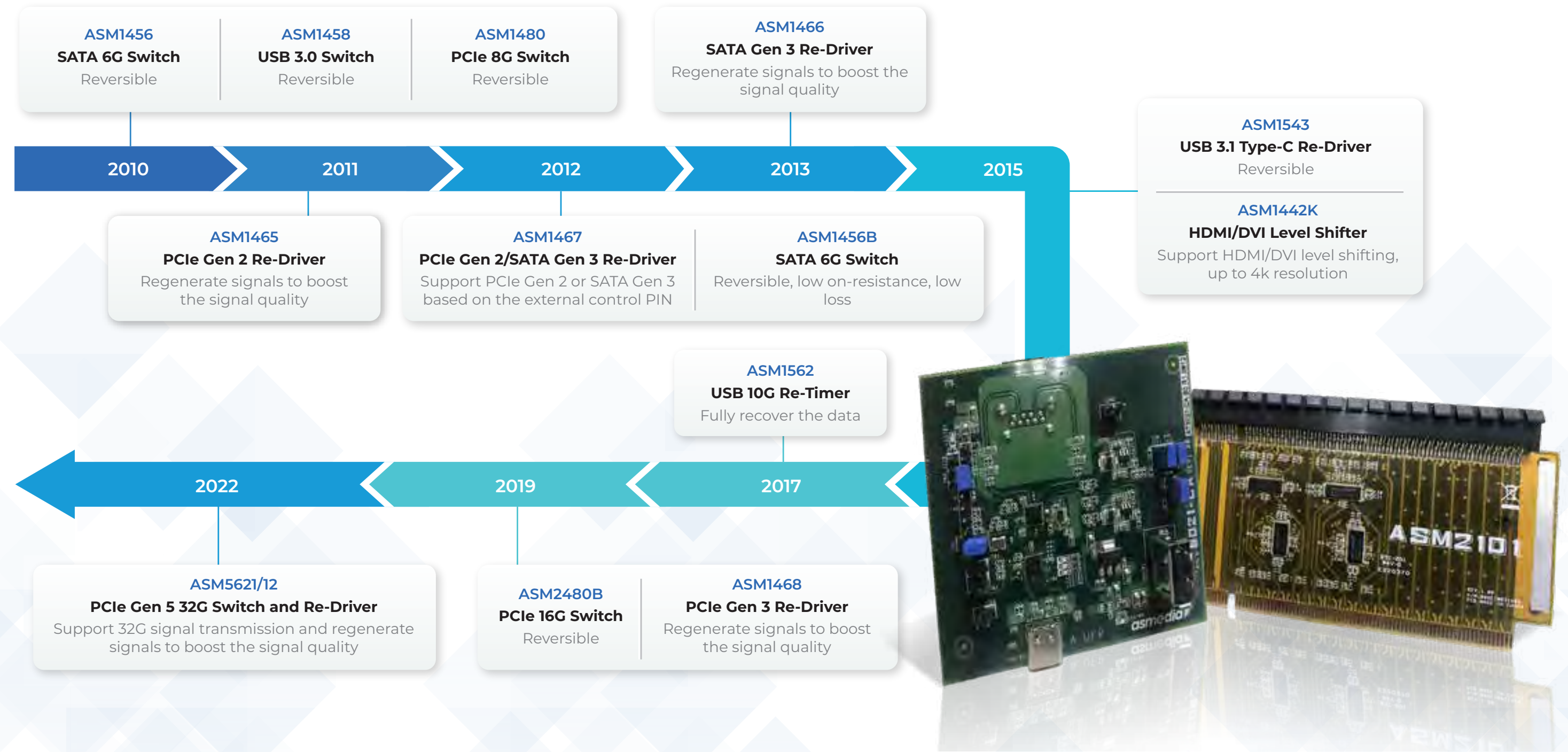
As the manufacturers of central processing unit (CPU) chipsets pursue better performances and lower costs, the design of chipsets is unlikely to support specifications for multiple signal transmissions. The high-speed interfaces become more popular, so the restrictions on the design have become tighter as well. As a result, the high-speed Switch ICs and PCIe Bridge ICs have become the major solutions for motherboard manufacturers and related applications to support specifications for multiple signal transmissions at the same time.

High-speed Switch ICs and PCIe Bridge ICs allow the SATA signals from hard drives and USB signals from external devices to be converted to PCIe signals that are supported by the chipset. It also costs less to make chipsets support multiple applications and high-speed signal transmissions in external devices.

Re-Driver and Re-Timer

With the advent of mass data collection and digitization, high-speed data transmission becomes the current trend in the development of technology, which gives rise to high-speed transmission interfaces such as USB 4 and PCIe 5.0. To reduce the transmission error rate on the high-speed interface and improve the quality of transmission signals, one can either use a redriver to amplify digital signals, or use a retimer to restore signal integrity by removing input noise and random jitter.

Development and Highlights of Switch IC/Re-Driver/Re-Timer Series



R&D Strengths

ASMedia has the capability to design its own high-speed transmission physical layer (PHY) in the PCIe Gen 2/Gen 3/Gen 4, SATA 6Gbps, and USB 2.0/3.0/3.1/3.2 Gen 2x2 technologies. This allows us to reduce compatibility issues and control the speed development and technology in a more effective way. Our core technologies Single-Chip Chipset Design and High Performance Analogue Integrated Circuit Design also make us highly competitive in the market, as we can quickly identify and satisfy the needs of a wide variety of customers.

2021 Total R&D Spend
NT\$989,056 thousand

R&D Overview

In the motherboards and data storage devices, ASMedia has developed PCIe Gen 1/Gen 2/Gen 3/Gen4 high-speed signal switch integrated chips (ICs), USB 3.0/3.1/3.2 high-speed signal switch ICs, Type C Re-Timer/Re-Driver, SATA 3G high-speed signal switch ICs, SATA 6G high-speed signal switch ICs, LVDS high-speed signal switch ICs, PCIe and HDMI/DVI/DP high-speed signal switch ICs and HDMI level shifter ICs. In the motherboards and personal computers, we have developed PCIe Gen 1 to PCI, PCIe Gen 2 to SATA 6G, PCIe Gen 3 to SATA 6G, PCIe Gen 2 to USB 3.0/3.1, PCIe Gen 3 to USB 3.2 bridges and PCIe Gen 2/3 to PCIe Gen 2/3 packet switching ICs. In the data storage devices, we have developed USB 3.0/3.1 to SATA 3G controllers, USB 3.0/3.1/3.2 to SATA 6G controllers, USB 3.0/3.1/3.2 to PCIe Gen3 controllers and SATA to SATA controllers. We have also completed the development of Hardware RAID. Through careful advance planning and extending the product lines in the relevant application fields, ASMedia has strengthened its competitiveness in the global market.

2019-2021 Total R&D Spend (NT\$ thousand; %)

Category	2019	2020	2021
R&D expenditure	534,869	897,393	989,056
Revenue	3,746,124	6,987,470	6,009,012
R&D as a % of revenue	14.28	12.84	16.46

Green Design

ASMedia seeks to create a sustainable environment where humans and all living creatures can live in harmony and health with each other. We are committed to eco-friendliness and design our products in accordance with the principles of social, economic, and ecological sustainability. To this end, we upgrade the manufacturing process, specifications, and technology while using energy management software to control data related to energy consumption. In the circuit design phase, we use low voltage in order to reduce energy consumption, and customize the circuits to help our customers achieve the industry standards, such as California's energy regulations. We comply with the design standards for energy efficiency in the industry, such as Microsoft's Modern Standby feature. On top of the above efforts, ASMedia plans to pursue ISO 14001 in 2023 through maximizing the production process. By following the models of standards such as ISO 14001 in designing our management systems, we hope to achieve the goal of green design.

ASMedia saves energy by upgrading the manufacturing process, specifications, and technologies as well as turning on the energy-efficiency mode:



1. With the feature of energy-saving mode, the energy efficient products reached 87% of the total sales in 2021.



2. ASMedia's latest manufacturing technology (28nm) upgrades logic cells, and while the percentage of energy saved differs depending on the products, the technology allows ASMedia to save at most 30% of electricity.



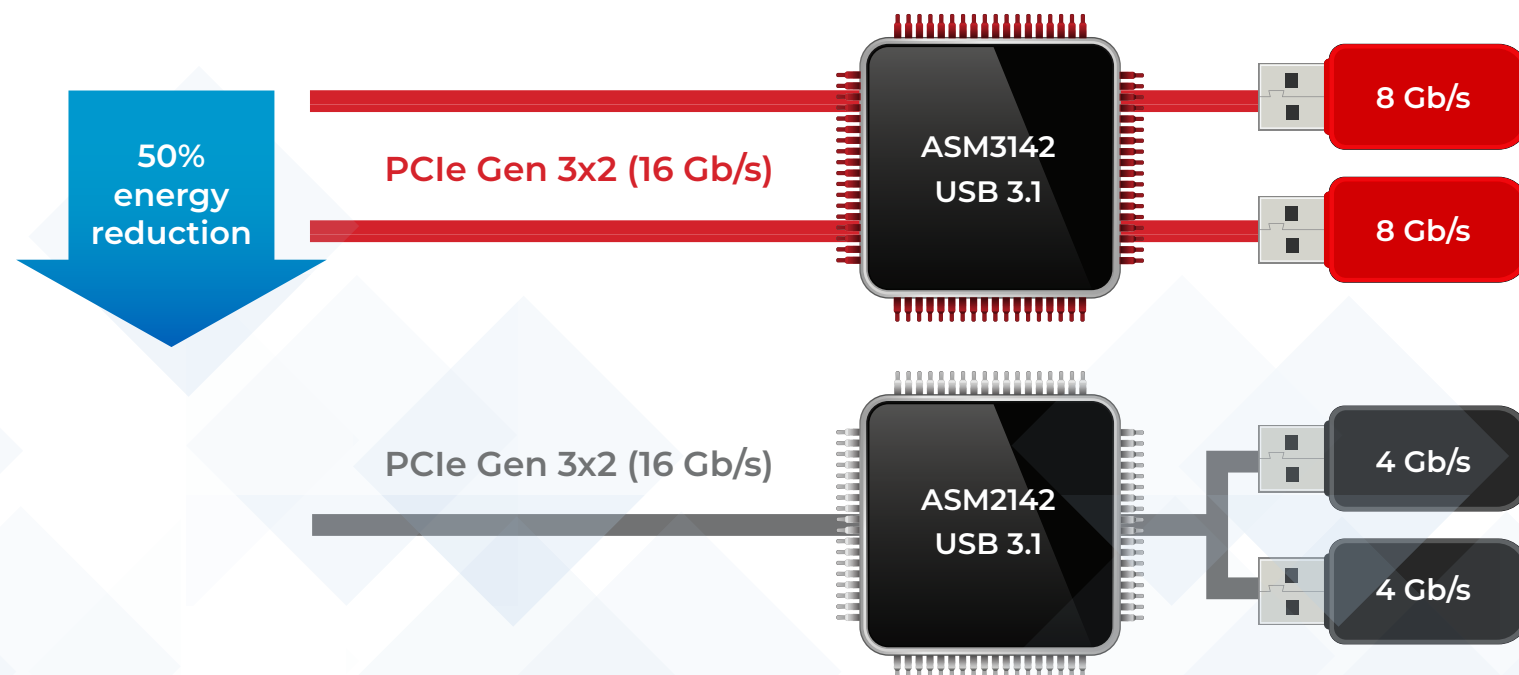
3. ASMedia's latest products are designed with the latest energy-efficiency technology and can save up to 50% of electricity. For example, compared with the ASM2142, the ASM3142 is remarkably energy efficient without compromising quality.

Environmental Compliance

1. ASMedia complies with the REACH Regulation and does not use any of the ten hazardous substances restricted by the RoHS.
2. As more and more countries become aware of the harmful environmental consequences that the hazardous substances in electrical and electronic equipment have led to, they have introduced relevant laws and regulations to restrict the use of certain substances. The International Electrotechnical Commission (IEC) 62474 is the international standard for material declaration for the electrical and electronics industry, and includes the Declarable Substance List (DSL), exemption lists, material classifications, and material declaration data exchange requirements and format. Manufacturers and suppliers are required to meet these standards. ASMedia's products all contain lead and nickel, but they fully comply with the IEC 62474 and other international standards such as the SASB Standards.

Satisfying Customers' Need for Green Products, Providing Custom Services

As the global industries have moved toward a low-carbon future, more and more companies are directing their focus on environmental protection issues. The semiconductor industry is seeking energy-efficient ways to design electronic devices to meet energy saving targets. For instance, some companies use low power design to reduce energy consumption. Since the interest in green products has increased drastically, ASMedia has received customers' requests for low power design in ICs and storage devices. We take this challenge as an opportunity to grow and thrive. We provide custom design and then redesign the firmware and the drivers, and so far, we have succeeded in providing solutions to meet the needs of our customers. ASMedia continues to establish good and long-term partnership with our customers and is eager to work together with them to enter the new era of green design.



For example, a famous motherboard Manufacturer A uses our ASM3142 USB 3.1 Gen 2 Controller, and uses PCIe Gen 3x2 (16 Gb/s) to speed up USB data transfer rates on the motherboard. As a result, this has become the fastest solution on the market, and it reduces energy consumption by at least 50% compared to the older version ASM2142.

1

Custom design: Case 1

A storage device manufacturing company wanted to produce green products that were energy-efficient, so as to distinguish their products from other products in the market. When ASMedia received the request, we started proposing solutions right away. We had to design energy-saving chips and helped our customer produce the final products that met their needs. Eventually, we accomplished our mission. Not only did we make custom hardware and firmware that fulfilled our customer's requirements, but we have also formed long-term partnership with the customer and collaborated with each other ever since. ASMedia has gained a great reputation as a trustworthy partner.

2

Custom design: Case 2

In response to a motherboard manufacturer's request, ASMedia had to adopt the new industry standards to design a new chip and meet the requirements for energy efficiency. At first this appeared to be a new challenge for ASMedia to get into the market, but we took on the challenge and resolved to become the unique supplier of this new solution. We redesigned the product and passed the custom test. In the end, we achieved our goal and were able to provide the solution.

3

Custom design: Case 3

A motherboard manufacturer wanted ASMedia to integrate the new industry standards into the current product(s) to satisfy the energy-efficiency requirements. To effectively tackle this issue, we provided the custom firmware and drivers to solve the problem, and successfully attained our goal.

Chapter

7 Suppliers

Sustainable Supply Chain

ASMedia is part of the IC design upstream of the semiconductor supply chain, and has the leading-edge technologies in high-speed IC design, including high-speed transmission interfaces PCIe, USB and SATA. We engage in research, development, design and sales of high-speed transmission interface ICs as well as high-speed device ICs, including high-speed Switch ICs, PCIe bridge ICs and USB controller ICs. After the product design is completed, ASMedia outsources production to pure play foundries or integrated device manufacturers (IDMs). An IDM is in charge of all processes in producing semiconductors from designing to fabricating, packaging and testing the final products. Then, the semi-finished wafers produced by the foundry or IDM will undergo the front-end testing and be sent to the professional IC packaging company. Afterwards, we will send the product to the professional IC testing company to undergo back-end testing. The final products will be sold to the system integrator companies through distribution channels to ensure transportation and availability of goods to end customers. There was no major change in ASMedia's supply chain in 2021.

ASMedia continues to build good partnership with the direct suppliers. We maintain the high standards regarding the quality, service, delivery date and cost when selecting our suppliers. We also help our suppliers achieve our ESG goals and meet the criteria for recognized ESG-related certifications or reporting frameworks. We require them to sign the related declarations so that we can both examine their risk management ability and ensure that the entire business minimizes the environmental impact. Our goal is to work together with our partners to achieve the supply chain sustainability in the semiconductor industry.

All of ASMedia's direct suppliers have met the criteria for the following recognized ESG-related certifications or reporting frameworks:

E  Environmental

ISO 14001 : 2015
ISO 14046 : 2014
ISO 14064-1 : 2018
ISO 50001 : 2018
Sony GP SS-00259

IECQ QC 080000 : 2017 RoHS
EU PFOS Directive
Halogen Free
REACH SVHC

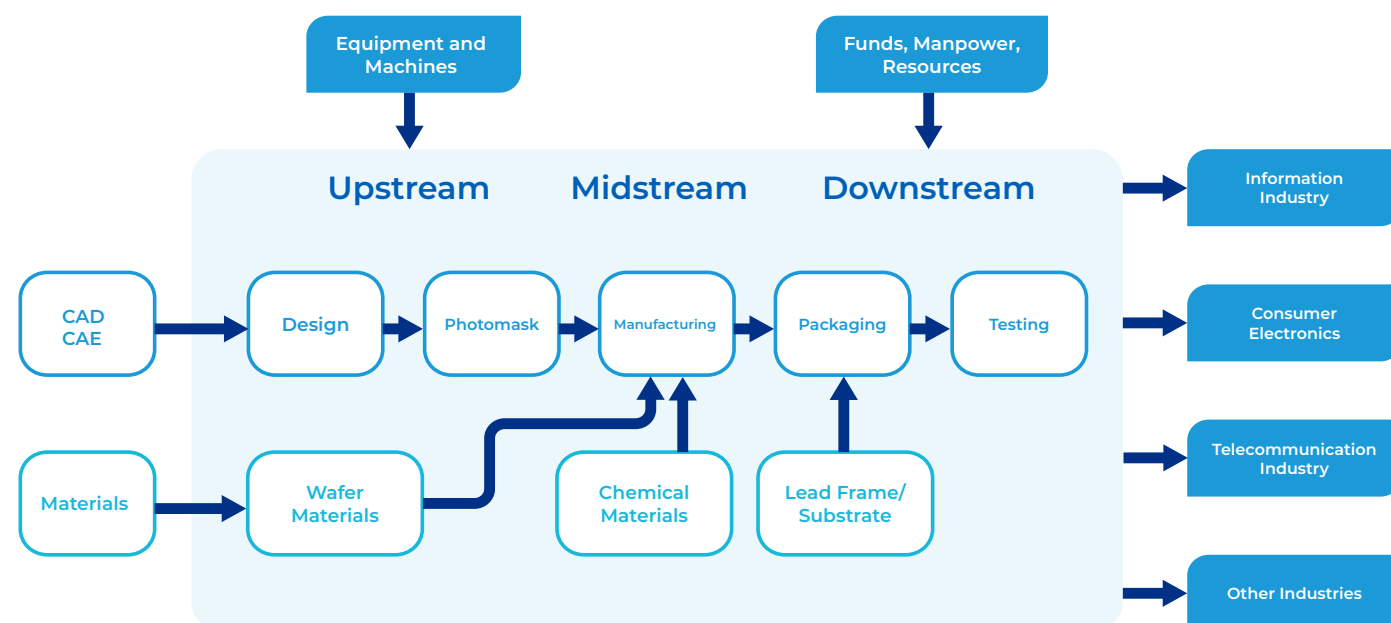
S  Social

RBA 7.0
RBA VAP
ISO 45001 : 2018

G  Governance

ISO 9001 : 2015
IATF 16949

Supply Chain Overview



In addition, ASMedia ensures respect for human rights across our contracted suppliers. We will not employ anyone under the age of 16 in any position, and supports the abolition of child labor, the elimination of compulsory labor and of discrimination in respect of employment and occupation. We expect our suppliers to comply with the international standards and related laws regarding labor rights in the regions where they operate. In 2021, no incidence of employment of children or compulsory labor was found in our suppliers.

ASMedia produces all the products in compliance with the local laws regarding the information and labeling requirements on semiconductor products. There was no incidence of violation against product information and labeling requirements during the reporting period.

Local Procurement

All the operational activities in ASMedia are through careful planning in order to save energy and reduce carbon emissions. In terms of manufacturing, fixed assets and raw material procurement, we increase the proportion of local purchase. By reducing the mileage that our items travel, we reduce our carbon footprint while boosting the local economy as well.

2019-2021 Proportion of Local Procurement

Item	2019	2020	2021
Manufacturing	100%	100%	100%
Fixed Assets	100%	85.8%	93.5%
Raw Materials	99.9%	100%	99.9%

Manufactured in Taiwan

100%

Between 2019 and 2021

Supplier Management and Evaluation

Supplier Management Policy

To improve sustainable supply chain management, ASMedia not only carries out a yearly evaluation of our suppliers, but audits them from time to time. The Quality Assurance Department in ASMedia is responsible for conducting audits. In 2021, in addition to the general selection standards such as quality of products and engineering capability, we have taken the relevant ESG standards into consideration while selecting our suppliers. The Quality Assurance Department's audit team audited all our suppliers and each of them followed ASMedia's supplier management policy.

We maintain good collaborative relationships with our suppliers. Both parties will sign the collaboration agreement or outsourcing agreement to protect the rights and obligations of each party. In addition, ASMedia obtains the test reports from suppliers and audits the suppliers on relevant matters. We audit our suppliers every year. In 2021, the final report of the audit did not reveal any significant error or risk among the suppliers. Whenever there are deficiencies in the process operation, such as lacking upper and lower limits, or not specifying the finished goods return procedure, the suppliers are required to correct the deficiencies and improve the procedures within a certain period of time.

Conflict Minerals Policy

We place demanding requirements on our suppliers to show conflict minerals due diligence. They shall not buy or use any conflict minerals. In compliance with the Conflict-Free Smelter Program (CFSP), the RBA Code of Conduct, and the Global Enabling Sustainability Initiative (GeSI), we have sent the conflict minerals survey to our direct and indirect suppliers since 2021. We received a response from 100% of relevant suppliers, all of which complied with the standards. Our suppliers are also required to submit a "Conflict-free Metals Guarantee" to ensure that they do not use minerals from conflict areas. We make sure that the minerals we use, such as tin, tantalum, tungsten and gold, do not directly or indirectly finance or benefit armed groups which commit severe human rights abuses and lead to environmental degradation. ASMedia takes action to practice social responsibility by seeking conflict-free supply chains and products.

We require our suppliers to sign the declarations of non-use of conflict minerals and banned chemicals. They need to guarantee that the products or components they provide, including product supplements, packaging material, and other related supplements, do not come from conflict minerals or banned chemicals. If a supplier commits violations against the declarations, ASMedia will end or terminate the contract. Such practices serve to motivate our suppliers to take on corporate social responsibility seriously.

[Declarations of non-use of conflict minerals and banned chemicals:](#)



Supplier Audit

Each year, ASMedia conducts audits to ensure that qualified suppliers maintain their quality of products and services. Whenever an error or mistake is detected, we immediately ask the suppliers to provide improved procedures, concrete solutions and to specify the deadline for when to improve. Moreover, we ask our suppliers to comply with the international laws and regulations related to the environmental protection and labor rights and ensure that we all work towards the goal of sustainability. In 2021, we conducted audits of our 5 suppliers, which met our original objective.

2019-2021 Supplier Audits

	2019	2020	2021
Targeted number of audits	5	5	5
Actual number of audits completed	5	5	5
Rate of audits conducted	100%	100%	100%

Supplier Evaluation

We have developed the Supplier Audit Regulations that take into account the international standards, including the RoHS, REACH regulation on Substances of Very High Concern (SVHC) compliance, and the conflict minerals regulation. All the raw materials that our suppliers provide need to satisfy these standards. To ensure that our suppliers meet all the relevant requirements, we carry out a detailed appraisal of the suppliers in accordance with the Supplier Audit Regulations and assess their ability to control the quality. Our suppliers are then given a rating based on the audit results: A, B, C, and D. Grade A suppliers will be on our priority list to be entrusted with manufacturing our products. Grade B suppliers need to provide the improvement plan that demonstrates their ability to strengthen their quality control. Grade C suppliers need to provide a continuous improvement plan as well as the outcome tracking record. For Grade D suppliers, a reevaluation must be completed within a definite time frame. If they fail the reevaluation, we will terminate the contracts with them.

To date, our suppliers have met the key evaluation criteria, including quality assurance, engineering capability, occupational safety, environmental protection, social responsibility, and so on. By doing so, we create a more positive and healthy supply chain, and reduce the overall business risk. In the past three years, the final evaluation reports have found no significant deficiencies among our suppliers, and all our direct suppliers were given an A Grade based on their excellent performances.

Supplier Risk Assessment

ASMedia has built a good partnership with our current suppliers. Nonetheless, in order to diversify risks and continuously improve the overall quality of our supply chain, we have required our suppliers to get ISO 14001 certification. As the standard specifies requirements for an effective environmental management system, getting the ISO 14001 certificate helps mitigate adverse environmental aspects and ensure legal compliance. By 2021, all our direct suppliers have received the ISO 14001 certificate, and signed the RBA Code of Conduct as well.

In terms of the environmental aspect, we conducted an environmental impact assessment of the suppliers that had actual transactions with us over the reporting year. In addition to ISO 14001, all of our direct suppliers already obtained the ISO 14064 certificate, which relates to water footprint assessment of products, the ISO 14064-1 greenhouse gas (GHG) verification and validation, and certification to the ISO 50001, which ensures a healthy energy management system. In addition, the suppliers were assessed for actual and potential negative environmental impacts. After the assessment, we concluded that the number of suppliers that would create a significant or potential negative impact on the environment was 0.

In terms of the social aspect, ASMedia also conducted a social and human rights impact assessment of the suppliers. All our direct suppliers have signed the RBA Code of Conduct. The number of suppliers that had a significant or potential negative impact on the society was 0.

All the suppliers must sign the declarations of non-use of conflict minerals and banned chemicals. Only when they fulfill the requirements can they become our qualified suppliers. In 2021, all our primary and secondary suppliers met the above standards.

To take supplier collaboration to the next level, ASMedia has actively helped our suppliers implement the development program and meet the requirements on quality, environmental protection, product safety, and deliver products on time. We have also helped our suppliers take on corporate responsibility, improve health and safety of employees, protect human rights and enhance risk management capabilities.

Supplier Rating

Grade	Actions taken
A	On our priority list to work with.
B	Procurement continues; an improvement plan is required; need to show effective quality control.
C	Some procurement suspended; a continuous improvement plan and an outcome tracking record are required.
D	Performance needs to be improved before a reevaluation is carried out on a specific date. If they fail the reevaluation, the contract will be terminated.

2019-2021 Supplier Audit Results

Supplier	Grade	2019	2020	2021
Supplier	A	5	5	5
	B	0	0	0
	C	0	0	0
	D	0	0	0

Customer Satisfaction/Service

ASMedia maintains a good relationship with customers by satisfying their needs and solving their problems on time. In order to obtain their feedback on our products and services and measure customer satisfaction in a more accurate way, we conduct a customer satisfaction survey twice per year—one in the first half of year and the other in the second half of year. We send the survey to our top 10 direct customers, and the survey consists of four major topics: 1) product quality; 2) shipment quality 3) service quality; 4) promotion of new products. Each topic comprises ten criteria on which the judgment of each customer may be based. The average customer satisfaction score for the first and second halves of 2021 was 93 (out of 100). Our customer satisfaction score remained very good. In the future, depending on the market condition and their feedback, we will adjust the content of the survey to fully meet the needs of our customers and provide custom design of products and services.

Customer Satisfaction Index

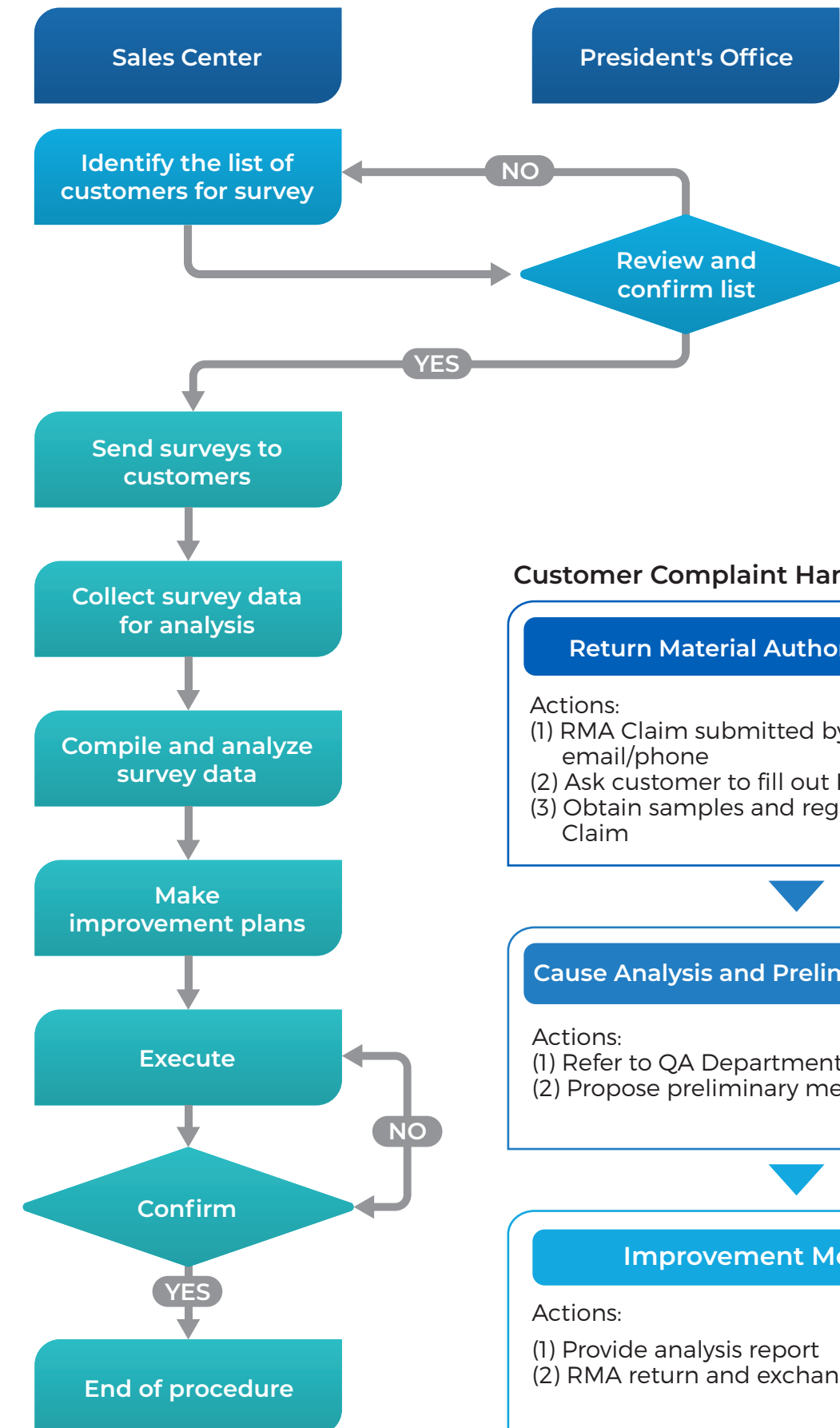
Index	Item
Product Quality	● Product function
	● Product storage method
Shipment Quality	● Delivery time control
	● Packaging and delivery
Service Quality	● Engineering support
	● Problem-solving efficiency
	● Crisis management capability
	● Professional skills
Promotion of New Product	● Clarity of new product promotions
	● Attitudes of sales personnel

Evaluation score: 2: very dissatisfied; 4: dissatisfied; 6: still acceptable; 8: satisfied; 10: very satisfied

2019-2021 ASMedia's Customer Satisfaction Results

Year	2019		2020		2021	
	First half of the year	Second half of the year	First half of the year	Second half of the year	First half of the year	Second half of the year
Positive Items (Average score>9.8)	Attitudes of sales personnel	-	Attitudes of sales personnel	Attitudes of sales personnel	-	Attitudes of sales personnel
Average score	93.0	91.8	94.2	94.2	92.8	93.2

Customer Satisfaction Survey Procedure



Customer Complaint Handling Procedure

Return Material Authorization (RMA)

Actions:
 (1) RMA Claim submitted by customer via email/phone
 (2) Ask customer to fill out RMA Claim form
 (3) Obtain samples and register an RMA Claim

Cause Analysis and Preliminary Measures

Actions:
 (1) Refer to QA Department for analysis
 (2) Propose preliminary measures

Improvement Measures

Actions:
 (1) Provide analysis report
 (2) RMA return and exchange processing

Chapter

8

Environmental Protection

Environmental Sustainability Policy

ASMedia is a fabless IC design company and hence does not have its own fabrication plant or foundry. While we do not create a direct impact on the environment, we still dedicate ourselves to environmental protection. We support zero discharge of industrial wastewater and reduction of factory emissions. In the workplace, we promote various kinds of policies on saving energy, reducing carbon footprint, and recycling and reusing resources. Furthermore, we continue to monitor our suppliers' compliance with the RoHS and the REACH regulations. We not only obtain the material test report from our suppliers but conduct supplier audits periodically. All our business partners need to sign a declaration of non-use of hazardous substances. They shall only use safe materials that meet the environmental standards, including the RoHS, the PFOS criteria, the Halogen Free requirements, as well as the REACH SVHC regulation.

Looking forward, we will continue to develop an efficient management and comprehensive planning for carbon emissions and utilization of energy and resources. We aim to become a green company and create a sustainable environment. To achieve these goals, we have set short-term, mid-term and long-term goals with respect to our environmental policy. In particular, reducing resource consumption in the office will be our first priority and important indicator in the near future.

Going Green in the Workplace: Strategies to Reduce Carbon Footprint

ASMedia's main workplace is the office space. We have short-term, mid-term and long-term goals for reducing our office carbon footprint. In particular, we set specific, measurable, achievable, relevant and time-bound (SMART) goals when categorizing and choosing office equipment and supplies. Then, we introduce energy saving projects and performance targets for each category which match ASMedia's energy management policy and vision. By taking these green workplace initiatives, we hope to create a sustainable working environment.

Climate-related Risks and Opportunities

ASMedia is committed to transparency around climate risk and uses the industry-based SASB Standards to inform disclosure on ESG related issues, concrete actions and performances. Each department of the company is responsible for collecting its climate-related risks, compiling all the relevant data and reporting to the President. We also align our disclosure with the TCFD recommendations. We identify potential climate-related risks and opportunities by taking into account the four core elements of recommended climate-related financial disclosures—governance, strategy, risk management, metrics and targets. By doing this, we are able to control the impact and influence on ASMedia's operations, and formulate corresponding strategies and measures to prevent the risks and harmful consequences of climate change.

TCFD Core Elements and Financial Disclosures

Core Elements	ASMedia Response
Governance	Each department shall identify climate-related risks and related exposures faced by their own department, implement effective climate risk assessment and communication—both externally and internally, and develop risk management responses to climate change risks. Each department shall also hold regular meetings and introduce the company's sustainability initiatives, including climate-related issues, and take action to fulfill the corporate social responsibility.
Strategy	In order to adapt to climate change caused by the greenhouse gas effect, ASMedia actively implements policies on green energy and environmental protection with regard to the main climate-related risks (transition and physical) and opportunities. We introduce measures to save energy and reduce our carbon footprint, promote energy saving and energy management in the office and public areas, reduce waste and make green procurement decisions, and buy products with energy efficient labels, such as ENERGY STAR certified products.
Risk Management	We align our disclosure with the TCFD standards. Starting from 2021, ASMedia has assigned each department to assess potential climate risks and formulate climate risk policies so that we can identify and evaluate the current and future activities to determine which operations may continue and which may not. This will serve as the foundation for us to formulate related policies and set goals. The audit unit will audit the implementation process on a regular basis. The results of the audit are summarized as follows: We will continue to adopt the Task Force's recommendations as we develop climate-related financial disclosures. As we identify the climate-related issues and assess financial impacts, we will describe how our strategies might change to address such potential risks and opportunities.
Metrics and Targets	<p>To minimize climate change impacts and risks and achieve the goal of using green energy and reducing carbon emissions, ASMedia adopts the metrics to manage climate-related risks and opportunities.</p> <p>We have implemented "Save Energy and Reduce Our Carbon Footprint" measures for a long time, which include:</p> <ul style="list-style-type: none">• Electricity Consumption: We adopt Office Saving Energy Measures, which involve two categories: lights and air conditioners. We use products labeled with energy efficiency and environmental protection. The traditional light bulbs have been replaced with LED light bulbs; split air conditioners have been gradually replaced with frequency conversion air conditioners in the office. We turn off the air conditioners and lights when the offices, meeting rooms and public areas are not in use; we instruct employees not to set air conditioning too low. In 2022, we set goal to reduce carbon footprint of lighting by 0.0006 metric tons of CO₂ equivalent, and to reduce carbon footprint of air conditioning by 1.506 metric tons of CO₂ equivalent.• Water: We promote water conservation activities by installing water flow restrictors in the bathrooms and pantry rooms, and use faucets and toilets labeled with "Water Saving" when replacing old ones with new ones. We also regularly inspect the pumping motors, water towers, faucets, piping and plumbing fittings, as well as walls and underground pipes to detect water leaks. The goal is to save 1% of water per capita per year.• Waste: We contract out hazardous waste management services to qualified firms, and promote waste reduction policies. For example, we try to use duplex printing for official or other documents. We try to encourage our employees to use the electronic application system to reduce paper consumption. Starting from July 2021, we switched all the napkins to eco-friendly napkins in the office. ASMedia is committed to protecting the natural environment and loving the planet. In 2022, we set goal to reduce carbon footprint of daily waste by 0.17 metric tons of CO₂ equivalent.• Greenhouse Gas (GHG) Emissions: 2021 estimated Scope 1 emissions were 26.09 metric tons of CO₂ equivalent; estimated Scope 2 emissions were 516.37 metric tons of CO₂ equivalent. By 2026, we will complete the examination of all items in the company, and by 2028, we plan to complete the external examination. In the future, we will also provide the data on our carbon emissions to the Carbon Disclosure Project (CDP).



Sustainability Accounting Standards Board (SASB) Standards Index

Topic	Accounting Metric	Category	Unit of Measure	SASB Code	ASMedia Response and/or Disclosure Location
GHG emissions	(1) Cross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds	Quantitative	Metric tons CO ₂ equivalents	TC-SC-110a.1	1. Scope 1 emissions: 26.093 metric tons of CO ₂ equivalents 2. Perfluorinated compound emissions: 2.088 metric tons of CO ₂ equivalents For more information, see the Air Quality Management section in the Environmental Protection chapter of this report.
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	TC-SC-110a.2	For more information, see the Air Quality Management section in the Environmental Protection chapter of this report.
Energy management in manufacturing	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	TC-SC-130a.1	1. Total energy consumed: 126,242 GJ 2. Percentage grid electricity: 100% 3. Percentage renewable: 0% For more information, see the Air Quality Management section in the Environmental Protection chapter of this report.
Water management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m ³), Percentage (%)	TC-SC-140a.1	1. Total water withdrawn: 2.218 thousand cubic meters. Percentage of total water withdrawn in regions with High or Extremely High Baseline Water Stress: 0%. 2. Total water consumed: 2.218 thousand cubic meters. Percentage of total water consumed in regions with High or Extremely High Baseline Water Stress: 0%. For more information, see the Water Management section in the Environmental Protection chapter of this report.
Waste management	Amount of hazardous waste from manufacturing, percentage recycled.	Quantitative	Metric tons (t), Percentage (%)	TC-SC-150a.1	Hazardous waste from IC manufacturing: 284.775 metric tons; percentage recycled: 61.11%. Hazardous waste from packaging process: 18.116 metric tons; percentage recycled: 70.04%. For more information, see the Waste Reduction, Recycling and Reuse section in the Environmental Protection chapter of this report.
Employee health & safety	Description of efforts to assess, monitor and reduce exposure of employees to human health hazards	Discussion and Analysis	n/a	TC-SC-320a.1	For more information, see the Occupational Safety and Health section in the Employee chapter of this report.
	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	Quantitative	Reporting currency	TC-SC-320a.2	There are no legal proceedings associated with employee health and safety violations. For more information, see the Compliance Training Effectiveness subsection in the Ethics and Regulatory Compliance section of this report.
Recruiting & managing a global & skilled workforce	Percentage of employees that are (1) foreign nationals and (2) located offshore	Quantitative	Percentage (%)	TC-SC-330a.1	For more information, see the Supporting a Diverse and Inclusive Workplace section in the Employee chapter of this report.
Product lifecycle management	Percentage of products by revenue that contain International Electrotechnical Commission (IEC) 62474 declarable substances	Quantitative	Percentage (%)	TC-SC-410a.1	100% of our products by revenue contain (IEC) 62474 declarable substances and comply with the environmental regulations. For more information, see the Green Design section in the R&D and Innovation chapter of this report.
	Processor energy efficiency at a system-level for: (1) servers, (2) desktops and (3) laptops	Quantitative	Various, by product category	TC-SC-410a.2	ASMedia continues to upgrade the manufacturing process and design more energy efficient electronic products. For more information, see the Green Design section in the R&D and Innovation chapter of this report.
Materials sourcing	Description of the management of risks associated with the use of critical materials.	Discussion and Analysis	n/a	TC-SC-440a.1	For more information, see the Sustainable Supply Chain section in the Suppliers chapter of this report.
Intellectual property protection and competitive behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	Reporting currency	TC-SC-520a.1	In 2021, we did not receive any significant monetary or nonmonetary punishments relating to economic, environmental and social problems. For more information, see the Compliance Training Effectiveness subsection in the Ethics and Regulatory Compliance section of this report.
Topic	Activity Metric	Category	Unit of Measure	SASB Code	ASMedia Response and/or Disclosure Location
General	Total production	Quantitative	Per unit	TC-SC-000.A	Not applicable. ASMedia is a fabless company.
	Percentage of production from owned facilities	Quantitative	Percentage (%)	TC-SC-000.B	Not applicable. ASMedia is a fabless company.

TCFD, Climate-related Risks and Financial Impacts (Transition Risks)

Category	Subcategory	Financial Impacts	ASMedia's Response
Transition Risks	Policy and Legal		
	<ol style="list-style-type: none"> In response to Taiwan's greenhouse gas reduction and management regulations, we need to improve the energy efficiency of our operating bases. As carbon taxes and carbon emissions trading systems are becoming the mainstream, Taiwan may impose carbon taxes in the future. Changes in court judgments, fines, or policies may lead to increased costs or reduced demand for products and services. 	<p>The carbon taxes, carbon emissions trading systems, and the requirement to source raw materials and components that are compliant with the regulations may increase the operating cost.</p>	<ul style="list-style-type: none"> Encourage people to turn off lights when not in use in the office area. By 2021, green office supplies account for 89% of total office supplies. All laptops that are purchased must be labelled with Energy Star. We will require our suppliers to meet international environmental certification standards so as to form a sustainable supply chain and reduce environmental pollution in the industry as a whole.
	Technology		
	<ol style="list-style-type: none"> The related laws and initiatives will drive low carbon technologies to develop, which will increase additional capital investment. The development of new and alternative technologies will replace existing products or services. New and alternative technologies may push up the cost of practical operations and processes. 	<ol style="list-style-type: none"> Capital investments in technology development. Research on new and alternative technologies may result in lower demand for existing products and services and a significant decline in revenue. Expenditures on new and alternative technologies lead to higher costs of new products. 	<ul style="list-style-type: none"> In the future, we will invest more resources in energy-saving and low power designs, and develop advanced manufacturing processes to effectively meet the challenges of climate risks. The R&D spending will reach NT\$760,000 thousand in 2022.
	Market		
	<p>With the rise of sustainability awareness due to climate change, energy efficient products with less pollution are on the rise in the market.</p>	<p>As the sustainability awareness rises, customers may purchase low carbon goods or services, thus impacting the operating revenue.</p>	<ul style="list-style-type: none"> In order to enhance market competitiveness, we incorporate sustainability design into the product design to achieve energy efficiency and reduce harmful substances. ASMedia plans to pursue ISO 14001 in 2023. By following the models of standards such as ISO 14001 in designing our management systems, we hope to achieve the goal of green design.
Transition Risks	Reputation		
	<p>With the rise of sustainability awareness due to climate change, we are placing more emphasis on corporate environmental protection and sustainability management policy.</p>	<ol style="list-style-type: none"> Working with suppliers that produce higher carbon emissions may affect customers' trust in the company. Low resilience to climate change may affect investors and stakeholders' trust in the company. 	<ul style="list-style-type: none"> Maintain long-term relationships with suppliers that adopt environmental management systems to ensure that the overall supply chain is in line with the international market trends regarding carbon management. Strengthen climate risk assessment and formulate contingency measures.

TCFD, Climate-related Risks and Financial Impacts (Physical Risks)

Category	Subcategory	Financial Impacts	ASMedia's Response
Physical Risks	Acute risks (e.g. rainstorms, typhoons, hurricanes, floods)	<ol style="list-style-type: none"> Climate-related events may lead to a decrease in production capacity and revenue (e.g., damaged transportation infrastructure leads to supply chain disruption; unstable room temperatures affect instruments and equipment, leading to early depreciation, disposal of assets and higher infrastructure costs) Climate-related disasters inflict damage to plant equipment at operating sites, resulting in increased maintenance costs. Employees are unable to work on-site, and their productivity is affected, thus reducing the revenue and pushing up the occupational safety and health costs. Extreme weather causes increased rainfall that results in flooding. Or, little rain falls on the catchments, leading to droughts and water restrictions. 	<ul style="list-style-type: none"> Create a green supply chain and effectively monitor energy usage of the supply chain to enhance the overall operational resilience. Keep up with information about any potential natural disaster and prepare sufficient raw materials in advance if traffic disruptions are anticipated. Regularly inspect the equipment for possible damages, and repair and fix them before any natural disaster strikes. Refer to the announcement by the Central Personnel Administration at the Executive Yuan to reduce or suspend work if the scale of the natural disaster will endanger the lives of employees. Plan to use the rooftop water tower (holding approximately 29 metric tons of water) and the basement water storage tank (holding approximately 15 metric tons of water) to provide storage of water for use in times of water restrictions for approximately 5 working days (one week). To prevent flooding in the office building, we have installed the waterproof gates at the basement driveway entry/exit where flooding is most likely to occur, and also installed the pumping machines which can be used to remove water from flooded areas.
	Chronic risks (e.g., extreme weather, rising average temperature, rising sea level)	<ol style="list-style-type: none"> As the average temperature rises, this leads to the growing use of air conditioners at operating sites, resulting in an increase in electricity costs year after year. The increase in annual average temperature will lead to an increase in electricity consumption in Taiwan. As a result, the government may impose electricity restrictions or zoning of electricity supply, which will lead to higher costs. 	<ul style="list-style-type: none"> Strictly monitor the use of air conditioners at a specific temperature for a particular period of time in the office and conference rooms, and turn them off when not in use. Install the Uninterruptible Power Supply (UPS) for network cabinets on each floor in 2022, which can supply power for up to 30 minutes. In 2022, a generator is expected to be installed in the server room. The replacement of staff laptops is ongoing, which is to reduce losses caused by temporary power outages for desktops. The replacement rate already reached 50% in 2021.

TCFD, Climate-related Opportunities and Financial Impacts

Category	Opportunities	Financial Impacts	ASMedia's Response
Resource Efficiency	<ol style="list-style-type: none"> Recycling and reuse of paper and waste. Switch to more efficient electrical equipment. Reduce water consumption. 	<ul style="list-style-type: none"> Reduce the cost of consumables. Reduce electricity consumption and carbon emissions. Reduce water costs. 	<ul style="list-style-type: none"> Continue to promote various energy management initiatives through energy efficient programs such as improving lighting efficiency in the building and upgrading air conditioning equipment. Establish the corporate Enterprise Information Portal (EIP) electronic signature system, create a paperless office, and increase the efficiency of human resources. In 2021, 90% of the conventional light bulbs in the office were replaced with LED light bulbs; as a result, we saved 2.77 metric tons of carbon emissions. In 2021, 10% of the split air conditioners were replaced with the frequency conversion air conditioners, and as a result, 0.395 metric ton of carbon emissions were saved. We continue to promote water saving in the workplace. In 2021, each person was able to save up to 1% of water on average. Between 2017 and now, 100% of the laptops are labelled with Energy Star.
Energy Source	<ol style="list-style-type: none"> Introduce energy efficient products. Install solar panels to generate solar power for some areas of the office. 	<ul style="list-style-type: none"> Reduce operating costs. 	<ul style="list-style-type: none"> Implement various energy saving plans and measures for lighting and air conditioning equipment to create a low carbon life.
Products and Services	Research and development of new and alternative technologies.	<ul style="list-style-type: none"> Increase revenue through designing low carbon products and services. Drive revenue through new solutions to meet customer needs for climate adaptations. Although new technologies are more expensive to develop, they can become our asset and attract interested companies to collaborate with us. 	<ul style="list-style-type: none"> Use low power design to create more products that meet the industry standards, such as California's energy regulations, and comply with the design standards for energy efficiency in the industry, such as Microsoft's Modern Standby feature, so as to help our suppliers reduce carbon emissions in an efficient way.
Markets	Launch energy efficient products.	<ul style="list-style-type: none"> Follow the trend and improve ASMedia's image to boost sales and profits. 	<ul style="list-style-type: none"> Continue to launch energy efficient products and carry out green design to reduce operating voltage and improve the product manufacturing process. ASMedia plans to pursue ISO 14001 in 2023, which will help the company optimize the manufacturing process and reach the goal of green design.
Resilience	Collect and devise the handling procedures regarding climate-related risks to enhance the company's climate resilience.	<ul style="list-style-type: none"> Strengthen the corporate resilience to reduce losses from both climate change and the supply chain. 	<ul style="list-style-type: none"> Starting from 2021, the responsible unit will regularly evaluate the climate-related risks and formulate risk management policies to strengthen the company's risk management and disaster response capabilities, thereby preventing each disaster from escalating and minimizing the losses. The auditing unit will conduct regular audits to verify the implementation status.

Energy Management

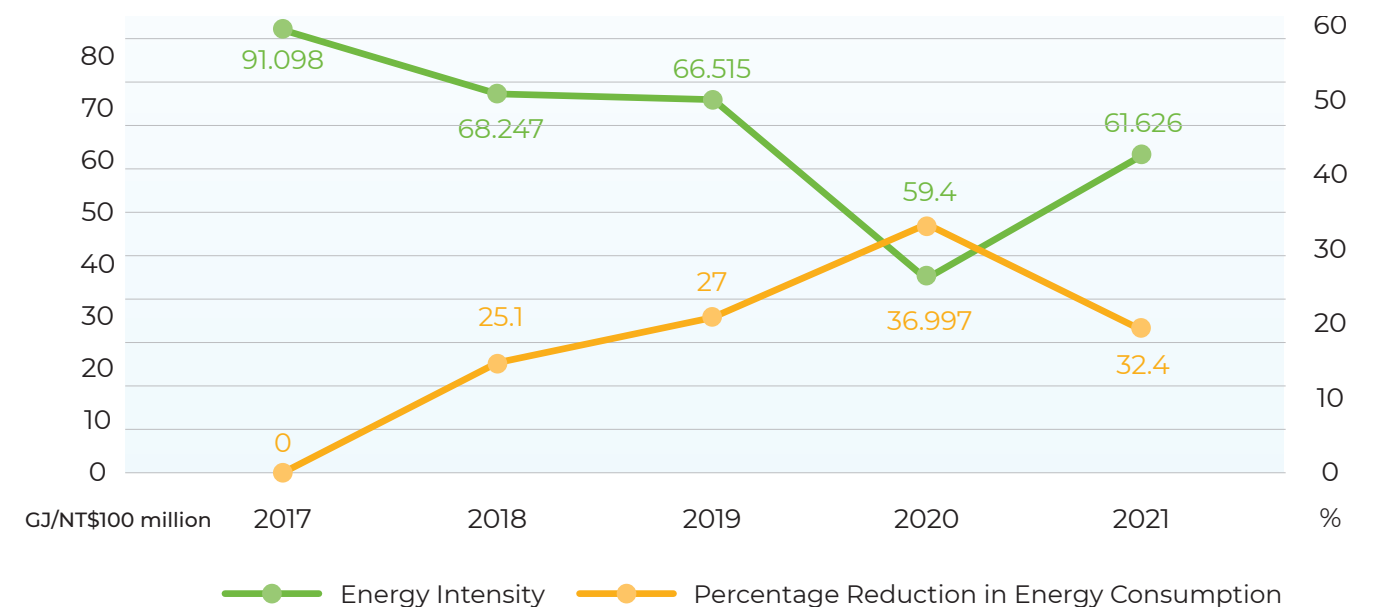
ASMedia is keenly aware of the potential risks brought about by climate change and has devoted constant effort to reduce energy consumption while considering increasing the proportion of green energy in the future. We are committed to energy efficiency in our daily operations. Referencing the ISO 14001/ISO 50001/ISO 14064-1, we have laid down the annual management guidelines and measures to save energy and reduce carbon footprint. We have also set our goal to achieve these certifications and establish a more efficient energy management system.

ASMedia has three plans on energy management: 1) a complete energy efficient air conditioning system in the MIS server room; 2) continuous replacement of split air conditioners with frequency conversion air conditioners; 3) complete replacement of traditional light bulbs with LED light bulbs. These plans have short-term, mid-term as well as long-term goals. We have achieved our goals for 2021, and even reached our mid-term goal for the first plan.

Energy Management Plan in ASMedia's Office

Energy Management Plan			
Goals	Short-term goals (2021)	Mid-term goals (2022-2026)	Long-term goals (After 2027)
Installation of a complete energy efficient air conditioning system in the MIS server room		100% replaced	
Replacement of split air conditioners with frequency conversion air conditioners	10% replaced	40% replaced (by 2025)	70% replaced (by 2028) 100% replaced (by 2032)
Replacement of traditional light bulbs with LED light bulbs	90% replaced	100% replaced (by 2026)	

2017-2021 Energy Intensity and Percentage Reduction in Energy Consumption



2017-2021 Energy Statistics

Year	2017	2018	2019	2020	2021
Electricity usage (kWh)	753,081	705,601	692,129	718,060	1,028,641
CO ₂ emissions (Mt CO ₂ e)	417.206	376.085	352.293	360.466	523.578
CO ₂ emissions (GJ)	2711.091	2540.163	2491.664	2585.016	3703.108
Energy Intensity	91.098	68.247	66.515	36.997	61.626

Note:
1. The electricity carbon emission factor is 0.554 Kg CO₂e/kWh for 2017, 0.533 Kg CO₂e/kWh for 2018, 0.509 Kg CO₂e/kWh for 2019, 0.502 Kg CO₂e/kWh for 2020, 0.509 Kg CO₂e/kWh for 2021.
2. Based on GRI's reporting standards, GHG emissions should be reported in metric tons of CO₂ equivalent.
3. For GHG emissions, ASMedia uses the Operational Control approach for reporting its sustainability data.
4. Energy Intensity: Annual energy use divided by revenue (GJ/NT\$100 million)

Energy Conservation

ASMedia promotes energy saving among employees by actively implementing several energy conservation measures. In 2021, ASMedia's annual energy use intensity (i.e., annual energy use divided by revenue, GJ/NT\$100 million) reduced by 32.4% from our 2017 base year. This indicates ASMedia's strong commitment to energy efficiency. Our source of electricity comes from Taipower. ASMedia's energy conservation measures are summarized as follows:

- Conduct energy awareness activities to encourage our employees to turn off lights or appliances when they do not need them.
- Conduct daily regular energy-saving inspections on each office floor. Turn off the lights for one hour during lunch break.
- Encourage our employees to use stairs instead of taking elevators during working hours.
- Use energy-saving LED lights in the office area.
- Use motion sensor lights in the stairwells to prevent lights from turning on unnecessary.
- Reduce the usage of paper by continuously migrating paper files to a digitized filing system and optimizing the entire processes. The goal is to go paperless.
- Organize the "10,000 steps" campaign daily to encourage all the staff to take the stairs when traveling between floors, so that we can get a good workout and save energy at the same time.

The electricity saving performance and concrete plans and goals are summarized in the following table:

2020-2021 Electricity Saving Plans and Performances

Year	Action Plan	Reduced Electricity Use (kWh)	Reduced Energy Use (GJ)	Reduced CO ₂ e (Mt CO ₂ e)	Return on Environmental Investments (NT\$)	2022 Goal for Reduced Electricity Use (Mt CO ₂ e)
2020	Replacement with energy efficient lights	5,050	18.18	2.57	28,987	-
2021	Replacement with energy efficient lights	5,518	19.86	2.809	21,217	0.0006
	Replacement with energy efficient Acs	787	28.32	0.400	4,515	1.056

Note:
1. Purchased electricity 1 kWh=0.0036 GJ.
2. According to the Bureau of Energy at the Ministry of Economic Affairs, the electricity CO₂ emission factor is 0.502 Kg CO₂e/kWh for 2020 and 0.509 Kg CO₂e/kWh for 2021.

Air Quality Management

As a global citizen, ASMedia takes as its responsibility to continue disclosing information about greenhouse gas (GHG) emissions, even though we have not adopted ISO 14064-1 in 2021. Taking 2017 as our base year, we measured GHG emissions across Scope 1, Scope 2 and Scope 3, and calculated the GHG emission intensity by dividing the GHG emissions by the annual revenue.

In 2021, ASMedia's total GHG emissions increased significantly from our 2017 base year, which was due to both the changes in calculation methodology in Scope 1 and Scope 2 and the addition of suppliers' carbon emissions to Scope 3. The GHG emission intensity was reduced to 9.028 metric tons of CO₂ equivalent (CO₂e) per NT\$100 million in revenue, which decreased 36% from our base year (14.041 metric tons of CO₂e/NT\$100 million revenue). This is an important achievement.

We choose 2017 as our base year for GHG emission, as it was the first year when we started collecting data about Scope 1, Scope 2 and Scope 3 emissions. Having worked with the external consultants and discussed the carbon offset projects with the related internal units many times, we decided to use 2017 as the base year against which GHG emission reductions in the future are measured. This allows us to track carbon emissions and measure carbon performance in a more effective way.

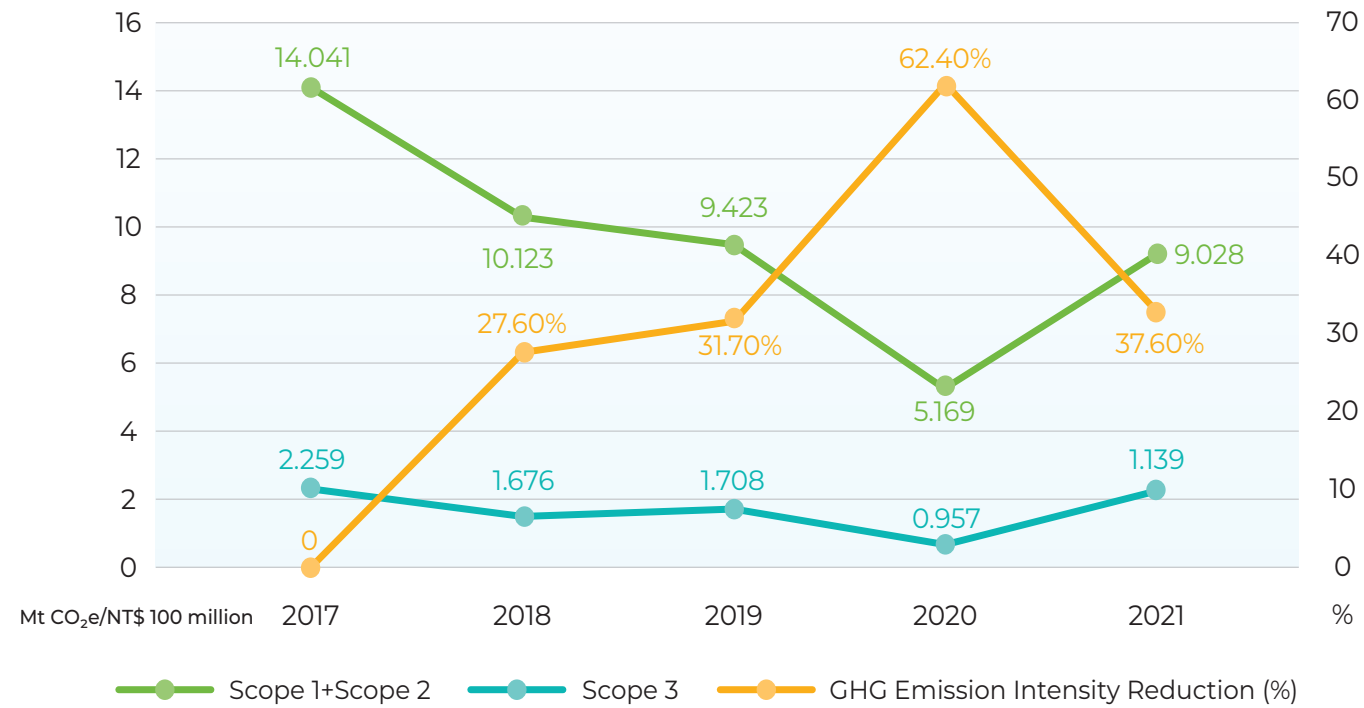
While we kept working with professional GHG consultants to improve GHG management and assessment, they suggested that we adopt a new method to measure GHG emissions in 2021. Hence, there is a big difference between the data disclosed in 2021 and the data disclosed in 2020. In addition, the considerable increase of electricity consumption in Scope 2 was due to R&D energy consumption, which accounted for about 95.8% of electricity. The operations used 4.2% of electricity. We currently do not have the capacity to reduce the electricity consumption. However, we have set up a digitized electricity control system in the server room, and are drawing up new plans in order to reach our goal of reducing energy consumption. We will evaluate whether to buy green certificates or not. As for Scope 3 emssions, we have started including the data of suppliers' carbon emissions since 2021, so we expect to see changes of data after the inclusion.

In ASMedia's GHG management planning, we hope to reach our goal through saving electricity and reducing carbon footprint in the workplace. A detailed list of goals is as follows:

GHG Management Plan

GHG Management Plan		
	Area	2022 Goal for Reduced CO ₂ e (Mt CO ₂ e)
Scope 2	Lights in the office	0.0006
	ACs in the office	1.506
Scope 3	Office waste	0.17

2017-2021 GHG Emission Intensity in ASMedia's Office (Mt CO₂e/NT\$ 100 million)



2017-2021 ASMedia's GHG Emission Intensity (Mt CO₂e/NT\$ 100 million)

Year	2017	2018	2019	2020	2021
Scope 1					
Scope 2	14.041	10.123	9.423	5.169	9.147
Scope 3	2.259	1.676	1.708	0.956	294.097
Carbon Dioxide (CO ₂)	16.278	11.780	11.112	6.116	302.810
Methane (CH ₄)	0.022	0.018	0.019	0.010	0.399
Hydrofluorocarbons (HFCs)	0	0	0	0	0.035

Note:

1. GHG Emission Intensity = GHG Emissions / Revenue (Mt CO₂e/NT\$ 100 million)
2. 2017 revenue: NT\$2.976 billion; 2018 revenue: NT\$3.722 billion; 2019 revenue: NT\$3.746 billion; 2020 revenue: NT\$6.987 billion; 2021 revenue: NT\$6.009 billion.

2017-2021 ASMedia's GHG Emissions by Type (Mt CO₂e)

Year	2017	2018	2019	2020	2021
Scope 1	0.662	0.681	0.709	0.761	26.093
Scope 2	417.206	376.085	352.293	360.466	523.578
Scope 3	67.235	62.369	63.975	66.831	17672.265
Carbon Dioxide (CO ₂)	484.441	438.455	416.269	432.324	18195.843
Methane (CH ₄)	0.657	0.675	0.703	0.755	24.005
Hydrofluorocarbons (HFCs)	0.005	0.005	0.005	0.005	2.088

Note:

1. The electricity carbon emission factor is 0.554 Kg CO₂e/kWh for 2017, 0.533 Kg CO₂e/kWh for 2018, 0.509 Kg CO₂e/kWh for 2019, 0.502 Kg CO₂e/kWh for 2020, and 0.509 Kg CO₂e/kWh for 2021.
2. For GHG emissions, ASMedia uses the Operational Control approach for reporting its sustainability data.
3. Scope 1 includes CO₂ emissions for wastewater treatment and refrigerants in ASMedia's office.
4. Scope 2 includes CO₂ emissions for electricity used in ASMedia's office.
5. Scope 3 includes all the employees' carbon emissions (fuel), waste emissions, and carbon emissions from manufacturing by suppliers.



Water Management

According to the World Resources Institute (WRI) 2019-2020 Annual Report, about one fourth of the world population across 17 countries are facing water scarcity. In view of the importance of preserving water resources, ASMedia treasures water resources and is committed to disclosing its water use. All the water that ASMedia uses comes from Taipei Water Department's Feitsui Reservoir.

As more extreme weather events are unfolding, Taiwan faces drought crisis even though surrounded by seas. Therefore, ASMedia has imposed various water restrictions to conserve water. For instance, we have installed the rooftop water tower and built a basement water storage tank, which can hold a total of 44 metric tons of water. These measures are implemented to provide water for emergency situations, such as water shortages or water outages, and can last for five working days to maintain the operations.

ASMedia strives to implement water conservation measures, including installing water flow restrictors in the pantry rooms and restrooms and holding regular activities to promote water saving tips. The water use intensity decreases gradually each year. In 2021, the water use intensity was 36.911 (metric tons of water divided by annual revenue), which dropped by 40% compared to 2017. The positive results indicate that ASMedia has continually worked hard on promoting water conservation, and that we have saved water by avoiding wasting valuable water resources.

ASMedia's water management plan includes installing water flow restrictors in the pantry rooms and restrooms. We anticipate that each person will be able to save up to 1% of water on average by 2022. ASMedia's overall performance of water conservation in 2021 is summarized in the following table:

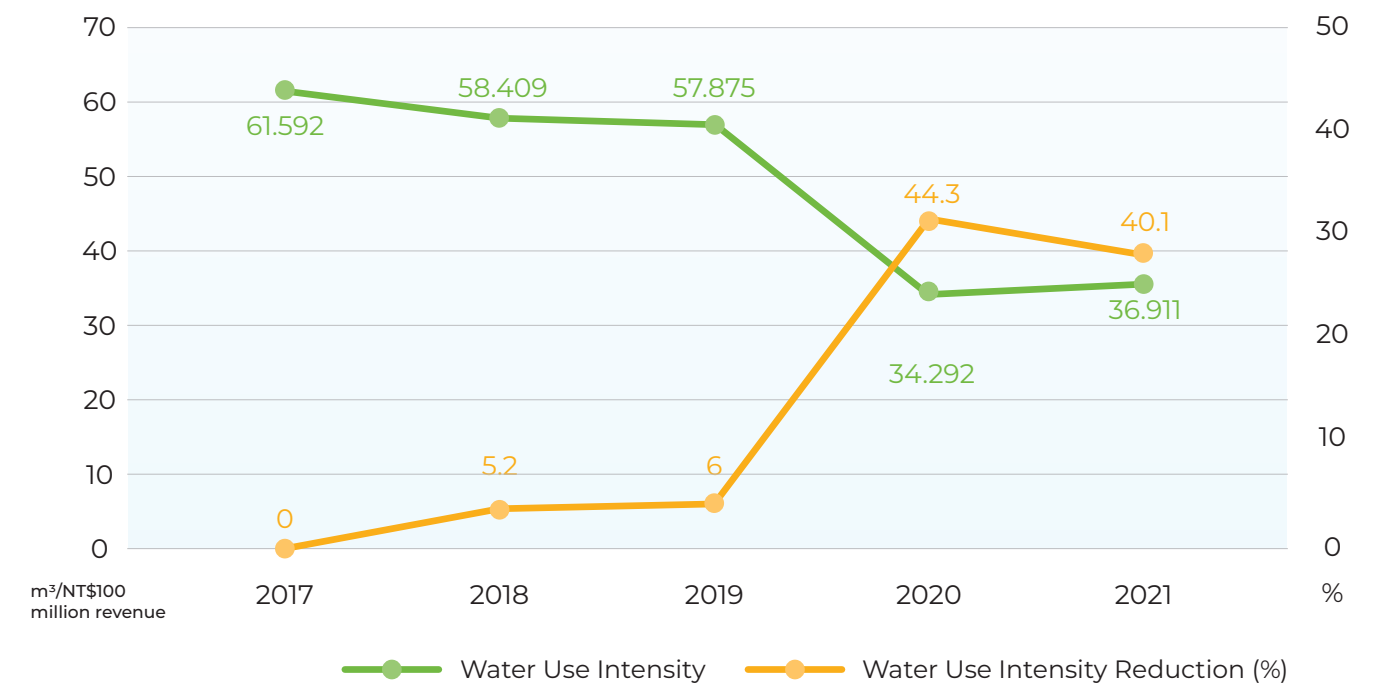
Water Management Plan

Year	Action Plan	Reduced Water Use (m ³)	2022 Goal
2021	Install water flow restrictors in the pantry rooms and restrooms	33	Save up to 1% of water on average per capita
	Install dual flush toilets to save water	184	

2021 ASMedia's Water Saving Action Plan and Performance

Year	Action Plan	Reduced Water Use (m ³)	Reduced Water Consumption (Megaton)	Reduced CO ₂ e (Mt CO ₂ e)	Return on Environmental Investments(NT\$)
2021	Install flow restrictors in faucets	33	0.00003	0.002	164
	Install dual flush toilets	184	0.00018	0.011	919

2017-2021 Water Use Intensity and Water Use Intensity Reduction (%)



2017-2021 Total Water Use and Carbon Footprint of Water Use

	2017	2018	2019	2020	2021
Total Water Use (m ³)	1,833	2,174	2,168	2,396	2,218
Carbon Footprint of Total Water Use (Kg CO ₂ e)	127.576	144.571	137.234	138.968	122.877
Water Use Intensity	61.592	58.409	57.875	34.292	36.911
Indoor Water Use Intensity (Indoor WUI)	1.2746	1.3092	1.2897	1.3196	1.0509

Note:

- Carbon Footprint of Water Use = Total water use (m³) x Kg CO₂e per m³ of water use (based on the data from Taiwan Water Corporation for that year).
- The CO₂ emission factor for water use is 0.0696 Kg CO₂/m³ for 2017, 0.0665 Kg CO₂/m³ for 2018, 0.0633 Kg CO₂/m³ for 2019, 0.0580 Kg CO₂/m³ for 2020, and 0.0554 Kg CO₂/m³ for 2021.
- Water Use Intensity = Total Water Use / Revenue (m³/NT\$ 100million)
- Indoor Water Use Intensity = Total Water Use / office area (gal/m²)

ASMedia Joined the "Do One Thing for Tamsui River" Campaign

As the rapid economic development and busy economic activities alike have caused considerable harm to the environment, ASMedia has been actively seeking a balance between economic development and environmental protection. Taiwan is an island which is known for its substantial water resources, and yet human activities have caused pollution in the water and rivers. For instance, nearly 3% of the Tamsui River in New Taipei City is seriously contaminated, which is a result of both domestic and industrial wastewater discharges. The adverse impact of water pollution in the river has been felt in the freshwater ecosystem and the 8 million Tamsui River basin residents.

To tackle this issue, ASMedia joined the "Do One Thing for Tamsui River" campaign on May 28, 2020. We acknowledged and signed the Tamsui River Convention initiated by the CSR@CommonWealth Magazine. ASMedia's 240 employees took action to support the campaign, including carrying out green procurement, enforcing the environmental audit of our suppliers and working together with 189 other local companies to revive water resources. ASMedia will continue to set up environmental initiatives and take action to join environmental activities. Our goal is to become a sustainable company that has a minimal negative impact on the environment, society, and economy.



[Do One Thing for Tamsui River Campaign Website](#)

Waste Reduction, Recycling and Reuse

In ASMedia, we adopt several key measures for reducing waste in the workplace. For instance, we have reduced a lot of waste paper since the Enterprise Information Portal (EIP) system was introduced to the organization. The EIP system also helps save a huge amount of time during the application and signing processes, increasing the administrative efficiency as well as cutting carbon emissions caused by paper production.

Since we integrated the EIP system into the company in April 2013, we have saved approximately 64,748 pieces of paper. As one piece of A4 size paper costs about NT\$0.15, we have saved a total of NT\$9712.2. Furthermore, ASMedia adopts the SASB Standards to disclose recycling of hazardous waste. In 2021, the recycling rate of hazardous waste in the IC design phase was 61.11%, and recycling rate in the packaging phase was 70.04%.

In addition to promoting waste reduction and recycling in the workplace, we collaborate with the entire supply chain to reduce use of raw materials and alleviate environmental impact from production. By continuously using innovative environmental technologies, we reduce material use and maximize the value of materials along the production, and transition to a circular economy. At the same time, we have strict waste flow control mechanisms and audit mechanisms for qualified vendors to ensure proper and legal treatment of waste and strengthen sustainability in our business. In 2021, there was no leakage of pollution nor protests from local residents that caused ASMedia to shut down; the company continued to operate in a normal routine. ASMedia was also not liable for any significant environmental fines. The measures that are implemented to reduce waste are summarized as follows:

- Set up recycling bins and outsource office waste management.
- Implement waste segregation and waste dry cell battery recycling.
- Send wafer scrap and test boards to the certified environmental protection company for proper disposal so as to reduce the direct impact on the environment.
- Give away eco-friendly utensils and straws to the staff and encourage them to reduce waste of resources by using these utensils. In 2017, 217 employees received eco-friendly utensils.
- Recycle food waste to reduce impact on the environment.



ASMedia strictly implements waste segregation in order to reach our goal of waste reduction.

Green Procurement

ASMedia holds firm beliefs that corporate growth and ecological environment can co-exist and grow together. Through the green procurement program or environmentally preferable purchasing—the procurement of products and services that have minimized or reduced environmental effects, we support products that are characteristic of low energy consumption, chemical safety, recyclability and low environmental impacts, such as LED lighting, laptops labelled with Energy Star, eco-friendly ink and toner cartridges at work, and paper from "Paper From Farmed Trees," which supports preservation of native forests and sustainable ecological system.

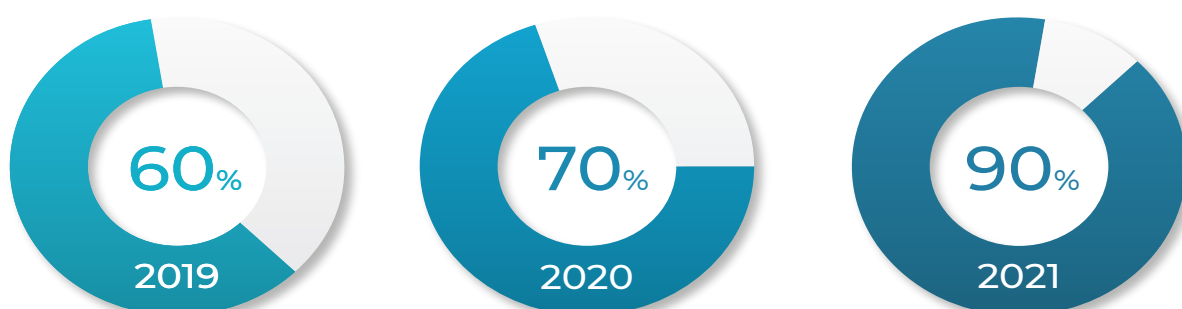
- We began replacing computers with laptops labelled with Energy Star since 2017 and to date 100% of our employees' laptops have the energy efficiency label.
- Our investment in eco-friendly office equipment and supplies has increased by 32%.
- We have gradually replaced traditional lights with LED lights, and until 2021, the proportion of LED lights has reached 90%, up by 20% compared to 2020.

In terms of waste reduction, we have already achieved our short-term goal, and in the office only eco-friendly napkins are provided. Our mid-term goal is to reduce one-half metric ton of garbage, and we hope to achieve this goal by encouraging all our employees to flush their toilet paper down the toilet. We also contract out the other types of waste management services to qualified firms to ensure reduction of carbon emissions and minimization of waste. Through green purchasing, 89% of the total products in the office have been replaced with green products. Our mid-term goal is to have 90% of office equipment and supplies to be replaced with green products by 2024.

2019-2021 Proportion of Office Equipment & Supplies with Environmental Labels



2019-2021 Proportion of Energy-Efficient Lighting



We carry out green procurement, and buy eco-friendly products or products labelled with energy efficiency. This helps minimize environmental pollution.



Eco-friendly Paper



Energy Efficient Refrigerator



First Grade Energy Efficiency Label

Environmental Protection Plan

Environmental Protection Plan

Category	Short-term goal (2021)	Mid-term goal (2022-2026)
Waste Reduction: Eco-friendly Napkins	Completed.	-
Waste Reduction: Flush Dissolving Toilet Paper Down the Toilet	-	Reduce one-half metric ton of waste (by 2022)
Green Procurement for Office Equipment and Supplies	89% Completed	90% Completed (by 2024)

2021 Recycling, Reuse & Certifications

2021	Item	Unit (Kg)	Carbon Emission Factor	Carbon Emissions Saved from Recycling(Kg CO ₂ e equivalent)	Recycling Rate	Certification
Hazardous	Chip	800	731.94	585552	69%	ISO 9001, ISO 45001
	Peripheral Device	281.26	Recycling Carbon Emission Measure	68.06	24%	
	Test Board	83.7	8.18	684.666	7%	ISO 9001, ISO 45001, ISO 14001
Non-hazardous	Confidential Document	240	0.242	58.08	2%	National Association for Information Destruction (NAID)
	Office Waste	11043	-	-	-	
	Total Waste (metric ton)	12.448	Total Carbon Emissions Saved from Recycling	586.363		

Chapter

9 Employees



Supporting a Diverse and Inclusive Workplace

Our employees are our most valuable asset. We strive to create a happy and healthy workplace that allows each employee to reach their true potential, continually make progress, feel passion for their work and life, and most importantly, find a balance between work and life.

By the end of 2021, the total number of employees in ASMedia was 246, including 9 managers and 237 non-managerial employees. Men accounted for 80% of all employed workers, while women accounted for 20%. Until 2021, ASMedia has 6 women in management positions, which accounts for 12% of all the female workers. Based on the internal statistics, the number of women in ASMedia is increasing year after year.

In addition, 71% of the employees are between the ages of 31 and 50 years. The employees of these age groups are vital to the society, as they are the heart of the nation's workforce. ASMedia provides a relatively stable and positive work environment for our employees to grow in the job market. We have a high employment rate of people of these age groups, and therefore help contribute to a stable and harmonious society. Our goal is create a work environment where each employee can thrive and be happy.

In the future, we will continue to improve gender equality in the workplace and protect gender diversity of our employees at all levels in order to remain competitive in world markets.

2021 ASMedia's Employees and Contractors

Category	Subcategory	Men		Women		Total	
		Number	%	Number	%	Number	%
Nationality	Taiwan	196	79.7	50	20.3	246	100
	Foreign nationals	0	-	0	-	0	-
Subtotal		196	79.7	50	20.3	246	100
Employee/Contractor	Employee	194	79.5	50	20.5	244	100
	Contractor	2	100.0	0	0.0	2	100
Subtotal		196	79.7	50	20.3	246	100
Managerial/Nonmanagerial	Managerial	59	90.8	6	9.2	65	100
	Nonmanagerial	137	75.7	44	24.3	181	100
Subtotal		196	79.7	50	20.3	246	100
Age	21-30 years	24	63.2	14	36.8	38	100
	31-40 years	74	78.7	20	21.3	94	100
	41-50 years	67	83.8	13	16.3	80	100
	51-60 years	30	90.9	3	9.1	33	100
	61-65 years	1	100.0	0	0	1	100
Subtotal		196	79.7	50	20.3	246	100
Educational Attainment	Doctoral degree	2	100.0	0	0	2	100
	Master's degree	120	90.9	12	9.1	132	100
	Bachelor's degree	74	66.1	38	33.9	112	100
	High school or less than a high school diploma	0	-	0	-	0	-
Total		196	79.7	50	20.3	246	100

Note: The data was collected until December 31, 2021.

2020 ASMedia's Employees and Contractors

Category	Subcategory	Men		Women		Total	
		Number	%	Number	%	Number	%
Nationality	Taiwan	202	81.1%	47	18.9%	249	100
	Foreign nationals	0	-	0	-	0	-
Subtotal		202	81.1%	47	18.9%	249	100
Employee/Contractor	Employee	199	80.9%	47	19.1%	246	100
	Contractor	3	100.0%	0	0.0%	3	100
Subtotal		202	81.1%	47	18.9%	249	100
Managerial/ Nonmanagerial	Managerial	55	90.2%	6	9.8%	61	100
	Nonmanagerial	147	78.2%	41	21.8%	188	100
Subtotal		202	81.1%	47	18.9%	249	100
Age	21-30 years	33	73.3%	12	26.7%	45	100
	31-40 years	76	79.2%	20	20.8%	96	100
	41-50 years	68	85.0%	12	15.0%	80	100
	51-60 years	24	88.9%	3	11.1%	27	100
	61-65 years	1	100.0%	0	0.0%	1	100
Subtotal		202	81.1%	47	18.9%	249	100
Educational Attainment	Doctoral degree	2	100.0%	0	0.0%	2	100
	Master's degree	119	90.8%	12	9.2%	131	100
	Bachelor's degree	81	69.8%	35	30.2%	116	100
	High school or less than a high school diploma	0	-	0	-	0	-
Total		202	81.1%	47	18.9%	249	100

Note: The data was collected until December 31, 2020.

2019 ASMedia's Employees and Contractors

Category	Subcategory	Men		Women		Total	
		Number	%	Number	%	Number	%
Nationality	Taiwan	191	80.3%	47	19.7%	238	100
	Foreign nationals	0	-	0	-	0	-
Subtotal		191	80.3%	47	19.7%	238	100
Employee/Contractor	Employee	189	81.1%	44	18.9%	223	100
	Contractor	2	40.0%	3	60.0%	5	100
Subtotal		191	80.3%	47	19.7%	238	100
Managerial/ Nonmanagerial	Managerial	52	86.7%	8	13.3%	60	100
	Nonmanagerial	139	78.1%	39	21.9%	178	100
Subtotal		191	-	47	-	238	100
Age	21-30 years	36	76.6%	11	23.4%	47	100
	31-40 years	67	74.4%	23	25.6%	90	100
	41-50 years	70	86.4%	11	13.6%	81	100
	51-60 years	18	90.0%	2	10.0%	20	100
	61-65 years	0	-	0	-	0	-
Subtotal		191	80.3%	47	19.7%	238	100
Educational Attainment	Doctoral degree	1	100.0%	0	0.0%	1	100
	Master's degree	115	92.0%	10	8.0%	125	100
	Bachelor's degree	75	67.0%	37	33.0%	112	100
	High school or less than a high school diploma	0	-	0	-	0	-
Total		191	80.3%	47	19.7%	238	100

Note: The data was collected until December 31, 2019.

Competitive Compensation Package

ASMedia provides competitive salaries to recruit and retain talent. The compensation strategies we use lay the foundation for our company to grow steadily and make progress in a sustainable way. We share the value of equal pay for equal work. Regardless of their gender, both men and women receive equal pay for work of equal value based on their work experience and education.

Our employees get both fixed pay and variable pay. Fixed pay is the employee's actual monthly salary based on a market analysis of comparable positions and salaries, duties, professional abilities and current supply and demand in labor markets, and therefore will be adjusted when necessary. Variable pay includes year-end bonuses, dividends and performance-based bonuses. According to the Business Next, ASMedia's employees earned an average of annual salary of NT\$3.605 million, and ranked 10th highest among the public companies in Taiwan. This indicates that ASMedia's competitive compensation package boosts the morale of our employees and creates a positive impact on the overall operations.

Furthermore, we have established the Remuneration Management Regulations and the Performance Bonus Regulations, and regularly communicate these regulations to our employees through the new employee orientation and the internal mail system. The relevant policies, systems, standards and structures for the performance goal and compensation have also been established. In addition, both the Remuneration Committee and the Board of Directors will evaluate and examine the salaries and rewards of managers based on their abilities, performances and contributions to the company before approving their salary ranges and benefits. This procedure is to ensure sufficient transparency of corporate governance and compensation structure. In 2021, ASMedia's average annual salary for non-executive employees was approximately NT\$2.475 million, 45% higher than the average salary for employees in the industry. The median wage for non-executive workers in Taiwan in 2021 was about NT\$1.984 million.

**2021 Average annual salary for a
non-managerial employee**

NT\$2.475 million

Equality and Diversity in the Workplace

Newly hired employees in 2021 included 14 men and 8 women. The total number of employees who left the company was 20, with 17 being men and 3 women. The employee turnover rate was 8.1%. ASMedia will continue to create a balance between work and life for our employees, enhance the managers' skills, and provide career development opportunities for our employees in order to retain staff and reduce employee turnover.

In addition, ASMedia respects gender equality. Regardless of their job titles, both men and women receive equal pay for work of equal value based on their work experience and education. ASMedia does not discriminate in pay based on sex, age, nationality, race and so forth. By the end of 2021, the ratio of the average salary for full-time employed men to the average salary for full-time employed women was 1:1. ASMedia also provides job opportunities for people with physical or mental disabilities, and each year, the number of people with disabilities we hire complies with local rules and laws.

2021 New Employee Hires and Employee Turnover by Age Group and Gender

Category	Subcategory	Men		Women		Total	
		Number	%	Number	%	Number	%
New Employee Hires	21-30 years	7	29.2	7	50.0	14	36.8
	31-40 years	5	6.8	1	5.0	6	6.4
	41-50 years	2	3.0	0	0.0	2	2.5
	51-60 years	0	N/A	0	N/A	0	N/A
	61-65 years	0	-	0	-	0	-
Total of New Hires		14	7.1	8	16.0	22	8.9
Employee Turnover	21-30 years	5	20.8	2	14.3	7	18.4
	31-40 years	8	10.8	1	5.0	9	9.6
	41-50 years	4	6.0	0	0.0	4	5
	51-60 years	0	-	0	-	0	-
	61-65 years	0	-	0	-	0	-
Total of employees that left		17	8.7	3	6.0	20	8.1

Note:

1. The rate of new employee hires is calculated by dividing the number of new hires in each age group by the total number of employees hired in each age group.
2. The employee turnover rate is calculated by dividing the number of employees that left the company in each age group by the total number of employees hired in each age group.

2020 New Employee Hires and Employee Turnover by Age Group and Gender

Category	Subcategory	Men		Women		Total	
		Number	%	Number	%	Number	%
New Employee Hires	21-30 years	10	30.3	4	33.3	14	31.1
	31-40 years	4	5.3	2	10.0	6	6.3
	41-50 years	1	1.5	0	0.0	1	1.3
	51-60 years	1	4.2	0	0.0	1	3.7
	61-65 years	0	-	0	-	0	-
Total of New Hires		16	7.9	6	12.8	22	8.8
Employee Turnover	21-30 years	7	21.2	1	8.3	8	17.8
	31-40 years	1	1.3	4	20.0	5	5.2
	41-50 years	0	-	0	-	0	-
	51-60 years	0	-	0	-	0	-
	61-65 years	0	-	0	-	0	-
Total of employees that left		8	4.0	5	10.6	13	5.2

2019 New Employee Hires and Employee Turnover by Age Group and Gender

Category	Subcategory	Men		Women		Total	
		Number	%	Number	%	Number	%
New Employee Hires	21-30 years	9	25.0	8	72.7	17	36.2
	31-40 years	5	7.5	2	8.7	7	7.8
	41-50 years	1	1.4	0	0.0	1	1.2
	51-60 years	1	5.6	0	0.0	1	5
	61-65 years	0	-	0	-	0	-
Total of New Hires		16	8.4	10	21.3	26	10.9
Employee Turnover	21-30 years	3	8.3	2	18.2	5	10.6
	31-40 years	2	3.0	1	4.3	3	3.3
	41-50 years	3	4.3	0	0.0	3	3.7
	51-60 years	0	-	0	-	0	-
	61-65 years	0	-	0	-	0	-
Total of employees that left		8	4.2	3	6.4	11	4.6



Employee Welfare



Employee Welfare Program

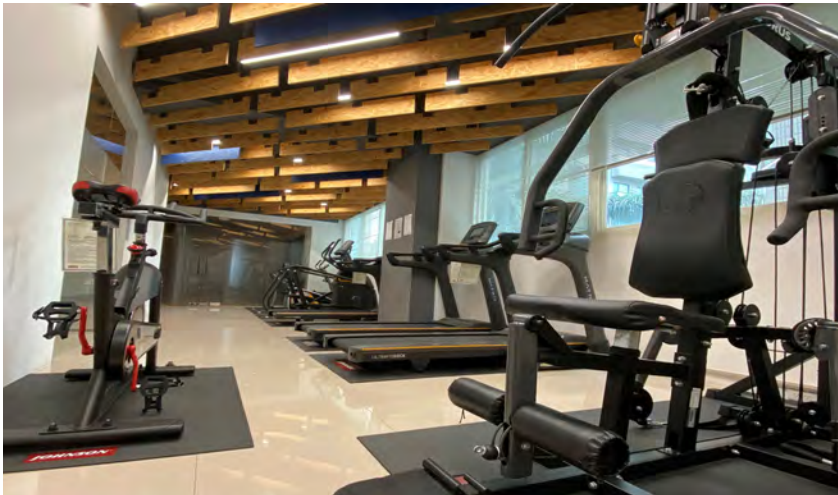
To protect the rights and interests of our employees and improve team cohesiveness at work, ASMedia provides a comprehensive welfare system for both our employees and contractors. In addition to the labor rights, health insurance, special leave, maternity leave, and parental leave, we provide sufficient and diversified employee benefits, such as 14 months of salary, vacation days, life insurance, medical insurance, disability insurance, pension, emergency relief, birthday gifts, performance bonuses, wedding and childbirth gifts, funeral grants, various allowances and so on. We also provide flexible time off for employees to care for their children.


We also set up the Employee Welfare Committee under the Employee Welfare Fund Act and applicable rules. We set apart 0.08% of total monthly sales for the employee welfare. The committee is responsible for managing holiday gifts, year-end banquet prizes, birthday gifts, funeral/wedding grants, company trips, and club activities.

The employee welfare measures are summarized in the following table:

Employee Welfare Measures

	Welfare Measures	Description and Performance
Bonuses & Benefits	Employee Long Service Awards	<p>Our employees will be awarded for 5, 10, 15 years cumulative service. We are grateful for all these workers who have worked hard for ASMedia, and will provide them with medals for their dedication to the company. The award is given each year on a regular basis.</p> 
	Festival Gifts & Bonuses	<p>To show our appreciation for the hard work of our employees, we offer gifts and cash for three important festivals: Spring Festival, Dragon Boat Festival and Mid-Autumn Festival.</p>
Health Promotion	Onsite Health Clinics	<p>We take care of our employees' health through providing onsite health clinics and the Employee Assistance Program (EAP). Our employees can find the reliable health providers in the clinic to manage their health.</p>
	Massage Service by Therapists with Vision Impairment	<p>We hire professional massage therapists to provide services in the company. Appointments are open to our employees every week. The total number of persons who used the massage service reached 1,776 by the end of December, 2021.</p> 
	Health Checkups	<p>We conduct health checkups for all our workers once a year, including full-time employees and contractors who have passed a probation period of three months. By 2021, each employee was in good health. For those with health issues or chronic diseases, we will follow up with them on a regular basis to ensure their health and safety at work.</p>

	Welfare Measures	Description and Performance
Health Promotion	Hosting Sporting Events	<p>To encourage our employees to exercise more and maintain their health, we hold weight loss and walking competitions. In the weight loss competition, the top 3 winners will receive NT\$6,000, NT\$5,000, and NT\$3,000 respectively. Completion awards will be given to those who both complete the entire competition and participate in the health promotion lectures. In 2021, the number of participants was 63, and the number of participants who finished the competition was 62. The completion rate of employees was 14.8%, higher than previous year. In the walking competition, the top 3 winners will receive NT\$3,600, NT\$2,500, and NT\$2,000 respectively. The participants who reach 8,000 average number of steps and participate in three health promotion lectures will be rewarded with the convenience store coupon of NT\$300.</p> <div> <div> Workplace Health Promotion Program <p>We encourage our employees to develop a healthy lifestyle and enhance their knowledge of health management. We hope they can get into good habits, exercise regularly and eat healthy meals through these activities.</p> <p>We are holding two health promotion activities and encourage everyone to join us!</p> </div> <div> Healthy Curves for Summer: Fat Loss Competition </div> <div> Walk Together: Walking Fast Competition </div> </div>
	Sports Clubs	<p>To promote better physical and mental health of the employees, we run many sports clubs, and also provide semiannual grants based on evaluation results. Our employees can choose any club from yoga, jogging, basketball, softball, etc. By the end of 2021, 42% of our employees participated in either of the above clubs. The cumulative amount of grants we have provided is NT\$2,351,168.</p>
	Exercise Equipment	<p>We set up a gym specifically for our employees, and have a yoga room and ping pong tables at the office.</p> 

	Welfare Measures	Description and Performance
Comprehensive Facilities	Maternal Health Protection Facilities	<p>We set up a lactation room that will meet female workers' lactation needs. The facility is better than minimally required by the Act of Gender Equality in Employment. New mothers can enjoy their privacy while breastfeeding their baby. The establishment of such a space is to ensure gender equality, as women's rights are human rights and need to be protected.</p>
	Staff Lounge	<p>We set up a staff lounge to create a comfortable leisure space for employees. Tea, coffee and magazines are offered free of charge throughout the day. The space is for our employees to find a balance between life and work.</p> 
	Shower Facilities	<p>We provide shower facilities at the office, including toilets with bidet attachments, shower rooms, and so on. These facilities are regularly cleaned and sanitized to maintain a clean and hygienic environment.</p>
Employee Care	Employee Assistance Program	<p>We develop the Employee Assistance Program (EAP) that encompasses five major services to help our employees: legal, financial, psychological, medical and management services.</p>
	Corporate Tour	<p>We organize the company tour once a year to improve relationships and boost employee morale. However, due to the COVID-19 outbreak in 2021, we have suspended the company tour. Money in the company tour fund will be accumulated until 2022.</p>
	Childcare Allowance	<p>In response to the government's measures to boost fertility and help parents handle the stress of a newborn, we offer parental leave and monthly childcare allowances of NT\$3,000 to employees until their children turn 4 years old.</p>
	Employee Childcare Benefits	<p>We have contracted childcare services from outside our company, and these nurseries and childcare centers are located near our office. Our employees can utilize the childcare benefits to reduce their stress and eliminate worry while arranging care for their children during working hours.</p>
	Car Parking Subsidy	<p>We provide parking subsidies to employees.</p>
	Department Party	<p>We hold quarterly department parties to improve employee working relationships and create a sense of belonging in the ASMedia family.</p>
	Afternoon Tea	<p>We provide afternoon tea once a month.</p>



We encourage our employees to maintain good health. The establishment of various sports clubs provides ways for our employees to stay healthy and build good relationships with their colleagues.

Labor/Management Relations

ASMedia does not have a labor union or an occupational safety and health committee. Nonetheless, we still hold regular meetings to promote labor-management cooperation, build harmonious labor-management relationships, improve working conditions, and design an employee benefits program under Article 83 of the Labor Standards Act.

Whenever there is any important organizational change, we will inform the employees in advance. We comply with the Labor Standards Act, and based on Article 16 of the Act, we will give the affected employees the legal minimum amount of notice depending on how long they have worked for ASMedia. When we terminate a labor contract according to the Act, we will protect their labor rights and reduce the impact as much as possible. ASMedia has not engaged in any merger or acquisition activities that affect the majority of employees within these three years, and there were no major layoff events involved (i.e., layoff that affects 10% of employees or over 1000 employees).

Pension Plan

We care about retired employees, and have established employee retirement plans. The Labor Standards Act (old pension system) requires that the employers contribute to the labor pension, and therefore we contribute a designated percent of the monthly salary to the labor retirement reserve account each month. This fund is solely used for retirement and is supervised by our Labor Pension Reserve Supervisory Committee. The committee deposits the fund in the Bank of Taiwan (Trust Department) that handles the deposit, expense, safeguard and use of such funds.

For employees applicable to the Labor Pension Act (new pension system), we contribute 6% of each employee's monthly salary to their individual labor pension account at the Bureau of Labor Insurance of the Ministry of Labor. The monthly salary is based on the "Table of Grades of Insurance Salary" approved by the Executive Yuan.

Maternity Protection Program

Our maternity protection program is in compliance with Article 31 of the Occupational Safety and Health Act. We provide a safe, hygienic, healthy and friendly workplace for pregnant employees, female employees after childbirth and breastfeeding employees to protect their physical and mental health.

After six months of employment and before each child reaches the age of three, our employee or the contractor may apply for unpaid parental leave up to a maximum of two years. The employee or contractor can continue to have the original social insurance during unpaid parental leave.

2021 Employee Parental Leave Statistics

	Men	%	Women	%	Total
(a) Total number of employees that were entitled to parental leave in 2021	13	5.3%	4	1.6%	17
(b) Total number of employees that took parental leave in 2021	0	-	0	-	0
(c) Total number of employees due to return to work in 2021 after taking parental leave	0	-	0	-	0
(d) Total number of employees that did return to work in 2021 after taking parental leave	0	-	0	-	0
(e) Total number of employees that returned to work in 2020 after parental leave	0	-	0	-	0
(f) Total number of employees that returned to work in 2020 after parental leave ended that were still employed 12 months after their return to work	0	-	0	-	0
Rate of employees that did take parental leave: b/a	-	-	-	-	-
Return to work rate: d/c	-	-	-	-	-
Retention rate: f/e	-	-	-	-	-

Note:

(a) Estimated number of employees that took maternity or paternity leave in the past three years (2019-2021).

(b) Total number of employees that took unpaid parental leave in 2021.

(c) Total number of employees that took unpaid parental leave and were expected to return to work in 2021.

(d) Total number of employees that were expected to return to work in 2021 and did return to work.

(e) Total number of employees that took unpaid parental leave and returned to work in 2020.

(f) Total number of employees that took unpaid parental leave and returned to work in 2020 and were still employed a year later (i.e., still employed at the end of 2021).

2020 Employee Parental Leave Statistics

	Men	%	Women	%	Total
(a) Total number of employees that were entitled to parental leave in 2020	14	5.6%	6	2.4%	20
(b) Total number of employees that took parental leave in 2020	0	-	1	0.4%	1
(c) Total number of employees due to return to work in 2020 after taking parental leave	0	-	2	0.8%	2
(d) Total number of employees that did return to work in 2020 after taking parental leave	0	-	2	0.8%	2
(e) Total number of employees that returned to work in 2019 after parental leave	1	0.4%	0	-	1
(f) Total number of employees that returned to work in 2019 after parental leave ended that were still employed 12 months after their return to work	1	0.4%	0	-	1
Rate of employees that did take parental leave: b/a	-	-	16.7%	-	5%
Return to work rate: d/c	-	-	100%	-	100%
Retention rate: f/e	100%	-	-	-	100%

Note:

(a) Estimated number of employees that took maternity or paternity leave in the past three years (2018-2020).

(b) Total number of employees that took unpaid parental leave in 2020.

(c) Total number of employees that took unpaid parental leave and were expected to return to work in 2020.

(d) Total number of employees that were expected to return to work in 2020 and did return to work.

(e) Total number of employees that took unpaid parental leave and returned to work in 2019.

(f) Total number of employees that took unpaid parental leave and returned to work in 2019 and were still employed a year later (i.e., still employed at the end of 2020).

2019 Employee Parental Leave Statistics

	Men	%	Women	%	Total
(a) Total number of employees that were entitled to parental leave in 2019	16	6.7%	7	2.9%	23
(b) Total number of employees that took parental leave in 2019	1	0.4%	1	0.4%	2
(c) Total number of employees due to return to work in 2019 after taking parental leave	1	0.4%	0	-	1
(d) Total number of employees that did return to work in 2019 after taking parental leave	1	0.4%	0	-	1
(e) Total number of employees that returned to work in 2018 after parental leave	0	-	0	-	0
(f) Total number of employees that returned to work in 2018 after parental leave ended that were still employed 12 months after their return to work	0	-	0	-	0
Rate of employees that did take parental leave: b/a	6.3%	-	14.3%	-	8.7%
Return to work rate: d/c	100%	-	-	-	100%
Retention rate: f/e	-	-	-	-	-

Note:

(a) Estimated number of employees that took maternity or paternity leave in the past three years (2017-2019).

(b) Total number of employees that took unpaid parental leave in 2019.

(c) Total number of employees that took unpaid parental leave and were expected to return to work in 2019.

(d) Total number of employees that were expected to return to work in 2019 and did return to work.

(e) Total number of employees that took unpaid parental leave and returned to work in 2018.

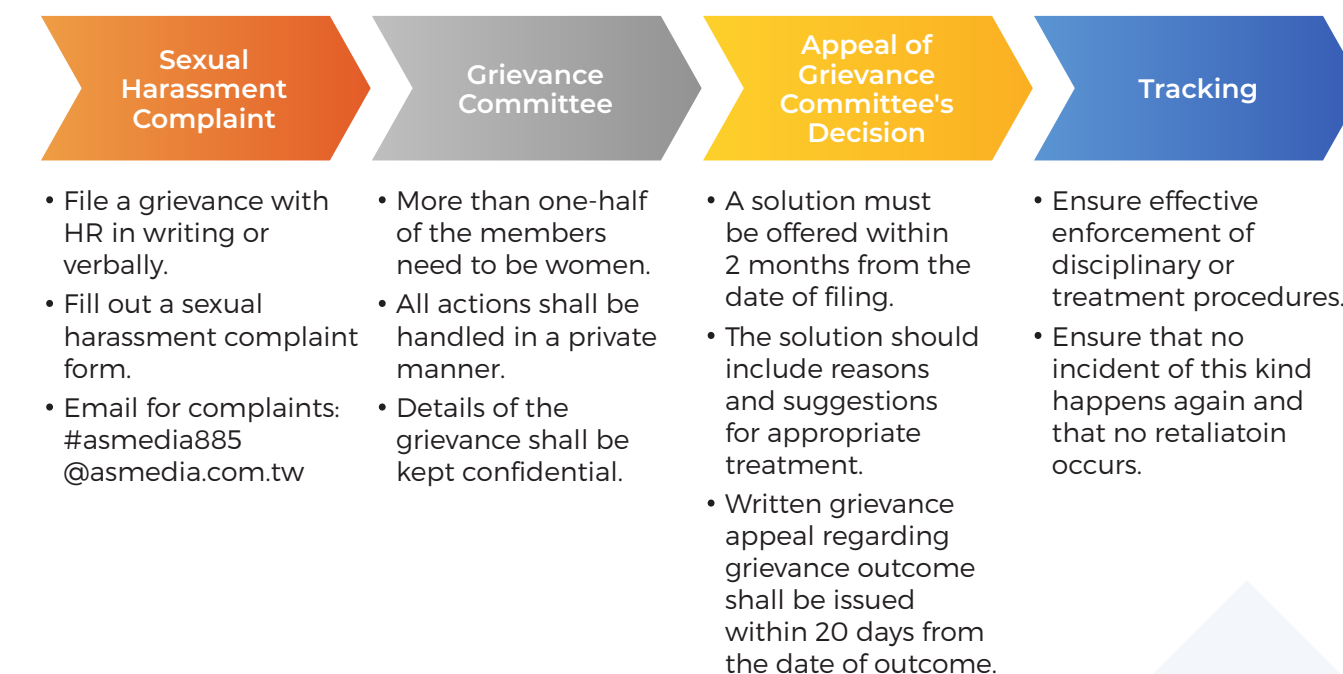
(f) Total number of employees that took unpaid parental leave and returned to work in 2018 and were still employed a year later (i.e., still employed at the end of 2019).

Labor and Human Rights Policy

ASMedia is committed to promoting labor rights policy, protecting our employees' occupational safety and health, building a good employer-employee relationship and creating a sustainable environment. In compliance with the GRI Standards: Disclosure 2-24 Embedding policy commitments, we have set out relevant rules to regulate our employees' conduct in order to protect the labor rights. We believe that each employee should be treated and respected fairly. Our concrete actions are summarized as follows:

ASMedia protects gender equality rights and our employees' self-esteem. In compliance with the national laws such as the Act of Gender Equality in Employment, we have established the female workers' protection procedures, sexual harassment prevention and treatment measures, and the employee grievance mechanism. We have set up the sexual harassment helpline and mailbox to handle the situations. We also require that these issues need to be resolved within two months after the grievance or complaint is received. This is to guarantee that we take these issues seriously and avoid any delayed processes. We want to make sure that each of our employees is well protected. Since our grievance mechanism started operating in 2021, we have one confirmed case of sexual harassment, and we handled the case in a proper way.

Sexual Harassment Complaint SOP



To protect our employees' rights and strengthen occupational safety, we have launched an occupational violence declaration and implemented occupational violence management procedures and the grievance Mailbox at #asmedia885@asmedia.com.tw. We protect our workers from suffering physical or psychological abuse when performing their duties. We prohibit any workplace violence, threat, intimidation, or harassment against, or by, any of our customers, employees or managers. We will promptly investigate allegations and pursue action to mitigate any adverse safety impacts.



Workplace Violence Declaration QR Code

ASMedia strives to build a healthy work relationship and develop open communication with our employees. We have reached our goal to protect labor rights during the reporting period, including:

Human Rights Principles

1	<ul style="list-style-type: none"> • Human Rights and Labor Compliance Standards <p>ASMedia complies with local laws, and supports and respects international labor rights and regulations.</p>
2	<ul style="list-style-type: none"> • Labor Rights <p>All employee contracts are compliant with local laws and regulations.</p>
3	<ul style="list-style-type: none"> • Prevention of Forced Labor <p>ASMedia will not use or tolerate the use of forced, debt bonded or involuntary labor in our business. The employment contract is signed based on mutual consent and in compliance with the laws.</p>
4	<ul style="list-style-type: none"> • Prevention of Child Labor <p>ASMedia will not employ anyone under the age of 16 in any position, and workers under the age of 18 should not perform hazardous work, overtime, or night shift work.</p>
5	<ul style="list-style-type: none"> • Working Hours <p>Working hours are not to exceed the maximum set by local law. An employee can work no more than 40 hours per week, unless in case of emergency, or in case of abnormal situations. Maximum overtime hours should not exceed 46 hours per month. A worker must have at least two rest days every seven days.</p>
6	<ul style="list-style-type: none"> • Wages and Benefits <p>ASMedia expects employee compensation to comply with applicable wage laws, including those related to minimum wages, overtime hours and legally mandated benefits. Under the Labor Standards Act, the worker shall get paid overtime wages using the relevant basis.</p>
7	<ul style="list-style-type: none"> • Prevention of Inhumane Treatment <p>We forbid inhumane treatment or any kind of violence, including sexual harassment, verbal and physical abuse or bullying.</p>
8	<ul style="list-style-type: none"> • Nondiscrimination <p>ASMedia prohibits sexual harassment and discrimination in any form in the workplace. We do not discriminate against employees on the basis of race, gender, marital status, political affiliation, or religious belief when considering hiring, evaluating and promoting employees. The principles also apply to those who do business with ASMedia.</p>

Extensive Training Programs for Employee Development

ASMedia provides the internal staff—both full-time employees and contractors—with a large resource for career development. ASMedia offers a wide variety of trainings based on the various needs of each department. In 2021, each employee received an average of 2 hours of training. The number of training hours dropped a little bit in 2021 due to the COVID-19 pandemic, as there were fewer in-person training activities. The education and training program includes a variety of topics, such as business management, product marketing, skills and technologies, and manufacturing. Furthermore, we started offering courses about sustainability since 2020, so that our employees can understand the concepts of the SDGs, core values of sustainability development and concrete actions. We have made sustainability a part of our company DNA, and continued to develop sustainability talent in ASMedia.

Meanwhile, we help our employees increase knowledge about important issues such as legal compliance, information security, occupational safety, health and sanitation, and gender equality. Through a variety of training programs, they will obtain interdisciplinary skills and carve out a career path that brings them joy and happiness. We have provided various learning platforms for our employees to continue their learning. For instance, in addition to the physical class, ASMedia's E-learning Class has officially started in November 2021, and coming along with it is a satisfaction survey with online learning. The satisfaction survey is carried out after each course is completed. We have a team of people that plan classes, promote learning, organize activities, develop talents, update and improve occupational skills.

With the advent of digitization, the trend of online learning has been further driven by the COVID-19 pandemic. As the online learning platform provides learners with a flexible schedule and learning environment, the learners are able to plan study time around the rest of their day. This makes balancing work and learning more possible and reduces the learning cost that the company needs to pay.



2019-2021 Training Topics and Hours (Hour)

	2019	2020	2021
Business Management	839	596	921.5
Product Marketing	288	135	54
Technical Skills	296	49	147
Production (Hour)	0	0	0
Others (Hour)	360	0	246.5
Total Number of Training Hours	1783	780	1369
Total Number of Classes (Sessions)	40	15	29
Total Number of Attendance (Person)	722	227	691
Average Number of Training Hours per Person	2.5	3.4	2

Hours of employee training

10,426

Between 2013 and 2021

Employee training sessions

281

Between 2013 and 2021



Occupational Safety and Health

ASMedia is committed to creating a positive and health work environment, and has taken our employees' safety as our priority. We met the standards for the physiological, sociopsychological and personal health work environment. We managed to provide a healthy work environment and also introduced several measures to protect the safety of employees. As a result, we earned the "Badge of Accredited Healthy Workplace" from the Health Promotion Administration (HPA) at the Ministry of Health and Welfare. In 2025, we plan to get the official certification of ISO 45001.

Earned "Badge of Accredited Healthy Workplace" from the HPA
for 3 consecutive years

Safe

Build a Safe and Healthy Workplace

- Each entrance/exit is equipped with the access control device, and the main entrances/exits are also guarded by security personnel to protect the safety of employees.
- All the electrical and mechanical equipment, including fire alarms and fire extinguishers, are maintained and repaired on a yearly, quarterly and monthly basis to ensure that they are in the best possible condition at all times.
- Fire drills are conducted regularly every year to ensure that all employees understand how to keep safe in the workplace and know how to respond properly in case of emergencies.
- We have also bought public liability insurance to increase protection of employees.

Healthy

- We implement smoke-free policies and set up an onsite fitness center as well as adequate medical services in the office.

Badge of Accredited Healthy Workplace from the HPA



Improving Employee Health and Wellbeing

Being one of the class-leading high-speed IC design companies in Taiwan, ASMedia has actively promoted employee health and wellbeing. When we protect the physical and mental health of our employees, we are increasing our company's profitability, as employees are our best asset. We have an annual health checkup program for our employees, including full-time employees and contractors who have passed a probation period of three months, and the program consists of both a general health checkup package and a special checkup package. There will be onsite nurses and doctors to provide health education classes and track our employees' health after they receive the health examination results. By the end of 2021, none of our employees was diagnosed with any serious disease caused by their job duties.

2021 Number of Employees Diagnosed with Serious Health Problems

0

2019-2021 Employee Health Management

Year	2019	2020	2021
Number of employees who had health checkups	221	233	239
Number of employees with mild illnesses	17	18	23
Number of employees with serious illnesses	5	10	6

Health Consultation Service by Doctors

Doctors and nurses provide health counseling services in the workplace so that our employees can enjoy their right to health and satisfy their need.

Health Consultation Service by Doctors

Doctors' Health Consultation Hours

We encourage our employees to make use of this service.

Please make an appointment by pressing the Voting Button.

- ★ Physical examination report consultation
- ★ Musculoskeletal health consultation
- ★ Health education consultation
- ★ Medical symptoms consultation

Please bring your physical examination report dated within the last two years. The content of the consultation will be kept confidential.

#Your Health. We Care.

Health Consultation Service by Nurses

Nurses' Health Consultation Hours

We encourage our employees to make use of this service.

Please make an appointment by pressing the Voting Button.

- ★ Physical examination report consultation
- ★ Musculoskeletal health consultation
- ★ Health education consultation
- ★ Medical symptoms consultation

Please bring your physical examination report dated within the last two years. The content of the consultation will be kept confidential.

#Your Health. We Care.

We develop the Employee Assistance Program (EAP) that encompasses various kinds of services to handle our employees' problems, including health issues, family problems, legal cases, psychological problems and other things that may affect their work performance. These services consist of both internal and external professional resources which will provide timely assistance to our employees.

- **Counseling Services:** We contract with Teacher Chang so that our employees can use the counseling services provided by their professional counselors and advisors.
- **Onsite Clinics:** Fully qualified medical doctors and nurses provide healthcare services in a convenient location at the workplace.
- **Legal Services:** The services are provided through the internal electronic legal service system.
- **Medical Counseling Services:** The counsellors make recommendations regarding employees' health conditions after the results of physical examinations are ready.
- **Corporate Life Insurance Counseling Service:** Check the contact point at the China Life Insurance Company.
- **Workplace Abuse/Sexual Harassment/Suggestion Hotlines:** Report to the Whistleblower System/Workplace Violence Complaint Mailbox.
- **Self-care:** During the pandemic all employees shall measure body temperatures and enter the data into the Health Management and Self-Care Monitoring System.
- **Health Information Updates:** We regularly update health information on the bulletin boards and the company's intranet site. When the outbreak of COVID-19 started in 2020, we immediately collected and sent relevant information about prevention measures to our employees.



Occupational Safety and Health Trainings for Employees

ASMedia provides occupational safety and health trainings for both newly hired and current employees to equip them with necessary knowledge about occupational safety.

To prevent similar occupational accidents from happening again, we also provide trainings on the occupational accidents. We help our employees understand the cause of the accident by carrying out accident investigations and relevant analyses. By doing so, we hope to reduce occupational accidents and strengthen our employees' health and safety.

Each year, we hold many health education activities and disseminate health information relating to such matters as infectious disease prevention and control, diet and health, and exercise promotion. These measures are used to convey the importance of physical and mental health of employees and create a healthy workplace.

Number of occupational health and safety promotion events

17

Between 2013 and 2021

Number of COVID-19 health promotion messages

42

Between 2020 and 2021

2019-2021 Health Promotion Messages

Year	Target Audience	Message
2021	All staff	<ul style="list-style-type: none"> • Talk and listen carefully. • Stay positive, and don't stress yourself out. • In nothing be anxious, but do take care of yourself. • Let calm settle over you even in chaos, and you shall find the way to stay healthy both physically and mentally.
2020	All staff	<ul style="list-style-type: none"> • COVID-19 health promotion messages: Infectious disease prevention and control messages, promotion of vaccination, outbreak footprint survey, etc.
2019	All staff	<ul style="list-style-type: none"> • Measles awareness. • Enterovirus awareness. • Fat loss competition: Convey the correct concept of exercise and healthy diet.

Preventing Occupational Accidents

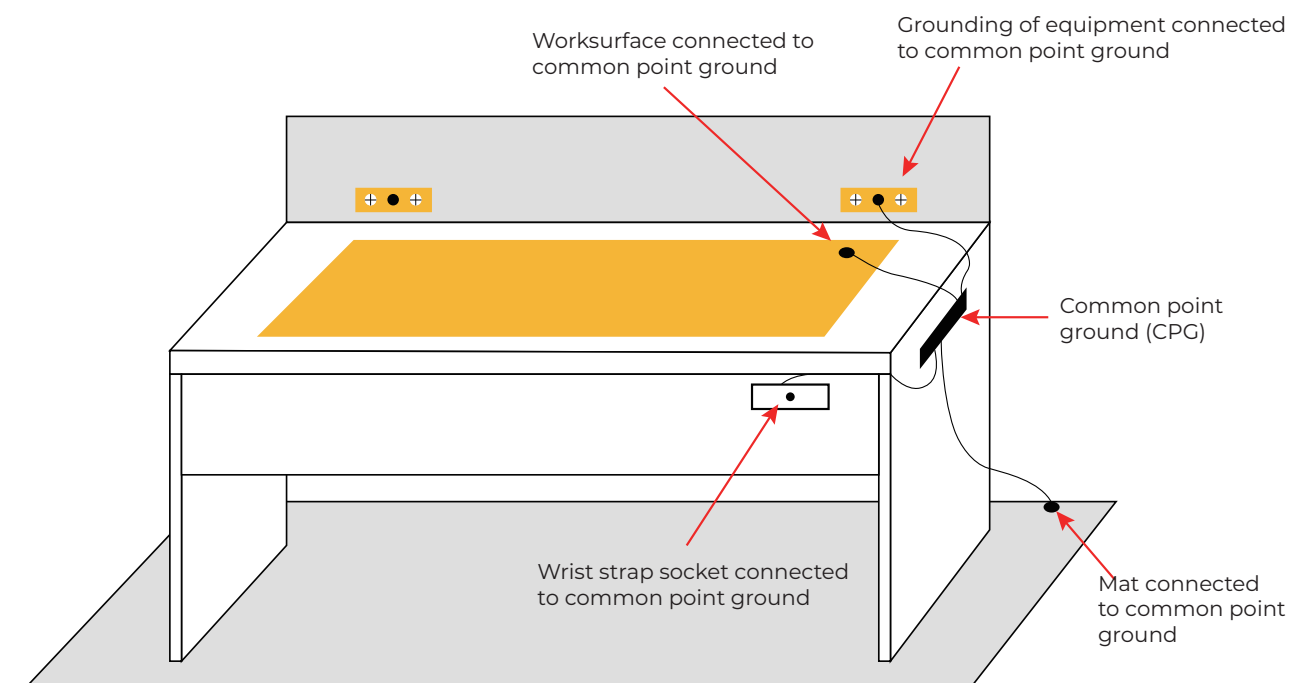
We care about the health and safety of our employees. By the end of 2021, there was no illegal activity involved in the employees' health and safety. To manage occupational safety and health and prevent any occupational diseases and accidents from happening, we have designed seven aspects in our planning:

7 Aspects of Occupational Safety and Health Management



7 Aspects	Measures	Responsible Unit
Safety and Health Management	<ul style="list-style-type: none"> ASMedia is a fabless IC design company and conducts business in a leased commercial building in the city. To ensure the safety of our employees, we install the access control device in each entrance/exit and each elevator, and the main entrance/exit is also guarded by security personnel. In addition, we have a security system that is connected to the security company 24 hours a day. We install a comprehensive fire alarm system in our office building and regularly conduct various disaster preparedness drills so that our staff have an opportunity to practice their responses and reduce disaster losses. We perform environmental surface cleaning and disinfecting, carry out regular drinking water quality assessments from water dispensers, inspect the air conditioning system, and place air purifiers in the office. All these procedures are done on a regular basis. We promote a smoke-free workplace by developing and implementing a 100% smoke free policy. The efforts that we make to provide a healthy work environment have made us earn the "Badge of Accredited Healthy Workplace" by the HPA. 	Administration Dept.
Safety & Health Education and Training	<ul style="list-style-type: none"> Disaster prevention and first-aid videos are placed on the online education platform. 	HR Dept.
Standard Operating Procedure (SOP) and Job Safety Analysis	<ul style="list-style-type: none"> For the welding process of test boards, we set out the hazardous work practice guidelines, and provide the employees with masks, goggles, anti-static wrist straps, anti-static slippers, smoke extraction equipment and air purifiers in order to reduce immediate and chronic injuries to the employees caused by toxic gases and hazardous liquids produced from welding processes. <ol style="list-style-type: none"> We customize the workstation to prevent large amounts of toxic chemical gases from escaping. Conduct special health examinations of the welding personnel in the annual company's health checkup. For the ESD testing work, we set out hazardous work practice guidelines and strictly implement occupational hazard prevention measures to keep workers safe: <ol style="list-style-type: none"> In accordance with the JEDEC JESD 625 standard, the test platform is connected to the ground wire of the building. Testing personnel are required to wear electrostatic wrist straps when undertaking relevant tasks. <p>Soldering Safety Guidelines</p> <ol style="list-style-type: none"> Turn on electrical switches (such as soldering irons, small fans, hot air guns, etc.) before starting the operation. Must wear protective equipment (mask, goggle, gloves, etc.) before the welding process. Turn on the fume extraction equipment (can be used with a small fan). When using a soldering iron or hot air gun, do not direct hot air directly to people. Turn off all power switches after use. 	Units Which Undertake the Tasks
Safety and Health Inspection	<ul style="list-style-type: none"> We carry out regular drinking water quality assessments from water dispensers, including measurement of Escherichia coli (E. coli) concentration: Every three months We measure carbon dioxide levels: Every six months. We maintain the air conditioners: Once a year. We inspect the fire protection equipment and system: Once a year. We inspect the thermographic camera: Once a year. We hire professional sanitation companies to clean and sanitize the entire office: During the COVID-19 pandemic, every two months; under the level 3 alert, once every week. 	Administration Dept.
Emergency Response	<ul style="list-style-type: none"> The office building where ASMedia's office is located is equipped with a comprehensive fire protection system. Fire drills are conducted regularly to ensure that employees understand how to keep safe in the workplace and know how to respond properly in case of emergencies. 	Administration Dept.
Health Management and Promotion	<ul style="list-style-type: none"> Employee health checkup: Once a year. Employee Assistance Programs (EAP) Massage service by massage therapists who are visually impaired. Health counseling service by nurses: Three times a month, each time for two hours. Health counseling service by doctors: Three times a year. 	HR Dept.
Safety and Health Activities	<ul style="list-style-type: none"> Update about health information and promotions. Health promotion activities. 	HR Dept.

Equipment Grounding



Occupational Accidents

The major occupational accidents in ASMedia are usually due to falls, pinch points, bruises, cuts and so on, none of which leads to serious occupational injuries. Whenever an occupational injury occurs, we will immediately notify the the personnel administration division to give proper treatment. The following data includes all the occupational injuries of our employees (including full-time employees and contractors):

In the event of an occupational injury accident, the reporting procedures are as follows:

Major Occupational Accidents

The following occupational injuries are reported to the labor inspection agency in the jurisdiction where the accident takes place within 8 hours via internet or phone:

- Fatal accident.
- The number of workers who have a permanent total disability, a permanent partial disability and temporary total disability caused by the accident reaches 3.
- The accident leads to at least 1 person having to be hospitalized after diagnosis (excluding hospitalization for observation).

Other Accidents

For the other occupational accidents, we regularly report to the labor inspection agency every month via internet.

Workplace Injury Management Procedure



Rate of Fatalities as a Result of Work-related Injury = (Number of Fatalities as a Result of Work-related Injury/Number of Hours Worked) x 1,000,000

Year	2019	2020	2021
ASMedia's office	0	0	0

Note: 1,000,000 is the product of the numbers of 50 (weeks) and 40 (hours/week) and 500 (employees) being multiplied.

Rate of High-consequence Work-related Injuries (excluding fatalities) = (Number of High-consequence Work-related Injuries [excluding fatalities]/Number of Hours Worked) x 1,000,000

Year	2019	2020	2021
ASMedia's office	0	0	0

Note: 1,000,000 is the product of the numbers of 50 (weeks) and 40 (hours/week) and 500 (employees) being multiplied.

Rate of Recordable Work-related Injuries = (Number of Recordable Work-related Injuries/Number of Hours Worked) x 1,000,000

Year	2019	2020	2021
ASMedia's office	0	0	0

Note:

- 1,000,000 is the product of the numbers of 50 (weeks) and 40 (hours/week) and 500 (employees) being multiplied.
- Recordable work-related injuries include injuries associated with office accidents (including minor injuries) and traffic accidents.

Work-related Ill Health Statistics

2019-2021	Employee		
Types of Work-related Ill Health	Number of Cases	Number of Fatalities	Rate of Fatalities
Due to chemical agents	0	0	0
Due to psychosocial hazards	0	0	0
Due to ergonomic issues	0	0	0

- Rate of fatalities = (Number of fatalities as a result of work-related ill health)/ Number of hours worked) x 1,000,000.
- Work-related ill health caused by chemical agents include photokeratitis and respiratory diseases.
- Work-related ill health caused by psychosocial hazards include post-traumatic stress disorder and cerebrovascular diseases.
- Work-related ill health caused by ergonomic issues include carpal tunnel syndrome and spinal disc herniation.

Chapter

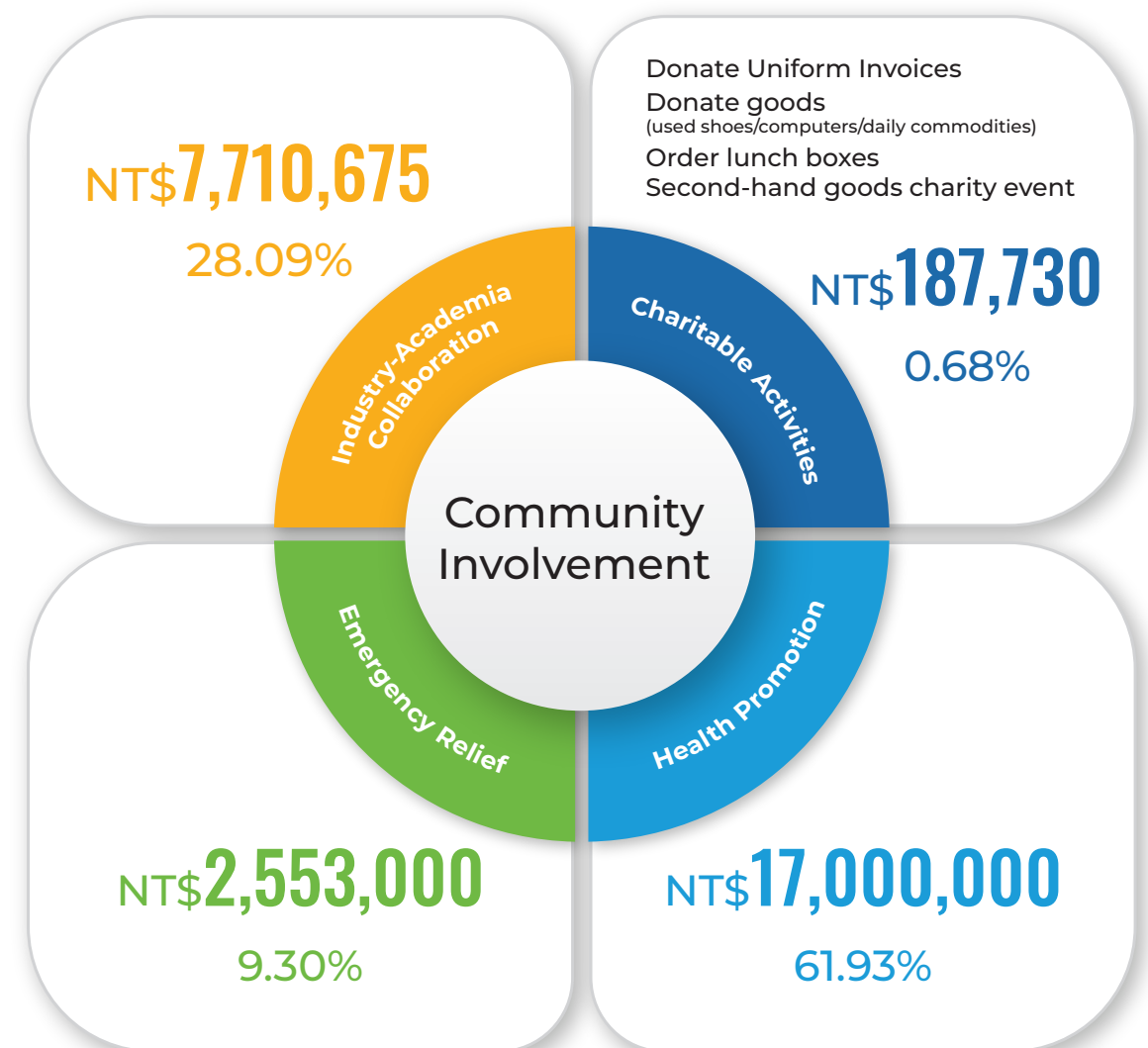
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Community Involvement



ASMedia believes that responsible corporate citizenship calls for the company to contribute to enhancing the quality of life in the communities where we operate as well as establishing creative solutions and creating economic growth in a sustainable way. We have been involved in the community for many years, which goes far beyond communication activities. Our involvement in the community includes supporting the industry-academia collaboration, improving the medical service and resources in local institutions and donating to the public welfare foundations to support vulnerable communities. We work with people from all walks of life to build mutually beneficial partnerships and a sustainable society. Between 2013 and 2021, ASMedia has invested NT\$27,451,405 in community involvement.

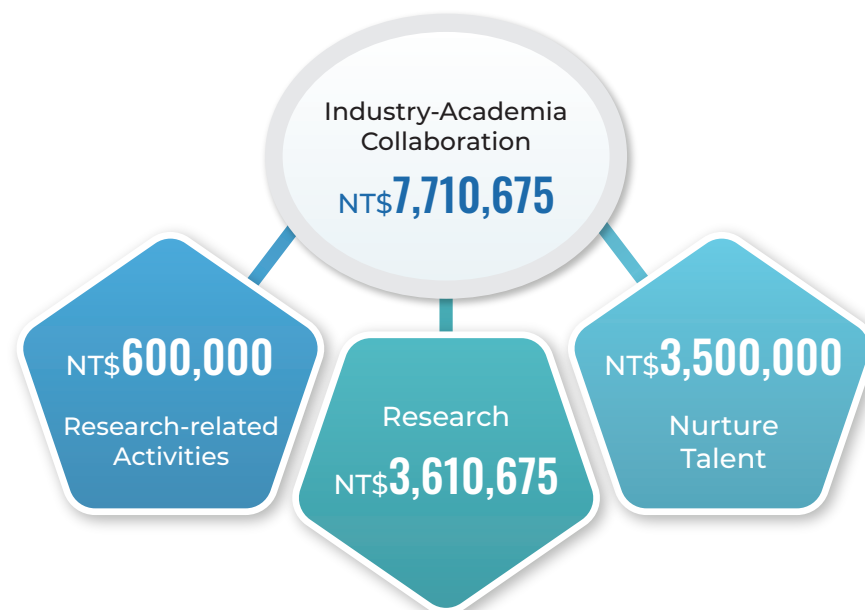
Monetary investments in Community Involvement between 2013 and 2021



Nurturing Young Talent

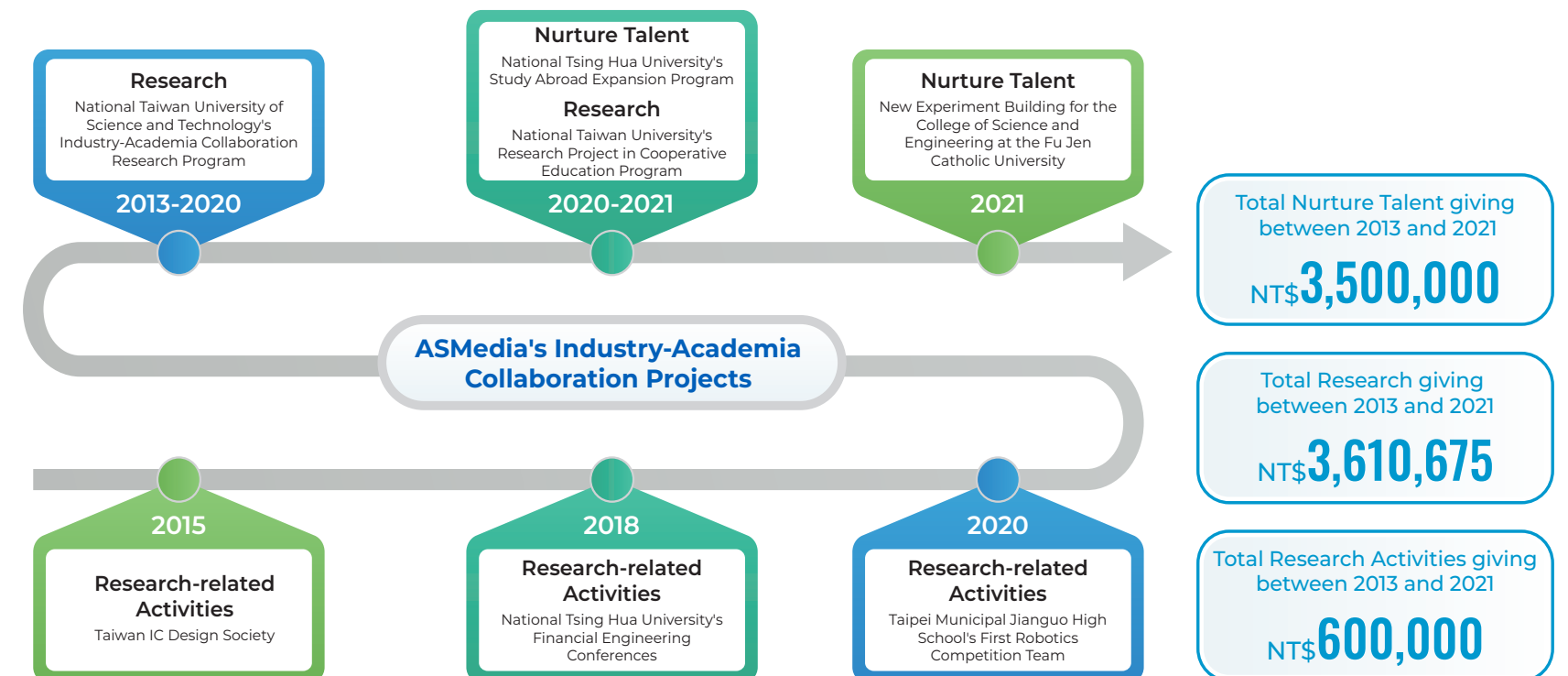
We consider nurturing young talent to be one of the important keys to strengthening our competitiveness in the market, improving the R&D productivity and efficiency, and developing a stable and talented workforce that we need. To this end, we proactively seek industry-academia collaboration opportunities with universities to help future talent bloom by designing projects and providing research funding. Between 2013 and 2021, we have invested a total of NT\$7,710,675 industry-academia cooperation program.

Monetary investments in Industry-Academia Collaboration between 2013 and 2021



We take action for the United Nation's Sustainable Development Goal 4: Equality Education and Goal 8: Decent Work and Economic Growth. Specifically, we work with educational institutions earnestly and create various collaboration opportunities. By inviting industry professionals to share their knowledge and practical experiences with students, the latter can familiarize themselves with technical and professional skills and knowledge during their school years. Moreover, through our campus recruiting efforts, we help increase the rate of employment for young people.

Furthermore, through sponsoring overseas competitions and international conferences, we help broaden students' horizon, as they can interact and coordinate with people around the world. We aim to establish long-term on-campus talent development programs that will provide students with more hands-on experiences and occupational skills, in the hope that they will be able to contribute more to the workplaces in the future.



Sponsored FJCU's New Experiment Building in support of a quality learning environment

When we first learned that the major teaching and research building in the Fu Jen Catholic University (FJCU) was almost 50 years old, and that there was not enough space for teachers and students to work in the building, we were concerned about the development of the College of Science and Engineering and the students' rights to study. Therefore, we decided to help the university build a new research building. By doing this, we hope to provide the students with a better learning environment where they can acquire knowledge and fulfill their true potential. Our goal is to nurture future talent for the industry.

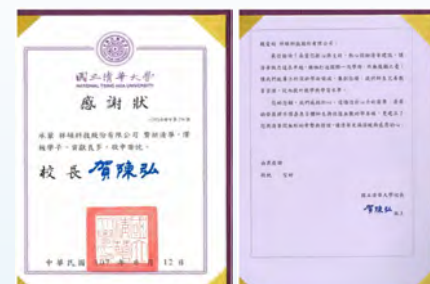
ASMedia sponsored the Fu Jen Catholic University to build the New Experiment Building for the College of Science and Engineering in support of a quality learning environment.





Sponsored NTHU's Study Abroad Expansion Program to make students become top global talent

ASMedia recognizes the importance of broadening students' international horizons. The President Che-Wei Lin donated NT\$5 million to support the Study Abroad Expansion Program of the National Tsing Hua University (NTHU). By incorporating the company's efforts, ASMedia is ready to take corporate social responsibility and prepare students to become top talent in management positions in the future.



ASMedia sponsored NTHU's Study Abroad Expansion Program to nurture world-class talents. This is a program that the College of Technology Management in the NTHU offers to their students, so that their students have more opportunities to become exchange students abroad, get internship experiences, participate in international competitions, attend seminars, and work as volunteers.

Lack of funding in educational institutions in Taiwan often prevents students from pursuing study abroad and unlocking their full potential. Even top universities like NTHU face similar challenges but still work hard to support their students. Whereas the number of students who apply for the exchange student program has increased over the years, only half of the applicants have succeeded in obtaining the funding. Hence, to support the students who hope to study abroad but lack the funds to do so, the College of Technology Management in the NTHU raises funds from local companies to assist students with the expenses of flight tickets. Through this program, the students can fulfil their dreams of pursuing overseas education.

ASMedia's President Che-Wei Lin considers the Study Abroad Expansion Program to be an important step towards nurturing future talent as well, which impelled him to donate money to the program. By supporting the program, we help the university increase internship opportunities for students, promote various forms of international competitions, and allow students to interact, communicate and coordinate with people from different cultures, which will lay the foundation for them to develop a successful career and become top management equipped with global perspectives.



The President Che-Wei Lin donated NT\$5 million to support National Tsing Hua University's Study Abroad Expansion Program and nurture top talent in management positions.



Supported TMJ High School's First Robotics Competition Team to create unlimited possibilities

ASMedia has been working to deal with the artificial intelligence (AI) talent shortage by investing in AI training programs in the educational institutions. For instance, we sponsored Taipei Municipal Jianguo (TMJ) High School's First Robotics Competition (FRC) Team so that the high school students can take primary charge of planning and acquire knowledge and skills of mechanical engineering. In addition, we provide professional teachers' network to nurture more competitive talent with high innovation potential. We take the initiative to facilitate industry-academia collaborations and contribute to forming a future smart city.

The FRC Team of the TMJ high school was established in 2019. The goal of the team is to provide a favorable environment for students to develop self-directed learning skills. The students not only create an effective and innovative team management model, but also develop a study plan to engage in learning knowledge and skills about mechanical engineering for ten hours a week. The students can also seek help from the professional tutors' network in the industry to sharpen their skills.

In 2020 FRC Science Park Taichung 5G Pilot Regional, the FRC Team of the TMJ high school won second place and the Creativity Award with their outstanding skills in data strategy and creativity.

With the help from the principal, teachers, strong tutor network in the industry as well as the corporate sponsorship, I realize that self-study is not simply about writing papers or applying for schools, but it allows me to explore the possibilities of setting up my own businesses in the future.



TMJ high school's thank-you letter to ASMedia for our support for the FRC Team.



TMJ high school's FRC Team won second place and the Creativity Award in 2020 with their outstanding skills and creativity.

Health Promotion



Donating to Medical Institutions and Foundations

ASMedia cares about the physical and mental health of employees; therefore, we donate to both the institutions that focus on sports and disease prevention activities and medical institutions that focus on disease treatment activities. By donating to the sport-related associations, we can promote sports. By donating to the medical institutions and related foundations, we facilitate medical research and medical practices, and improve the quality of our national health system.



ASMedia has devoted considerable effort to sponsor various medical institutions in order to improve the country's medical resources and healthcare environments.

We joined the WPG Ladies Open donation campaign and promoted healthy lifestyles and grassroots sports.

ASMedia's recent practices to promote health and well-being:

Sponsored the Good Liver Foundation to promote liver disease prevention and medical equipment

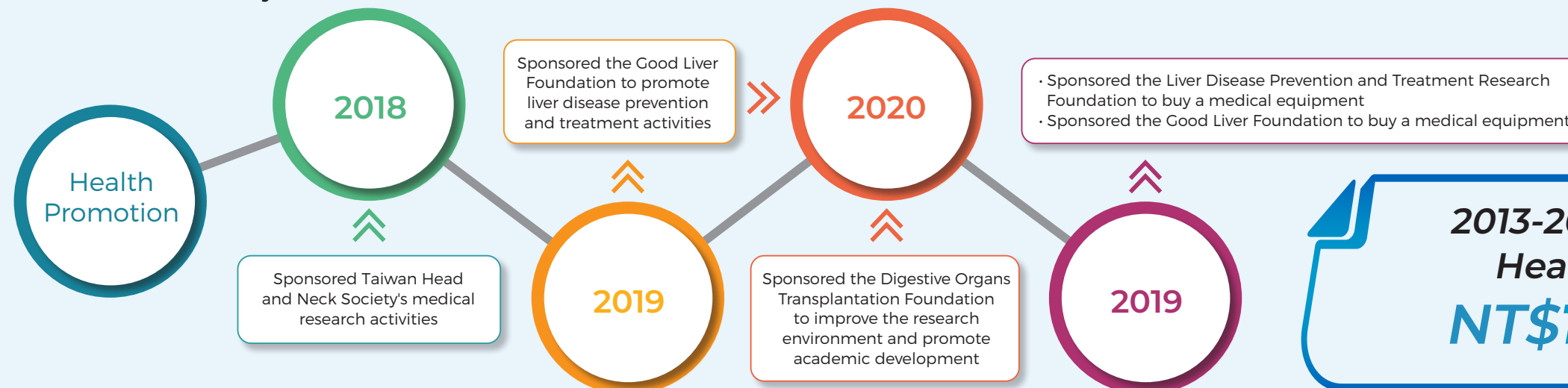
Sponsored the Liver Disease Prevention and Treatment Research Foundation to buy medical equipment

Sponsored 2021 WPG Ladies Open organized by the Taiwan Professional Golf Association (TPGA)

Sponsored the Digestive Organs Transplantation Foundation to improve the research environment and promote academic development

Sponsored Taiwan Head and Neck Society's medical research activities

Health Promotion Projects



2013-2021 Total spend on Health Promotion
NT\$17,000,000

Engaging in Social Welfare Activities

Our corporate mission is not only to enhance the financial performance, but to make a positive contribution to the society. We are committed to reaching the SDGs and hope to create value with the society through increasing the economic development in vulnerable groups and improving their living conditions. For many years, we have been supporting people who are in need of help through a variety of ways, such as donating to disaster relief efforts and empowering people with disabilities by buying the products they make. Even more ambitiously, we have aligned our engagement in social welfare activities with SDG 4 Quality Education and SDG 10 Reduced Inequalities. We have in mind the sustainability vision that business and society can thrive together as long as we continue taking action to support the society.



Sponsored 2021 Protect Forests Experience Camp to strengthen disaster preparedness since childhood

ASMedia has been concerned about a lack of resources and educational opportunities in rural communities. Hence, we sponsored the 2021 Protect Forests Experience Camp to promote the idea of "respecting, loving and helping the local communities," and influence young people from rural areas to return to their communities. Through the camp, we increased the children's cultural capital and introduced them to activities that will enrich their life experiences in the future. They were inspired by what they learned and eagerly shared their experiences with family and friends. They have become more open-minded, more caring, and also developed a healthier value system. By engaging in activities of this kind, ASMedia hopes to facilitate a peaceful and friendly cycle in the society.



We sponsored the 2021 Protect Forests Experience Camp. We promote environmental protection and life education, and encourage young people to return to their original communities to live and work.



Donating second-hand items, treasuring resources & helping vulnerable communities

Each employee in ASMedia has the virtue of treasuring resources and is grateful for everything we have. We are also willing to share the resources with those who need them, so that even a second-hand, but nearly new product can find its second life. We donated used items to Ping Xi Junior High School, and as the idea of giving used items a second life became so popular among our employees, we decided to hold a charity sale event for second-hand items. We donated all the money gathered from the event to the Eden Social Welfare Foundation. In addition, for those used items that were not sold, we donated them to the 5WayHouse organization. Donating used items makes resources sustainable, and the concept of sustainability can be realized in our daily life.



Charity Sale Event for Used Items: 5WayHouse's Thank-you Letter



Ordering food boxes, supporting charitable organization to operate sustainably

ASMedia holds a genuine belief that, as we benefit from the community, we should give back to the community. We have continued to empower vulnerable groups and people with disabilities through supporting relevant charitable organizations. In 2021, we ordered 250 Mid-Autumn Festival gift boxes from the Sefun Bakery House, 25 Mid-Autumn Festival pomelo boxes from the Andao Social Welfare Charity Foundation, and 250 Spring Festival cookie boxes from the Syin-Lu Social Welfare Foundation. Ordering food boxes from vulnerable groups allows us to give back to the society and create sustainable means to empower those in need.



To encourage and support the charitable institutions to continue serving the society in a sustainable way, ASMedia orders their gift boxes during festivals to convey our love for them.



Donating used computers to bridge the urban-rural digital divide

Being in the semiconductor industry, ASMedia is keenly aware of the convenience and value that digitization has brought about to our life. As we noticed the considerable inconvenience that rural communities have suffered due to inadequate access to digital technology, we began to bridge the urban-rural digital divide as much as we can. In particular, we have engaged in Triple-E Institute's "Your Old Computer is Their New Hope" Campaign for several years. Through donating used computers to schools in rural areas, we have witnessed that children and disadvantaged families retaining their fundamental right to use digital devices and products in the digital age. Participating in this campaign allows us to offer a solution to the digital divide and therefore to reduce inequalities. Furthermore, as the used computers are recycled and reused, we attain our goal of reducing waste and protecting the environment.

Number of used computers distributed to schools

89



Taiwan's Triple-E Institute sent us a thank-you letter for our contribution to bridging the urban-rural digital divide.



Used Shoes Save Lives in Kenya Program

In sub-Saharan African countries, many children die before they turn five years old. Over a million children do not have shoes to wear, and yet they have to walk for an average of 60 to 90 minutes to school every day. As a result, children without shoes are mostly infected with tungiasis, which poses a threat to their lives.

ASMedia understands that many people around the world are still suffering and lacking necessary daily commodities, so we need to help them. We joined the "Used Shoes Save Lives" campaign by the Step30 International Ministries and donated shoes to children in East Africa. A total of 150 pairs of used shoes were donated, in the hope that children can be protected from tungiasis infection and that they can run freely on their land. As we are working to fulfill the SDGs and make the world a better place to live, we will continue to provide humanitarian assistance to the vulnerable communities around the world.

Used Shoes Save Lives Program

The "Used Shoes Save Lives" program is implemented in countries in East Africa, including Kenya, Uganda, Tanzania, Burundi and Rwanda. We also keep an eye on the needs of communities in neighboring countries including Zambia, Democratic Republic of Congo, South Sudan and Eswatini. This program offers opportunities for many young people around the world to come to Africa in person and consider issues of poverty and related problems in a serious way, and collaborate with more than three hundred family churches in Africa, internal organizations around the world and local NGOs to tackle poverty.



[Step30 Website](https://step30.org)

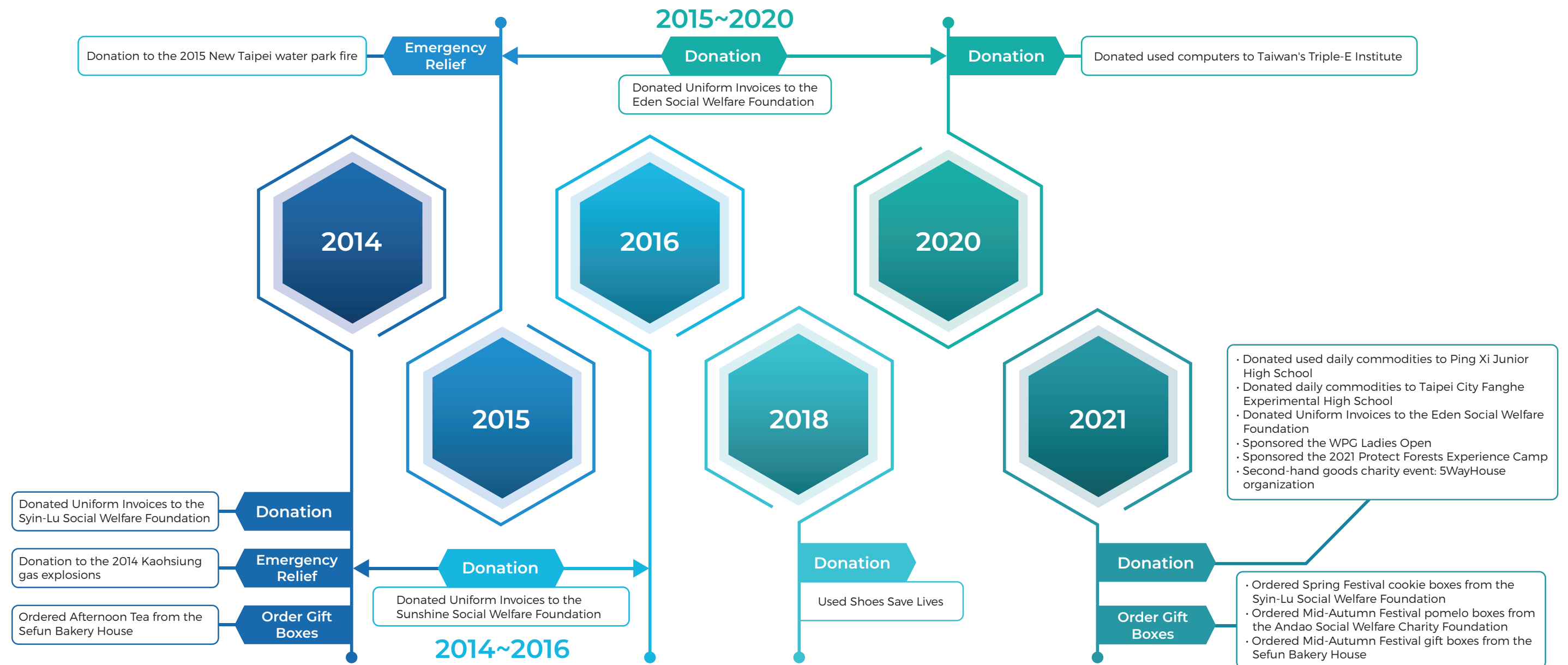


We showed our kindness to the children in Africa by donating used shoes to them. Their team sent us a thank-you letter.

Used shoes donated

150 pairs

ASMedia's Charitable Programs



Distributions to Charitable Activities
until 2021

NT\$**187,730**

Distributions to Emergency Relief
until 2021

NT\$**2,553,000**

704 Gift Boxes
ordered until 2021

Uniform Invoices donated
until 2021

4737

Goods donated until 2021

89 computers **150** pairs of shoes **8** boxes of daily commodities

Membership of Associations

No.	Association	URL	Membership
1	PCI-SIG (under ASUS)	https://pcisig.com/	Member
2	USB-IF	https://www.usb.org/	Contributor
3	ONFI	http://www.onfi.org/	Contributor
4	UEFI	https://uefi.org/	Contributor
5	VESA	https://vesa.org/	Member
6	NFC Forum	https://nfc-forum.org/about-us/our-members/associate/	Associate
7	SATA-IO (under ASUS)	https://sata-io.org/	Member

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The organization and its reporting practices	2-3	Reporting period, frequency and contact point	P.6 Report Content and Topic Boundaries P.6 Introduction P.6 Contact Information
The organization and its reporting practices	2-4	Restatements of information	P.40 Energy Management P.41 Air Quality Management
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GRI 2:2021			
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Strategy, policies and practices	2-27	Compliance with laws and regulations	P.25 Compliance Training Effectiveness
Strategy, policies and practices	2-28	Membership associations	P.66 Membership of Associations
Stakeholder engagement	2-29	Approach to stakeholder engagement	P.7 Identifying and Selecting Stakeholders P.7 Stakeholders, Their Concerns, Contact Point & Frequency
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Disclosures on material topics	3-2	List of material topics	P.8 Material Topics, Scope and Degree of Impacts P.6 Report Content and Topic Boundaries
Disclosures on material topics	3-3	Management of material topics	P.8 Material Topics, Scope and Degree of Impacts P.21 Risk Management

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Indirect Economic Impacts	203-1	Infrastructure investments and services supported	P.59 Community Involvement
Procurement Practices	204-1	Proportion of spending on local suppliers	P.33 Local Procurement
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	P.25 Compliance Training Effectiveness
Tax	207-1	Approach to tax	P.24 Tax, Governance, and Risk Management
Tax	207-2	Tax governance, control, and risk management	P.24 Tax, Governance, and Risk Management
Tax	207-3	Stakeholder engagement and management of concerns related to tax	P.24 Tax, Governance, and Risk Management

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Energy	302-3	Energy intensity	P.40 Energy Management
Energy	302-4	Reduction of energy consumption	P.41 Energy Conservation
Emissions	305-1	Direct (Scope 1) GHG emissions	P.41 Air Quality Management
Emissions	305-2	Energy indirect (Scope 2) GHG emissions	P.41 Air Quality Management
Emissions	305-3	Other indirect (Scope 3) GHG emissions	P.41 Air Quality Management
Emissions	305-4	GHG emissions intensity	P.41 Air Quality Management
Emissions	305-5	Reduction of GHG emissions	P.41 Air Quality Management
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GRI 400:2016			
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Marketing and Labeling	417-2	Incidents of non-compliance concerning product and service information and labeling	P.32 Sustainable Supply Chain
Marketing and Labeling	417-3	Incidents of non-compliance concerning marketing communications	P.25 Compliance Training Effectiveness
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Mapping between GRI Universal Standards 2021 and GRI Universal Standards 2016

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