



Ardentec

Corporate Social Responsibility

Report | 2020

Ardentec Corporation

Giga Solution Tech. Co., Ltd.

About the Report

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Get in Touch

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Report Period and Publishing

This report is the 9th corporate social responsibility report published by Ardentec Corporation which discloses the performance of corporate social responsibility (CSR) from January 1, 2020 to December 31, 2020. Electronic version of this report can be downloaded from the company's website <https://web.ardentec.com/?m=48>. Ardentec publishes the Corporate Social Responsibility Report every year. The previous year's report was published in June 2020, and we expect to publish the next report in June 2022.

Scope of Report

This report discloses the economic, environmental, and social aspects of Ardentec's performance, including its headquarters, its Singapore, Korea, Nanjing (China) subsidiaries, and also GIGA Solution subsidiary.

Drafting Principles and Guidelines

This report was prepared in accordance with Global

Reporting Initiative's GRI Standards, Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies, and the AA1000 AP (2018) standards. It discloses the steps taken by Ardentec to ensure business sustainability in a number of aspects, such as stakeholder response, corporate governance, economics, environmental, employees, and social engagement. This report includes all the material topics which were reviewed and approved to release by President.

Financial figures in this report are expressed in NTD and are CPA-certified. Performances in terms of environment, safety and health are illustrated based on internationally accepted benchmarks and data filed with the competent authorities.

Verification

The verification of this report is entrusted to a third party verification unit, BSI Taiwan, in line with GRI Standards core disclosure level and type 1 moderate assurance level of AA1000 AS assurance standard. The BSI independent statement is attached to the annex of this report.



Letter from the Management 102-14

Dear friends interested in the sustainable development of Ardentec:

2020 – a turbulent year of unprecedented health crisis that shocked the whole world, impacted the global market and the supply chain's balance. With the continuous spread of the virus and its variant strains, enterprises face an unmatched ordeal followed by uncertainty; at the same time, it has also accelerated the digital transformation and the way we work.

In Ardentec, we place public health as one of our top priorities. We have established an effective employee health monitoring and tracking system including a remote working model, combined with our business sustainability management system has allowed Ardentec to thrive in the face of great uncertainty and challenges brought upon us by the pandemic. The strong foundation and prudent governance allowed Ardentec achieving new revenue height in 2020.

While aiming to achieve our economic goals, we also strive for continuous improvements in our

CSR management system. Ardentec headquarters achieved a full score of 200 during the RBA Valid Audit Program (RBA VAP) in January 2019 and August 2020 consecutively. With this experience, all our subsidiaries and supply chain partners followed suit in aiming to achieve RBA excellence.

We always consider our shareholders' interests, BOD practice, information transparency, and CSR execution alongside our business operation. During the annual management assessment carried out by the Taiwan Stock Exchange and Taipei Exchange, Ardentec was appraised as one of the top 5% public listed companies in 2017. Strict compliance and consistently uphold our corporate governance principles enabled us to achieve top 5% for 4 consecutive years (2017~2020).

As a service provider in the semiconductor industry, our advanced technology research and development testing and automation channel create value for both



Vice Chairman/President

Ardentec and our customers and is the avenue towards a more sustainable business. The combination of R&D strategy and proper intellectual property management and application leads us to greater profitability and value chain for Ardentec and its customers. In 2020 Ardentec formed its IP management committee to focus on developing, managing, and applying intellectual property and established a management system according to the Taiwan Intellectual Property Management System (TIPS). This enabled Ardentec to obtain a TIPS class A certification from the Industrial Development Bureau of the Ministry of Economic Affairs, which provides a firm foundation for our continuous improvement.

After the Paris Climate Agreement, many countries committed to a carbon reduction by announcing their targets in neutralising carbon to achieve net-zero carbon emission. It became the primary indicator in mitigating climate change and thus, the global initiative. Although the semiconductor testing industry consumes relatively less power, Ardentec is committed to

supporting every stage in combating climate change. In addition to the annual energy-saving projects, we at Ardentec have set targets and launched plans to examine our carbon footprint. We are utilizing renewable energy and continuously reviewing our carbon emission reduction plans. Ardentec is resolute in doing our part to shoulder our responsibility on the journey towards net-zero carbon emission.

In Ardentec's first 20-year journey, we were conscientious and robust, building a stable foundation in our economy, society and sustainability plans. Today our customers, employees and suppliers highly recognized these efforts. For Ardentec's second 20-years, we march forward with high spirits and pride in our past achievements. We have set greater and more challenging economic, social and environmental goals, whilst joining hands with our customers, employees and suppliers to create a co-prosperous and sustainable value chain.

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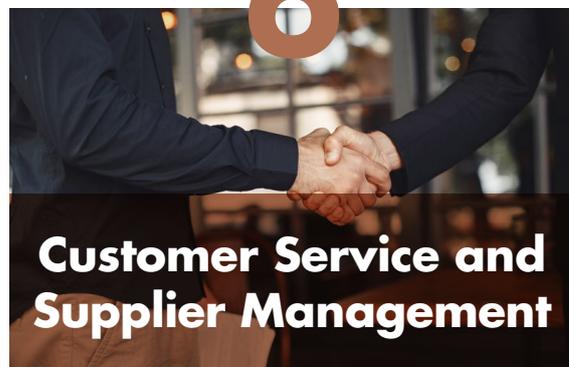
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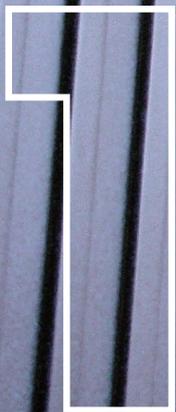
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Ardentec 傲登

About Ardentec





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1.1 Company Introduction 102-2 102-3 102-5 102-7

Ardentec Corporation is a specialized semiconductor testing company. The total capital in 2020 is NTD 4.9 billion. The company's service includes testing, engineering development and product testing of various semiconductors, service also includes WLCSP (Wafer Level Chip Scale Packaging).

Ardentec's headquarters is in Hsinchu Industrial Park, Hukou Township, Hsinchu County, Taiwan. It has a total of 4 sites, including Kaiyuan, Tingshin, Gaosheng and Paoching.

Our presence in the North-East Asia (South Korea), East Asia (Headquarters and GIGA Solution in Taiwan, subsidiaries in Nanjing China and Singapore) creating a circular Asia service band, forming a complete business development and testing operation service network of Europe, Asia and America.

The front-end and back-end (such as testing and packaging) in the semiconductor industry require huge investment in equipment. The technology and production management of the front-end and back-end are very different. Therefore, in the semiconductor industry, the professionalization of the back-end such as testing and packaging becomes a parallel and complementary specialization labor with the front-end. With the industry-leading engineering capability, quality system and IT technical service, and through the industrial vertical integration, Ardentec has established a long-term cooperative relationship with big domestic and foreign semiconductor manufacturers and become one of top three specialized semiconductor testing service provider in Taiwan, with a specialty in niche services, Ardentec is committed to secure its foothold in the world's semiconductor industry.



1.2 Corporate Values 102-26

Ardentec aspires to be a model company that creates a positive cycle conducive to the development of society, the economy and the industry by emphasizing business ethics, exercising diligent in governance, complying to laws and regulations as well as international rules and standards, making transparent disclosures, and using the "right" business processes to provide customers with the best professional services and provide employees with the best care and competitive benefits. To us, the most enjoyable aspect of corporate management is to engage employees, customers, suppliers and business partners with "passion" and create the right values through "rationality". These beliefs are the cornerstones of Ardentec.

In addition, Ardentec has incorporated topics of environmental protection, employee care, and society feedback into its corporate governance, and thereby ensure sustainable growth for the Company, the employees, the environment, and society alike.

Corporate Values



Pursue excellence

To meet the needs of customers and the long term expectation of shareholders



Innovate with passion

To be the key contributor to the global semiconductor industry



Harmony in personal & professional aspirations

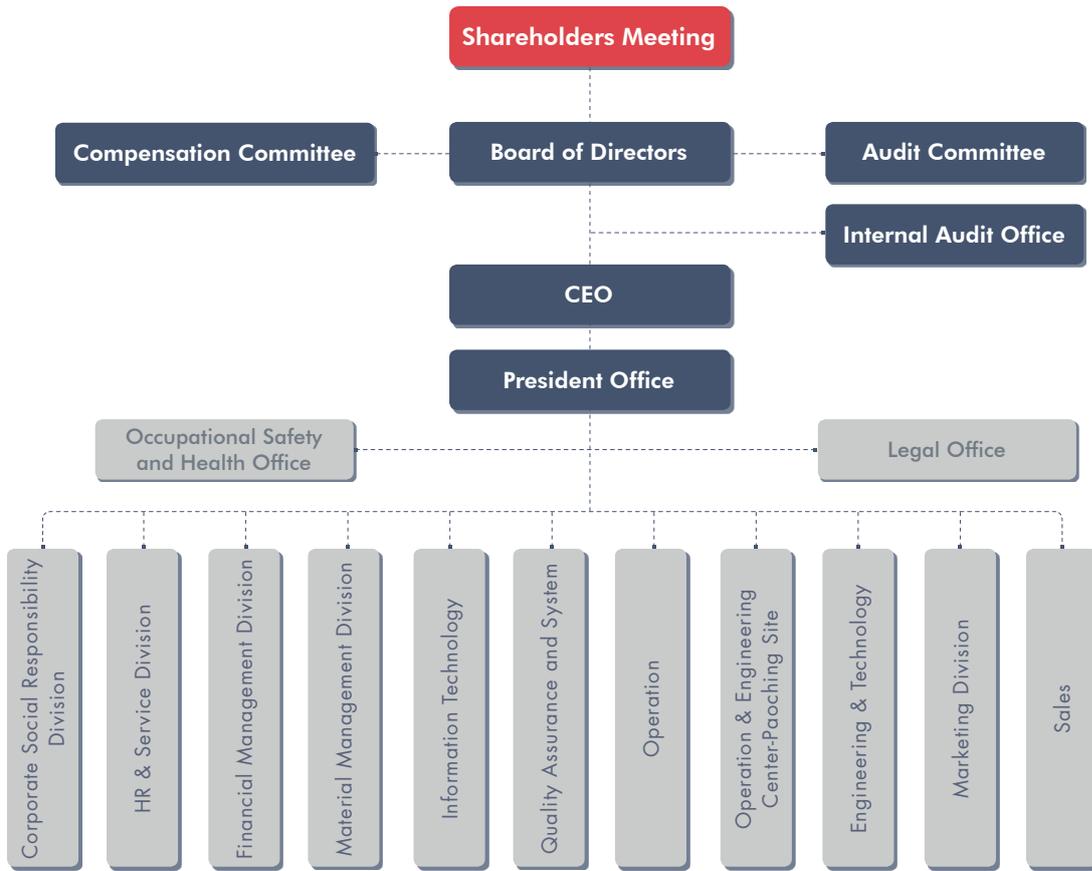
To encourage the growth of both employee and employer



Uphold business integrity

To promote social care and environmental sustainability

1.3 The organization 102-7 102-18



1.4 Professional Services 102-2

With engineering expertise, service enthusiasm, and lean on-site management, we are committed to provide customers with complete semiconductor testing solutions. Our scope of service includes pre-production engineering service, mass production engineering service, probe card service, wafer probing service, final testing services, wafer-level chip scale packaging (WLCSP) service, wafers thinning, Backside Grinding/Backside Metallization/Front Side Metallization (BGBM/FSM) and other related engineering support services.

In Ardentec, we have independently developed highly automated information platforms. Our outstanding engineering team builds custom information service for customers with different needs and provides customers with engineering services from the design phase to mass production to enable customers to quickly start mass production and maximize added value for customers. By combining highly automated test production with the rigorous quality system and production error automatic alarm system, we assure the production quality of customer products.

Ardentec passed various quality management systems certifications, lean engineering capabilities as well as advanced automated information platform ensure that we provide the best quality in the industry, and made us a leader in automotive IC and security control IC.



1.5 Market Size and Performance 102-6 102-7 102-15 102-45 201-1

According to the survey conducted by Semiconductor Industry Association (SIA), the estimated global sales of semiconductor reaching US\$433.1 billion for 2020, an increase of 5.1% over 2019. From international economic perspective, with the impact of Sino-US trade war and continuous fight against COVID-19 epidemic, the global GDP for 2020 declined sharply to -4.4%. While the global economic is declining, semiconductor industry has gained strong growth, benefiting from working from home, remote teaching, cloud demand, and stable price of 5G smartphone and memory products. The growth of semiconductor can be sustained in 2021, with estimated sales value of US\$ 469.5 billion or 8.4%. While we cheer for the good news, semiconductor industry also face challenges and opportunities brought upon us by COVID-19, such as disruption of the supply chain and insufficient capacities within the chain. Nonetheless, by looking at end users demand in the layout and application of 5G communication, introduction of Wi-Fi 6 and promotion of electric vehicles, the driving forces are strong to sustain the projected growth. Ardentec will remain prudent investment strategy, keeping our steady pace in operation, continue our effort in elevating customer experiences,

enhancing our competitive edge, committing ourselves to pursue higher quality standards to maximize stakeholders' interests.

Integrated Device Manufacturer (IDM) outsourcing its advanced process to Taiwan semiconductor manufacturers is the mainstream with Europe and US preference in selecting local packaging and testing partners. Ardentec is favored by many international clientele and gained its spot in semiconductor testing field with vast and rich experience in testing and customized services. At the same time, Ardentec remains active in expanding its IC design house customer base to grip latest market development and create operational growth.

The ability in providing services globally with its various strategic locations is our competitive advantage that separates us from our peers. Ardentec setup its factories in both Singapore and South Korea in 2006 and 2010 respectively, with Nanjing's setup in 2018. Ardentec has successfully executed the strategy of "Localized Global Service" aim to break the geographical restriction, be present to our strategic partners and closer to the market.

2020 PRODUCT SALES PROPORTION

Unit: NTD Thousand

Product	Revenues	Weight %
Wafer Test	6,944,918	71.78
Final Test	2,689,578	27.80
Others (equipment rental)	40,453	0.42
Total	9,674,94971	100.00

2019 / 2020 TESTING SERVICE SALES REGION

Unit: NTD Thousand

	2019	2020
Taiwan	1,884,252	2,762,592
USA	2,521,172	2,561,429
Singapore	597,265	915,129
Mainland China	324,608	244,179
Others (primarily European customers)	2,722,842	3,191,620
Total	8,050,139	9,674,949

2019 / 2020 FINANCIAL PERFORMANCE (CONSOLIDATED)

Unit: NTD Thousand

	2019	2020
Operating revenues	8,050,139	9,674,949
Operating costs and expenses	6,475,788	7,445,285
Operating net profit	1,574,351	2,229,664
Non-operating revenues and expenses	(83,163)	19,658
Pre-tax profit	1,491,188	2,249,322
Income tax expense	381,592	466,824
Net profit for the period	1,109,596	1,782,498

Above includes the revenues of Taiwan Headquarters, GIGA Solution, Korea subsidiary, Singapore subsidiary, and Nanjing subsidiary.

1.6 Tax Governance 207-1 207-2 207-4

Tax Policy

Ardentec formulated its tax governance and transfer pricing policies, established a sound tax management system and management culture. The transactions between affiliated companies are based upon the principle of regular trading, we do not engage in any illegal methods such as set up subsidiaries in tax-free countries or trade via related parties to evade or reduce tax liability.

Ardentec supports government initiatives in promoting legal and transparent tax incentive policies for industrial innovation, R&D and reinvestment, and establishes a mutually respectful relationship with tax authorities through information transparency and trust.

Ardentec has its presence in Taiwan, Singapore, South Korea and Mainland China, abiding respective tax law and legal requirement, accurately declare business income and fulfill the respective tax obligation on time.

Tax Governance and risk control

Ardentec has a resilient enterprise risk management system, risks and impact arise from changes in tax law and regulations are assessed and managed.

Ardentec identifies and checks the updates of tax law and regulation to ensure its compliance. Respective staff are equipped with the right professional knowledge and skills through training to ensure their capabilities. In addition, we also rely on external professional tax advisors to proactively plan and manage any potential tax impact.

2020 TAX INFORMATION

Unit: NTD Thousand

Location	Revenues	Net Profit	Profit before Tax	Income Tax	Income Tax Paid	Tangible Assets
Taiwan	8,846,219	2,185,618	2,611,009	425,392	277,065	14,447,986
Singapore	726,436	200,778	241,532	40,754	5,596	882,425
Korea	69,002	-46,836	-46,836	0	0	241,669
China	124,580	-138,528	-138,020	0	0	1,430,213

FY 2019 / 2020 INCOME TAX INFORMATION

Unit: NTD Thousand

	2019	2020	Average
Net Profit before Tax	1,403,558	2,114,237	1,758,898
<i>Income Tax</i>			
Tax of the period	347,378	329,866	338,622
Deferred income tax	-53,416	1,873	-25,772
Effective tax rate (%)	21%	16%	18%
Tax paid	496,058	251,928	373,993
Tax rate on cash base (%)	35%	12%	21%

1.7 Surplus Allocation 201-1

According to the Company's Articles of Incorporation, when there is a profit after the annual closing of books, besides paying taxes and making up losses in previous years, the Company will appropriate 10% of the balance as the legal reserve and the special reserve by the law or based on actual needs. Afterwhich, based on the operational needs, the Board of Directors draws up a proposal to distribute the balance (including reverted special reserve) together with the unappropriated earnings in the previous year and submit the proposal to the annual general meeting of shareholders (AGM) for resolution before distributing the profit.

The 2020 net profit after tax is NTD 1,782,498. The Board of Directors Meeting approved on February 25, 2021 the distribution of cash dividends at NTD 2.0 per share.

1.8 Development Strategies and Innovations

The experience accumulated from providing wafer testing services for leading manufacturers at home and abroad has enabled Ardentec to establish core competitiveness in key technologies, such as advanced testing technology, test process analysis systems, and test production automation.

In response to market trends in the industry, Ardentec has successfully developed technologies in recent years, including testing techniques for automotive ICs, security ICs, ICs specifically for the Internet of Things (IoT), and High Performance Computing (HPC) ICs. These technologies have entered a harvest stage, and turnover will increase year by year.

We have also embarked on the R&D and successfully integrated technologies relating to IC testing, such as information system, logistics management, and automated

production, to provide customers with integrated products and services.

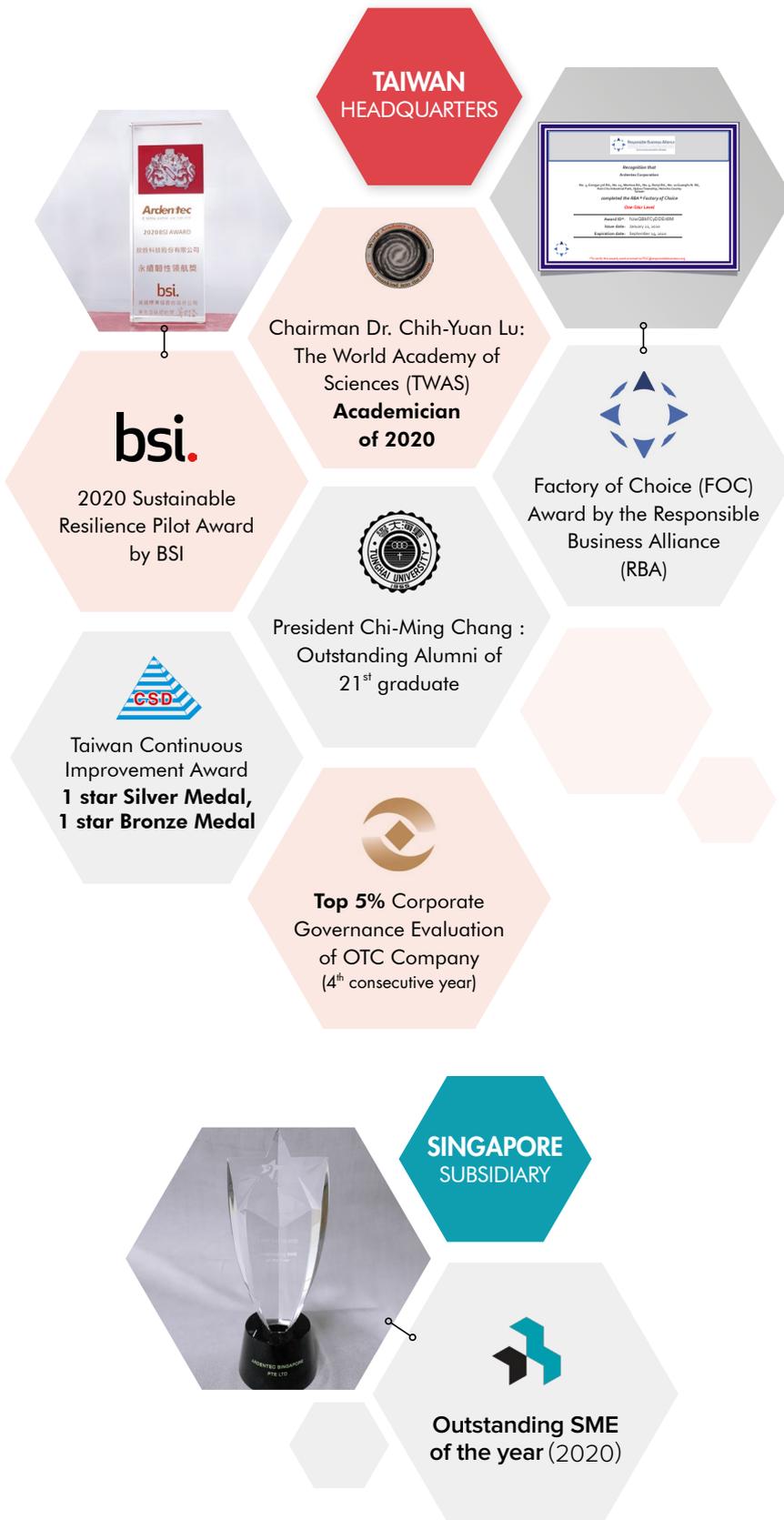
Aiming to improve production quality and enhance production efficiency, we continuously research and develop information systems to achieve both product quality improvement and testing cost reduction. We also endlessly optimizing and developing the test process analysis system and test machine real-time monitoring system to meet the comprehensive demands and quality requirements of different customers. Radio Frequency Identification (RFID) system was introduced by Ardentec for batch management and automated production on the production lines. We have similarly developed an image recognition system that can be used for recognizing product packaging and preventing human error. To cope with the industry trend, we constantly expand our testing capacity for 12-inch wafers to become the largest testing team for 12-inch wafers in the industry. Apart from providing long-term mass production testing service for numbers of professional IC manufacturers at home and abroad, we launch cooperation with upstream IC design houses to advance the development of product testing programs for customers at the product design phase to facilitate customers to quickly start mass production.

One-stop, high-end, and automated testing services have become a market trend. In addition to contributing in the professional specialization and launching strategic alliances with the industry chain at home and abroad for global market deployment, we have also established the Patent Review Committee to develop patents for cutting-edge testing, advanced IT technologies, and automation technologies. The committee also continuously optimizes and innovates research energy and services to achieve the goal of "leading brand of testing and qualification service and technology development with complete and custom services.



1.9 Honors and Accolades 102-12 102-13

2020 Awards



Membership

▶ TAIWAN HEADQUARTERS

- Global Semiconductor Alliance (GSA)
- Taiwan Semiconductor Industry Association
- Chinese Institute of Engineers, Hsinchu County Chapter
- Monte Jade Taiwan
- Hsinchu Industrial Society
- Hsinchu Industrial Park Association
- Hsinchu Industrial Park Security Alliance
- Hsinchu County Nurses Association
- Automobile Electronic SIG Exchange Seminar
- Chinese Institute of Industrial Engineers (CIIE)

▶ KOREA SUBSIDIARY

- Korea Customs Logistics Association
- Eoyeon Hansan Industrial Complex Manager Association
- GG Association of Foreign Invested companies
- Korea Fire Safety Association
- Korea Energy Engineers Association
- Korea Electric Engineers Association

▶ SINGAPORE SUBSIDIARY

- Singapore Business Federation (SBF)
- Singapore Semiconductor Industry Association (SSIA)

STARTING YEAR OF VERIFICATION/CERTIFICATION VALIDATION

Starting	Headquarters	Subsidiaries			
		Singapore	Korea	Nanjing	GIGA Solution
2000	ISO 9002				ISO 9002
2001					ISO 9001
2002	QS 9000				
2003	ISO 9001				
2004	ISO 14001				
	ISO/TS 16949				
2007	OHSAS 18001	ISO 9001			
2008	ISO /IEC 27001				
2009	TOSHMS	ISO 14001			
		OHSAS 18001			
2010	ISO 14064	ISO /IEC 27001			
	IECQ QC080000				
	Authorized Economic Operator, AEO				
2011		ISO/TS 16949	ISO 9001		ISO 14001
2012	Internal Compliance Program (ICP)	ISO 14064	ISO/TS 16949		
2013	CNS 15506 ^a	Strategic Trade Scheme (STS) Tier 3 Permit	ISO 14001		
	Common Criteria (Site Certification) Tingshin Site		OHSAS 18001		
	AA1000 AS				
2014	ANSI/ESD S20.20	Approved Contract Manufacturer and Trader (ACMT)	ISO /IEC 27001		
	Common Criteria (Site Certification) Kaiyuan Site	TradeFirst & STP Certificate	CP (Compliance Program) AA Grade		
	ISO/IEC 17025	Common Criteria (Site Certification)	Automatic Customs Approval		
2015	Common Criteria (Site Certification) EAL 6 ^b	ISO 22301			
	Healthy Workplace Certification Health Promotion Mark				
2016	ISO 22301				
2017					ANSI/ESD S20.20
2018	ISO 45001		IATF 16949	ISO 9001	IATF 16949
	ISO 26262			IATF 16949	
	IATF 16949			ISO/IEC 27001	
2019	ISO 50001	ISO50001 SA IATF 16949	ISO 26262	ISO 14001	
	RBA VAP Audit Platinum Level (score 200)			ISO 45001	
2020	GSMA SAS-UP	ISO 45001	ISO 45001	Common Criteria (Site Certification)	ISO 45001
	TIPS ^c certified A Level			Authorized Economic Operator, AEO	
	ISO 14067				
	RBA Factory of Choice Award (FOC) ^d				

^a Not renew from 2015^b Includes Gaosheng Site data center and Paoching Site data center^c TIPS: Taiwan Intellectual Property Management System^d FOC ID: hzwQBkFCyDDEn8M

Sustainable Development





- 2.1** CSR Policy
- 2.2** CSR Organization
- 2.3** CSR Performance
- 2.4** Stakeholders and Topics of Concern
- 2.5** Topic Materiality Matrix
- 2.6** Material Topics Value Chain and Management Strategy
- 2.7** Communication with Stakeholders

2.1 CSR Policy

Upholding the concept of enhancing the business competitiveness while taking into account the social sustainable development, Ardentec is committed to contribute in building the culture and environment that values ethics, social welfare and environmental sustainability.

The Board of Directors reviews the CSR policy and evaluates the implementation performance of the economic, environmental and social topics annually.

In the process of CSR implementation, Ardentec preserves our mission, vision, and charter of the Responsible Business Alliance (RBA). In addition, Ardentec ensures the full compliance in the Responsible Business Alliance Code of Conduct (RBA CoC).

CSR policy set by Board of Directors



Uphold business ethics and corporate governance



Comply with laws and international standards



Well disclose corporate governance and CSR information



Develop a sustainable environment

2.2 CSR Organization

102-18 | 102-19 | 102-20

CSR Committees are formed in Ardentec and all of its subsidiaries. The President serves as the chair of the CSR Committee at corporate headquarters while members of the committee are made up of various Headquarters senior executives and the General Managers of each subsidiary. At each subsidiary, the General Manager and executives serve as members of the CSR Committee. All committees adhere to the categories defined by the RBA. Each committee has four task groups focusing on "Labor and Human Rights", "Health and Safety", "Environmental Protection" and "Business Ethics." Ardentec Corporation has a "Social Engagement" group to actively engage, support and give back to society.

Ardentec headquarters leads all subsidiaries in promoting the development of CSR. Every effort is made to realize the Ardentec Corporation's sustainability goals during and after each phase. The President reports to Board of Directors on the corporate's performance each year.

The CSR committee is responsible for the implementation of the sustainable management goals, monitoring the development of domestic and international CSR systems and changes in the corporate environment, developing measures for the implementation of CSR and sustainability goals, continuing to strengthen the CSR management system established by Ardentec and ensuring continuous enhancements to the effectiveness of CSR implementation.

CSR Committee

Secretariat



Labor & Human Right

- Freely Chosen Employment
- Young Workers
- Working Hours
- Humane Treatment
- Wages and Benefits
- Non-Discrimination/ Non-Harassment
- Freedom of Association



Health & Safety

- Occupational Safety
- Emergency Preparedness
- Occupational Injury and Illness
- Industrial Hygiene
- Physically Demanding
- Machine Safeguarding
- Sanitation, Food, and Housing
- Health and Safety Communication



Environment Protection

- Environmental Permits and Reporting
- Pollution Prevention and Resource
- Hazardous Substances
- Solid Waste
- Air Emissions
- Materials Restrictions
- Water Management
- Energy Consumption and Greenhouse Gas Emissions



Business Ethics

- Business Integrity
- No Improper Advantage
- Disclosure of Information
- Intellectual Property
- Fair Business, Advertising
- Protection of Identity and Non-Retaliation
- Responsible Sourcing of Minerals
- Privacy



Social Engagement

- Social Engagement
- Disadvantage Caring
- Education Support
- Environmental ecology

2.3 Corporate Social Responsibility Performance

Ardentec headquarters adopted the RBA management standard to set a direction for upstream customers and downstream suppliers.

Ardentec headquarter's 4 sites underwent the RBA Validated Audit Program (VAP) again in August 2020 and achieved the platinum rating with a full score of 200 in initial audit. This was followed by the presentation of the RBA's FOC Award in January 2020.

CSR Division Project Senior Director Rhiannon Chen is responsible for CSR performance and was certified by the RBA Factory Lead Program in January 2020. Her name and that of Ardentec will now be listed on RBA's members-only SharePoint.

2.4 Analysis of Stakeholders and Topics of Concern

102-21 102-40 102-42 102-43 102-44

Every year, Ardentec adopts the following processes to identify stakeholders and topics collection, monitor level of topics concern, the impact, and material topics. Ardentec has established diverse, transparent, and responsive communication channels with stakeholders aiming to understand their topics of concern and expectations for Ardentec. The responses of stakeholders are important references for the Company's CSR direction, planning, and sustainable development.

Collection of topics of concern

Every year, Ardentec collects topics of concern from related industries domestically and abroad, confirming the collected information with each functional department before summarizing it into a comprehensive list of topics of concern.

Identification of stakeholders

The head of each function identifies the stakeholders in the business activities, and the methods & channels of the communication with them based on the identified topics. Based on the results, we concluded eight major types of stakeholders for 2020: employees, customers, suppliers and contractors, government and regulatory agencies, investors, cooperation institutions, creditors and communities.



RBA Factory of Choice Award



Factory Lead certificate (Rhiannon Chen)



RBA VAP certificate of 200/200

Analysis process for Stakeholders and concern topics

STEP 1



Collection of topics of concern



Stakeholder category and collection of communication means

STEP 2



Investigation of attention level of the topics



Analysis of the impact level of the topics

STEP 3



Analysis of materiality of the topics

STEP 4



Analysis for material topics and the impact boundaries

STAKEHOLDERS CATEGORY AND TOPICS OF CONCERN

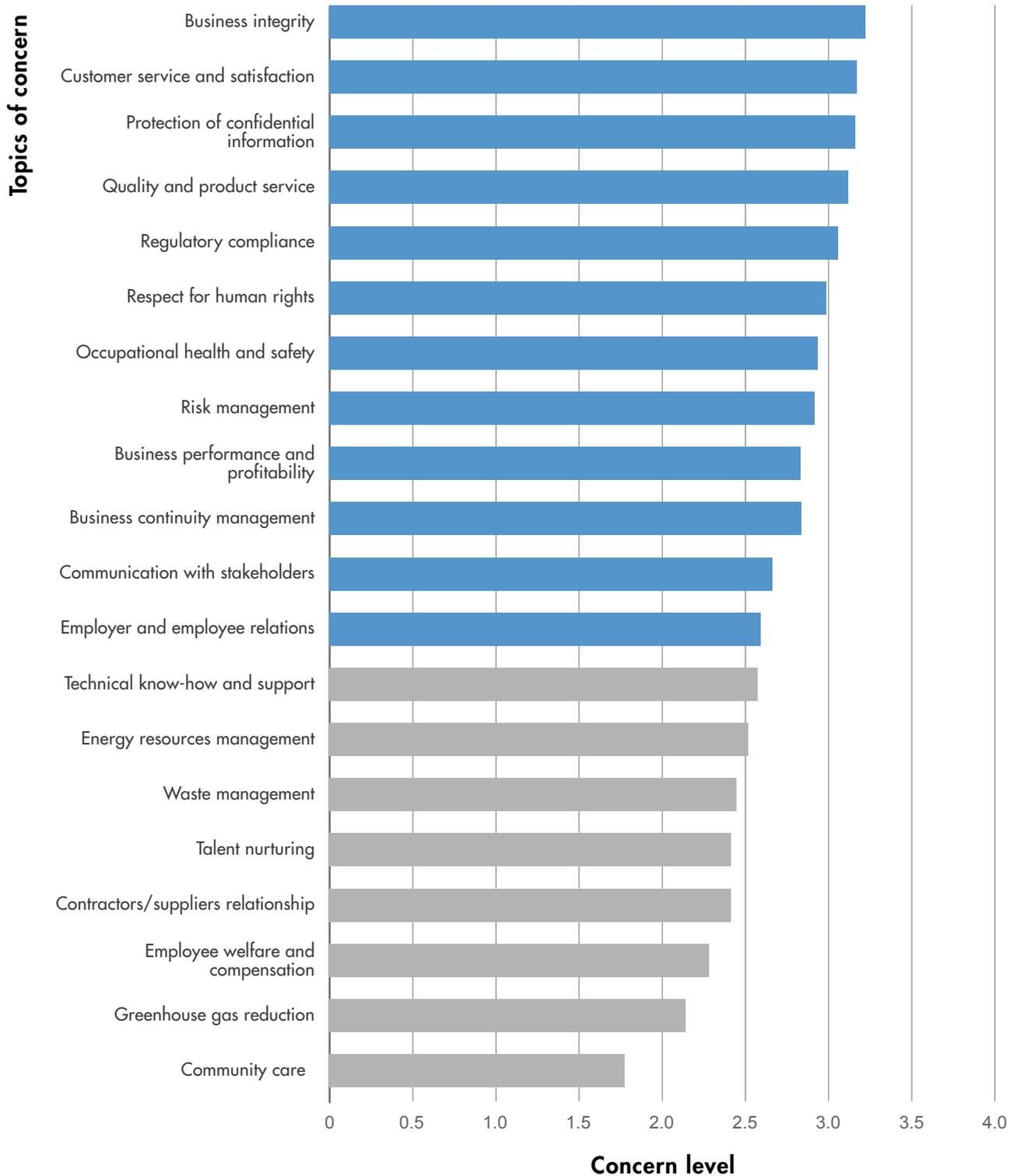
Stakeholders concerned topics	Employees	Customers	Suppliers and contractors	Government and regulatory agencies	Investors	Cooperation institutions	Creditors	Community
Respect for human rights	√			√	√	√		
Protection of confidential information	√	√	√		√	√	√	
Customer service and satisfaction	√	√	√	√	√		√	
Waste management				√				√
Risk management		√			√		√	
Occupational health and safety	√	√	√	√		√		
Regulatory compliance	√	√	√	√	√	√	√	
Employer and employee relations	√			√		√	√	
Employee welfare and compensation	√			√		√		
Energy resources management				√				
Technical know-how and support		√	√		√		√	
Quality and product service	√	√	√		√	√		
Business continuity management	√	√	√		√	√	√	
Contractors/suppliers relationship		√	√				√	
Business performance and profitability			√		√		√	
Communication with stakeholders		√		√				
Talent nurturing				√	√	√		
Business integrity	√	√	√	√	√	√	√	
Greenhouse gas reduction				√				
Community care				√		√		√

Cooperation institutions: accounting firms, audit unit, cooperate universities, etc.

Analysis of the level of concern on the topics

After identifying stakeholders and various communication methods and channels consolidation, the level of concern relating to stakeholders within and between organizations is assessed through questionnaire. This is to provide the

management with an overview of the stakeholders and the materiality of topics raised by them. The materiality of topics raised by stakeholders is as follows:

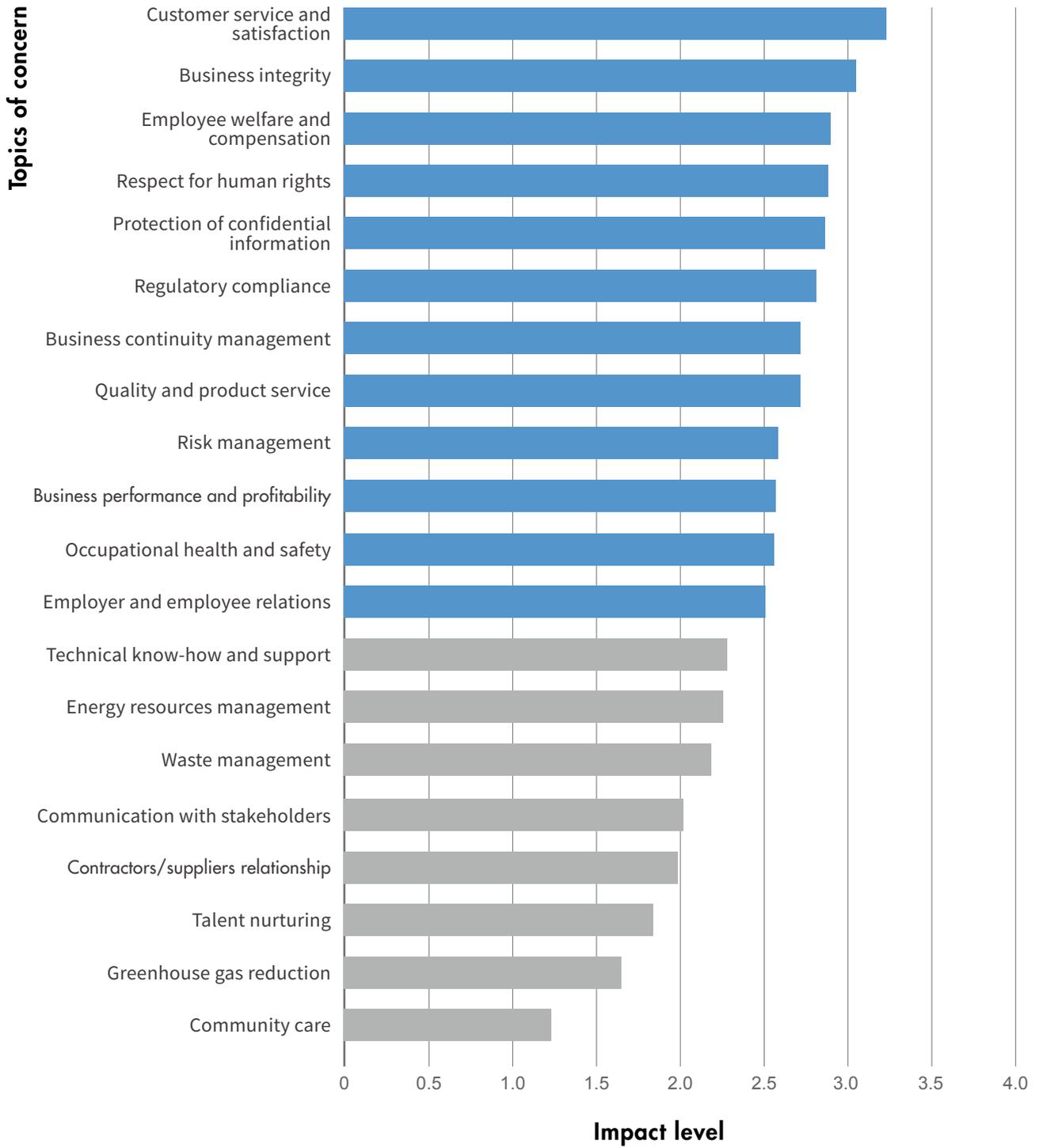


Concern level: 0-Not relevant/Unknown, 1-Not Concerned, 2- Concerned, 3-Very Concerned, 4-Extremely Concerned

Analysis of impact level of concern topics

Upon completion of the questionnaires, the topics of concern is analyzed by each functional supervisor with respect to the impact of each topic on the Company's business activities. After the assessment of impact of topics from each function, the Corporate Social Responsibility Committee analyse the

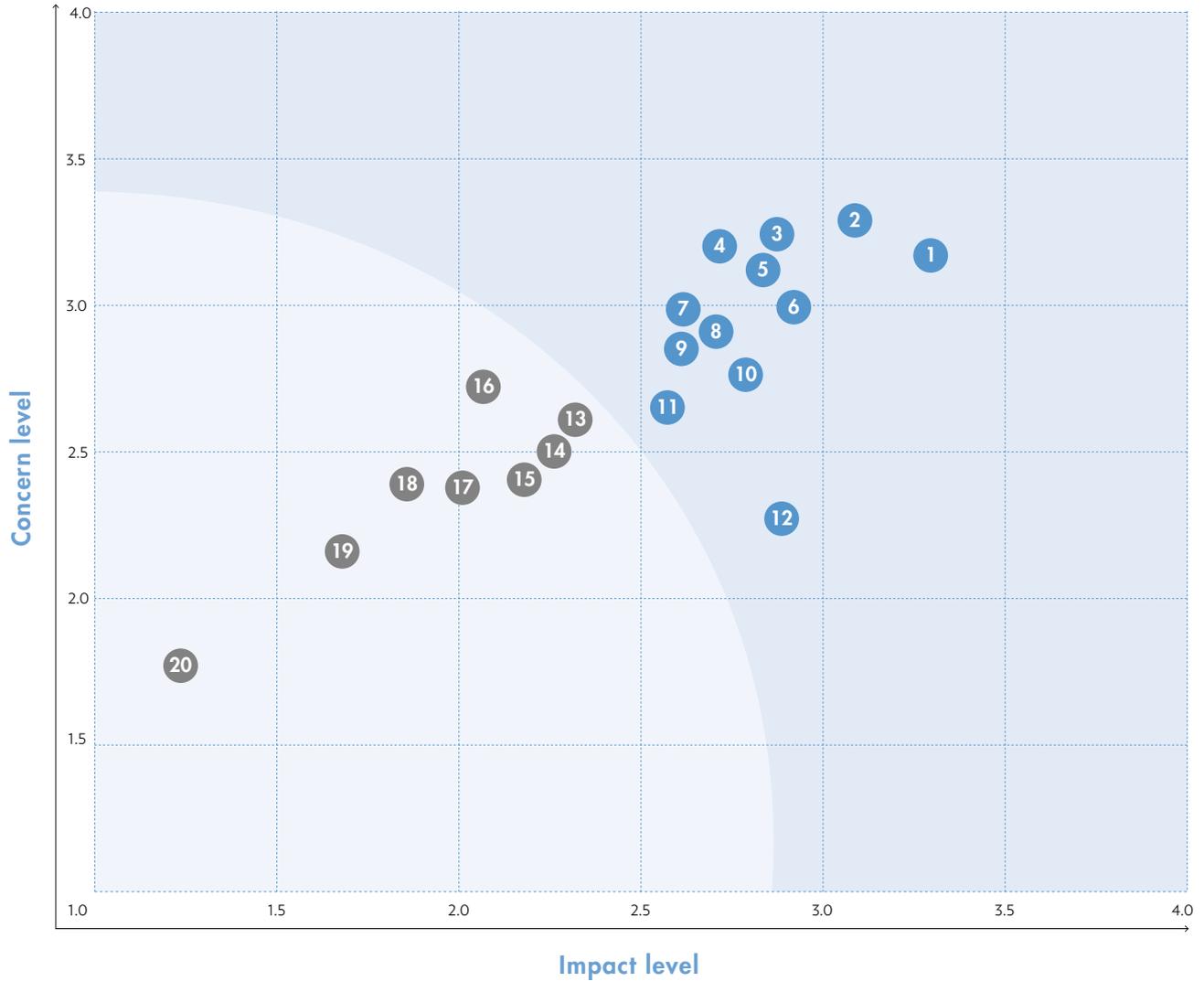
collected information, examine the impact of each topic on the Company as a whole. Through micro and macro analysis and the respective relevance to the overall operation, the impact of each topic on operation presented in the following diagram:



Impact level: 0-Not relevant/Unknown, 1- No, 2- Minor, 3-Moderate, 4-Major

2.5 Topics Materiality Matrix 102-47

After combining the results of topic materiality assessment, questionnaire, and the internal assessment of the reasonability of topic, the materiality of topic raised by stakeholders are concluded and prioritized in the following scatter plot:



Material topics

- | | |
|--|--|
| 1 Customer service and satisfaction | 7 Occupational health and safety |
| 2 Business integrity | 8 Risk management |
| 3 Protection of confidential information | 9 Business performance and profitability |
| 4 Quality and product service | 10 Business continuity management |
| 5 Regulatory compliance | 11 Employer and employee relations |
| 6 Respect for human rights | 12 Employee welfare and compensation |



Other topics

- | | |
|------------------------------------|---------------------------------------|
| 13 Technical know-how and support | 17 Contractors/suppliers relationship |
| 14 Energy resources management | 18 Talent nurturing |
| 15 Waste management | 19 Greenhouse gas reduction |
| 16 Communication with stakeholders | 20 Community care |

2.6 Material Topics Value Chain and Management Strategy

102-49 103-1 103-2 103-3

Material topics are analyzed and assessed on their level of attention and impact. Their relevance is then determined through actual operations. An analysis of the considerations and borders on material topics is tabled below.

Material topics	GRI Standards (2016)		Corresponding of management approach	Value chain of the identification of boundaries							
				Head-quarters	Subsidiaries				Customers	Suppliers and Contractors	Creditors
					Singapore	Korea	Nanjing	GIGA			
Customer service and satisfaction	Material topics identified by stakeholders' feedback		6.4	Solution	V	V	V	V	V		
Business integrity	General disclosure	102-11	3.1 3.4 3.5 3.6 6.5	V	V	V	V	V	V	V	V
		102-14									
		102-16									
		102-17									
		102-27									
		102-28									
	102-31	Anti-corruption	205-2	205-3							
	205-3										
Protection of confidential information	Customer privacy	418-1	3.6	V	V	V	V	V	V	V	
			6.2								
Regulatory compliance	Socioeconomic compliance	419-1	3.6	V	V	V	V	V	V	V	
		307-1	4.3								
Respect for human rights	Non-discrimination	406-1	5.3	V	V	V	V	V	V	V	
	Child labor	408-1									
Quality and product service	Material topics identified by stakeholders' feedback		1.4 1.5 1.7 6.1 6.3	V	V	V	V	V	V		
Risk management	General disclosures	102-30	3.6	V	V	V	V	V	V	V	V
	Indirect economic Impacts	203-2									
	Customer privacy	418-1									

Scope Expansion on Material Topics

Business Integrity

 Quality and Product Service

▶ Material Topics scope expansion that increased from 10 items for 2019 to 12 items for 2020. The additional 2 items were number 11 and 12 in 2019, it is a scope expansion rather than a materiality change.

Material topics	GRI Standards (2016)		Corresponding of management approach	Value chain of the identification of boundaries							
				Head-quarters	Subsidiaries				Customers	Suppliers and Contractors	Creditors
					Singapore	Korea	Nanjing	GIGA			
Occupational health and safety	Occupational health and safety	403-1	5.5	V	V	V	V	V		V	
		403-2									
		403-3									
		403-4									
		403-5									
		403-6									
		403-7									
		403-8									
		403-9									
		403-10									
Business continuity management	General disclosures	102-11	3.6	V	V	V	V	V	V		V
		102-30									
		102-31									
	Indirect economic Impacts	203-2									
Business performance and profitability	General disclosures	102-15	1.5	V	V	V	V	V	V	V	V
	Indirect economic Impacts	201-1	1.6								
Employee welfare and compensation	Economic Performance	201-1	5.3	V	V	V	V	V		V	
		201-3									
	Employment	401-2									
Employer and employee relations	Employment	401-2	5.3	V	V	V	V	V		V	
	Employment	402-1									

Management of Material Topics

Material Topics	Policies	Management Measures/ Projects	Goals	Evaluation Mechanism
Customer service and satisfaction	With industry-leading technology in wafer testing, Ardentec offers customers comprehensive testing services, making it the best partner for customers	Establishing individual customer projects in order to build a smooth service system and effective communication channel	customer satisfaction>85%	Annual customer satisfaction survey
Business integrity	Employee, in the course of their duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purpose of acquiring or maintaining benefits.	<ul style="list-style-type: none"> • “Business Ethics Guidelines” prohibits any unethical business conducts and establish the respective reporting platforms and reprimand. • Annual re-training to all employee on anti bribery • Department head and above executives and all personnel relating to any external are required by submit “conflict of interest declaration” annually. 	No unethical conducts	CSR committee conducts bi-annual Management Review Meeting to check reports received has no unethical conducts
Protection of confidential information	All employees to abide the security regulations and requirements to ensure the information security of both customers and the Company's.	<ul style="list-style-type: none"> • The established Security Committee promotes information security management. ISO 27001 (ISMS), ISO 15408 (Common Criteria), and GSMA SAS-UP certification have now been completed to ensure the security of customer and company trade secrets. • Reasonable protective measures for confidential information have been put into place through (1) information management (document confidentiality classification, prevention of unauthorized access, and establishment of document management records); (2) behavior control (confidentiality measures, restricting access to confidential data, authorization management); (3) education control (education & training, guarantees, confidentiality agreements, separate procedure and waiver forms). • All employees undergo security training to ensure the awareness of the security policies every year, and to safeguard any confidential information. 	No following incident occurring: <ul style="list-style-type: none"> • Leakage of company or customer information due to information security incident • Production equipment and capacity impacted by large-scale infection/ damage due to malicious software 	<ul style="list-style-type: none"> • Continuous improvement of the security management system through annual audits and security management reviews • Strengthen the network architecture and security defenses through vulnerability scanning and penetration tests
Regulatory compliance	Overall business activities must comply with relevant laws and regulations	Adopting the relevant laws from the Regulatory Identification Procedures to serve as the reason for verification as required by law.	Legal compliance: 100%	<ul style="list-style-type: none"> • Quarterly legal compliance audit • Conduct management review meeting half yearly

Material Topics	Policies	Management Measures/ Projects	Goals	Evaluation Mechanism
Respect for human rights	Headquarters and all subsidiaries fully comply with local labor laws and international human rights conditions.	<ul style="list-style-type: none"> Adhere to the national labor laws on RBA principles and RBA Responsible Labor Initiative (RLA) as the basis for labor protection and self-inspection. Each site establishes reporting channels with name or anonymously and set up whistleblower protection mechanism. Appeals can be made against inaccurate information. 	100% compliance on human rights	<ul style="list-style-type: none"> Audits based on labor laws and international standards are conducted on quarterly basis. Any complaints relating to human rights must be reported during the half yearly management review meeting full-scale audit of each subsidiary is conducted by headquarters annually.
Quality and product service	Construct a rigorous management system, through materialized assessment and technological capability, strengthen the quality and its management.	Implement Information security management system <ul style="list-style-type: none"> Korea : ISO26262 Nangjing :Common Criteria Headquarters : GSMA 	Certified by 3 rd party audit	Onsite 3 rd party audit
		<ul style="list-style-type: none"> All image recognition technology implemented into packaging and AVI defect categorisation ESD 2.0 Upgrade competency for Failure Analysis Lab 	<ul style="list-style-type: none"> Select specific product to implement ESD fulfillment rate=100% Mass production monitoring for FTIR, IC & LPC 	2-year Road-map review
Risk management	Formulate risk assessment and operating procedures for each type of business-related risk to protect the interests of the Company and stakeholders through sound risk and crisis management.	<ul style="list-style-type: none"> Internal control systems were set up and implemented in accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies issued by the Financial Supervisory Commission. Various management committees were set up for routine risk management in accordance with the risk management system and operating guidelines. Management audits conducted for internal controls to help carry out routine risk management at the relevant committees 	Zero incidents with major risk	Each risk management committee meets regularly to review actual performance and conduct internal audits that ensure that risk management procedures are being effectively enforced

Material Topics	Policies	Management Measures/ Projects	Goals	Evaluation Mechanism
Occupational health and safety	Complying with regulations and international standards, as well as eliminate and reduce occupational safety and health risks to establish a safe and healthy working environment, promote labor participation and consultation, and make continuous improvements to safety and health performance.	<ul style="list-style-type: none"> Established an Occupational Safety and Health Management Committee to coordinate, make recommendations and review OHS-related initiatives and compliance. Verify and continue to promote the ISO 45001 occupational safety and health management system while continuing to ensure compliance with international laws. Promotion of healthy workplace projects 	<ul style="list-style-type: none"> Eliminate serious occupational injuries (including both employees and engineers). Total annual accumulated injury index < 0.04 	Management review meetings are conducted by the Occupational Safety and Health Management Committee on a quarterly basis.
Business continuity management	The business continuity management system was adopted by Ardentec to identify potential threats to business operations and establish an emergency response capability for protecting stakeholders, business reputation and brand image. Continuous improvements to the business continuity management system are also being made in accordance with applicable laws and regulations.	A Business Continuity Management Committee was set up, and certification obtained for the ISO 22301 business continuity management system (BCMS) international standard.	Zero disruptions to business continuity due to major disasters	Conducted annually <ul style="list-style-type: none"> Risk Assessment (RA) Business Impact Analysis (BIA) Internal system audit Management review meeting
Business performance and profitability	Uphold sustainable business principle, keep a steady pace of our operations, invest prudently; continuously improving and expanding in technical field, meet market and customer demand; focus on quality and optimizing our operation management, elevate our competitiveness to maximize our profit, continue to create value for our customers, shareholders and employees and to fulfill our corporate social responsibilities.	<ul style="list-style-type: none"> Remain highly focused, committed in advancing and expansion in advanced testing technology Excel in quality, be part of the international industry norms and quality systems. Elevate productivity & efficiency, continue the journey on automation and artificial intelligence Expand market, penetrate strategic markets, proactively expanding top international clientele Review operations, and have a keen eye on overall operations and economical environment changes at home and abroad, review regularly and respond appropriately. 	Execute according to the annual business plan, and to achieve overall operational goals	To review following during fixed scheduled meetings: <ul style="list-style-type: none"> Weekly: sales meeting Monthly: 3-month forward rolling operation, forecast review meeting Monthly: Finance review meeting Quarterly: Board of Directors meeting Half yearly: Management review meeting covering operation, quality, technical, sales, finance goal achievement review aim to attain overall operational goals

Material Topics	Policies	Management Measures/ Projects	Goals	Evaluation Mechanism
Employee welfare and compensation	<ul style="list-style-type: none"> Workers' Compensation Comply with Labor Laws Employee remuneration is highly competitive in the industry Employees are rewarded through profit-sharing when the company is profitable for the year 	<ul style="list-style-type: none"> Annual review of changes in the remuneration regulations to ensure that employees' wages, overtime pay, and other benefits are above and beyond those required by the regulations Regularly review average salaries in the job market and industry, check the company's business performance, carry out project evaluations and make salary adjustments. The Articles of Incorporation explicitly set out how employee compensation should be shared if the Company was profitable during the financial year. Communicate with stakeholders, gather relevant suggestions for reference 	<ul style="list-style-type: none"> 100% compliance in employee compensation Employee compensation maintained in the top 25 percentile of the industry 	<ul style="list-style-type: none"> Compliance audits are conducted every quarter Industry compensation surveys and salary adjustments are conducted every year Employee profit-sharing proposal is submitted to the Board of Directors for approval after annual settlement.
Employer and employee relations	<ul style="list-style-type: none"> Employee Partnership Policy and maintenance of harmonious employer and employee relations. Ardentec headquarters and subsidiaries all comply with local labor laws and international standards on employer and employee relations. 	<ul style="list-style-type: none"> Labor-Management meetings are held at each site each quarter to engage in communication. Employees are provided with open channels for making signed and anonymous complaints to promote employer and employee relation. 	No labor-management disputes	CSR Committee conducts its performance reviews on a half-yearly basis.



2.7 Communication with Stakeholders 102-21 102-44

Every year, we carry out survey and discussion on topics of concern with our stakeholders, and to review the achievement of goals of each functional department, to ensure the effective execution of the topics discussed, and aid to plot our future strategies.

Stakeholders' concern topics for 2020 are consolidated as following, and reported to the Board of Directors on February 25th 2021:

Stakeholder	Material Topic	Communication channel, Response	Communication performance
Employee	<ul style="list-style-type: none"> • Customer service and satisfaction • Protection of confidential information • Regulatory compliance • Respect for human rights • Occupational health and safety • Employee welfare and compensation • Business continuity management • Employer and employee relations • Quality and product service • Business performance and profitability • Risk management 	<ul style="list-style-type: none"> • Labor-Management Meeting • Industrial Safety Contact Window Meeting • Occupational Safety and Health Committee • Intranet • Physical and online suggestion box • Internal memo/announcement • Department meeting 	<ul style="list-style-type: none"> • Labor-Management meetings: 6 meetings • Suggestions: 71 cases (online: 16; suggestion box: 54; external mail: 1) • Employee welfare and compensation announcement: 2
Customer	<ul style="list-style-type: none"> • Customer service and satisfaction • Business continuity management • Business performance and profitability • Quality and product service 	<ul style="list-style-type: none"> • Meeting or audit • Customer satisfaction management and survey • Regular visits and rapport building • Official website 	<ul style="list-style-type: none"> • Audit: 56, all pass • Customer Business continuity management survey: 14
Suppliers and contractors	<ul style="list-style-type: none"> • Customer service and satisfaction • Regulatory compliance • Occupational health and safety • Business continuity management • Business integrity • Quality and product service • Respect for human rights • Risk management • Employee welfare and compensation 	<ul style="list-style-type: none"> • Contractor training prior to commencement of work • Supplier CSR and business ethics awareness training • Consultative organization meeting • Contractor/supplier audit • Meeting and regular contact 	<ul style="list-style-type: none"> • Contractor training prior to commencement of work: 52 • Employee Insurance Claim: 178

CONTACT US



Through our official website, stakeholders may communicate with us on concern topics and enable us to respond timely. Ardentec engages our stakeholders through a reciprocal communication, jointly review and share our CSR achievements, communicating our performance, and suggestions, contents are reviewed and approved by the Board of Directors.

Stakeholder	Material Topic	Communication channel, Response	Communication performance
Government and regulatory agencies	<ul style="list-style-type: none"> Regulatory compliance Occupational health and safety 	<ul style="list-style-type: none"> Regulation briefing or public hearing Financial Report Furnish required reports or revert survey Official documents Business development meeting Business declaration and response 	<ul style="list-style-type: none"> Supplementary description of declaration items: 16 times Business survey response: 15 times Participation in regulation briefing and seminar by the authority: 13 times Waste removal declaration: 156 times
Investor	Business performance and profitability	<ul style="list-style-type: none"> Shareholders' meeting Legal representative briefing session Financial Report Public information observatory Official website Meeting and regular contact 	<ul style="list-style-type: none"> Shareholders' meeting: 1 Major Information Announcement: 36 Revert to investors letter: 6 Virtual legal representative briefing session: 2 Legal representative phone interview session: 20
Cooperation institutions	<ul style="list-style-type: none"> Regulatory compliance Occupational health and safety Business continuity management Quality and product service 	<ul style="list-style-type: none"> Audit Meeting and regular contact Collaboration with institution and internship opportunity 	<ul style="list-style-type: none"> Collaboration with institution: interview session with institutions for internship: 7 Internal design control and executive effectiveness site survey: 2 Information system annual audit: 1
Creditors	Business performance and profitability	<ul style="list-style-type: none"> Provide information or answer queries Meeting and regular contact Financial report 	Renewal of bank loan agreement: 17 financial institutes

Corporate Governance

3





- 3.1** Governance Principles
- 3.2** Board of Directors
- 3.3** Executive Compensation Policy
- 3.4** Ethical Guidelines
- 3.5** Internal Controls
- 3.6** Risk Management
- 3.7** Major Investment

3.1 Governance Principles 102-14 102-27 102-28 102-31

Ardentec's Six Governance Principles



Establish
effective corporate
governance structure



Protect
interests of
shareholders



Strengthen
board of directors
functions



Exert
the Audit Committee
functions



Respect
stakeholders' rights and
interests



Enhance
information
transparency

Ardentec upholds corporate governance and have a due sense of our mission, committed to building a sustainable business, and care about environmental and social sustainability. For that reason, we have established the "Corporate Governance Principles", "Ethical Corporate Management Principles", and "Corporate Social Responsibility Practice Principles" as a code of conduct in guiding Ardentec in promoting and managing the business.

Ardentec incorporates corporate governance, sustainable development, and social justice into our three significant aspects of CSR practices. The BoD reviews the effectiveness of Ardentec's CSR implementation every year and makes recommendations to improve and strengthen the execution.

The established governance framework is based upon relevant legislation, regulations, and standards at home and abroad, such as the Company Act, Securities and Exchange

Act, international standards or agreements, and Responsible Business Alliance (RBA) Code of Conduct. Those rules and regulation relating to corporate governance such as Article of Incorporation, Rules of Procedure for Shareholders Meetings, Management of Operation of Board Meeting, Procedures for Acquisition or Disposal of Assets, Procedures for Financial Derivatives Transactions , Procedures for Lending Funds To Other Parties, and Procedures for Endorsement And Guarantee can be browsed from Ardentec Website under Investors>Corporate Governance>Major Internal Policies.

Ardentec took part in the 7th Corporate Governance Evaluation of Publicly Listed/Trade Companies conducted by the Taiwan Stock Exchange and Taipei Exchange. The published results (April 2021) position Ardentec amongst the top 5% of public companies in Taiwan for the 4th consecutive year. It is an affirmation of the effectiveness of our governance performance through a third-party assessment.



Corporate Governance Principles
<https://web.ardentec.com/?m=119>



Ethical Corporate Management Principles
<https://web.ardentec.com/?m=105>



Corporate Social Responsibility Practice Principles
<https://web.ardentec.com/?m=87>



3.2 Board of Directors 102-18 102-22 102-23 102-24 102-25 102-28 102-29 405-1

The Board of Directors of Ardentec consists of 11 seats, 5 of which are corporate directors that account for 45.5% of total directorship, of which 4 seats (36.4%) are independent directors. There is 1 female director (9.1%), 4 directors are between the ages of 51 and 60(36%), 7 directors are between the ages of 61 and 70(64%) of the total directorship. All directors serve for a 3-year term, and the current board will serve from May 28, 2020, through to May 27, 2023. Board members are selected from nominees through a rigorous selection and review process that takes into account diversity and independence to fulfil and strengthen the board's function and to improve the effectiveness of corporate governance. Ardentec has Directors' Liability Insurance in place to reduce the risks and to protect directors from any personal liability and financial losses caused by third-party litigation while carrying out their duties.

Our Audit Committee and Compensation Committee consist of 4 independent directors each. The Audit Committee supervises the appropriate declaration of the company's financial statements, selection (termination) of the certified public accountants and their respective independence and performance, the effectiveness of internal control, laws and regulations compliance and the management of potential risks. The Audit Committee conducts regular meeting at least once per quarter; there were 4 meetings in 2020.

To preserve the corporate governance principles, all board members, management, and executives have neither shareholdings nor any mutual holdings of any suppliers and stakeholders.

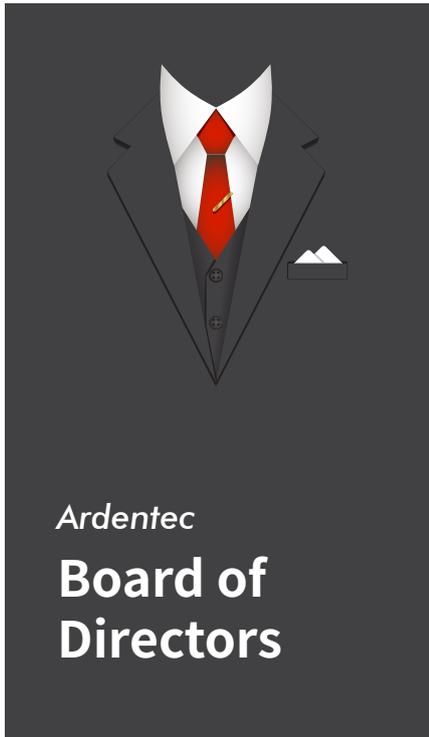
The board of directors of the company exercises the board of directors' powers in accordance with the company act, regulations governing procedure for board of directors meetings of public companies, articles of incorporation, and rules of procedure for board of directors meetings. Board conducts meetings once every quarter and complies with rules of procedure for board of directors meetings. Accordingly, directors will recuse themselves from any agenda or topic discussion and voting when their personal interests and company interests are related. They may not act as another director's proxy to exercise voting rights.

In 2020, there were total 5 board meetings convened to oversee the management of economic, social, and environmental aspects of the business and assist the internal control strengthening and corporate governance enhancement.

In 2018, the board passed Self-Evaluation or Peer Evaluation of the Board of Directors to evaluate the board's overall performance. It stipulates clearly that an external professional independent organization or a team of experts must be appointed to perform the evaluation once every 3 years. In 2020, the internal evaluation covering "overall board of directors", "board members", "Audit Committee" and "Compensation Committee" were all GOOD, and there were no major improvement projects.

To continuously expand the board's knowledge on corporate governance, economics, environmental and social topics, board members are required to attend their respective training. In 2020, all board members attended on average over 6 hours of training. Board meeting attendance, its operation, and required training courses are all published in the Taiwan Stock Exchange Market Observation Post System and Company's annual report.





Chairman

Chih-Yuan Lu

PRESENT | **Chairman and CEO of Ardentec**

Director and President of Macronix International Co., Ltd.

President of Vanguard International Semiconductor Corporation

Deputy General Director of ERSO, ITRI

Ph.D. in Physics, Columbia University, USA



Vice Chairman

Chi-Ming Chang

PRESENT | **Vice Chairman and President of Ardentec**

Division Director of Vanguard International Semiconductor Corporation

Deputy Division Director of ERSO, ITRI

Ph.D. in Industrial Engineering, Texas Tech University, USA

Corporate Director

Yen-Hie Chao

Rep of Macronix

PRESENT | **Chairman and CEO of Ardentec**

Director and President of Macronix International Co., Ltd.

President of Vanguard International Semiconductor Corporation

Deputy General Director of ERSO, ITRI

Ph.D. in Physics, Columbia University, USA

Corporate Director

Amy Chao

Rep of Chiu Chiang invt.

PRESENT | **Director of Der-Mau-Shin Capital Co., Ltd.**

CFO of China Times Incorporated
Master in Economics, California State University, USA

Corporate Director

Liang-Po Chen

Rep of Valutek

PRESENT | **Director and President of GIGA Solution Tech. Co., Ltd.**

Deputy director of National Nano Device Laboratories

Ph.D. in Electronic Engineering from National Cheng Kung University

Corporate Director

Ming-Hong Kuo

Rep of Kingwell invt.

PRESENT | **Vice President of Product and Quality Assurance Center, Etron Technology, Inc.**

AVP, Device Tech. Div., Etron Technology, Inc.

Master of Electronics Engineering, National Chiao Tung University

Corporate Director

Shuh-Jiunn Liaw

Rep of Sheng tang invt.

PRESENT | **Senior Vice President of Ardentec**

Manager, Vanguard International Semiconductor Corporation

Master of Electronics Engineering, National Chiao Tung University

Independent Director

Wei-Shan Hu

PRESENT | **Professor of Chung Yuan Christian University**

Vice Principal of Chung Yuan Christian University

Ph.D. in Financial Management, University of Oklahoma, USA

Independent Director

Chen-I Chia

PRESENT | **Director of Pegatron Corporation**

President of Retail Banking Business Group, Chien Hua Bank

MBA, University of Wisconsin, USA

Independent Director

Lai-Juh Chen

PRESENT | **Chairman of TEN Life Health Technology Corporation**

EMBA of Thunderbird School of Global Management

Ph.D. in Chemical Engineering from National Tsing Hua University

Independent Director

Bernard C. Jiang

Vice Principal, National Taiwan University of Science and Technology
Distinguished Professor, Department of Industrial Management, National Taiwan University of Science and Technology

Vice Principal, Yuan Ze University

Ph.D. in Industrial Engineering, Texas Tech University, USA

3.3 Executive Compensation Policy 102-25 102-36 201-1

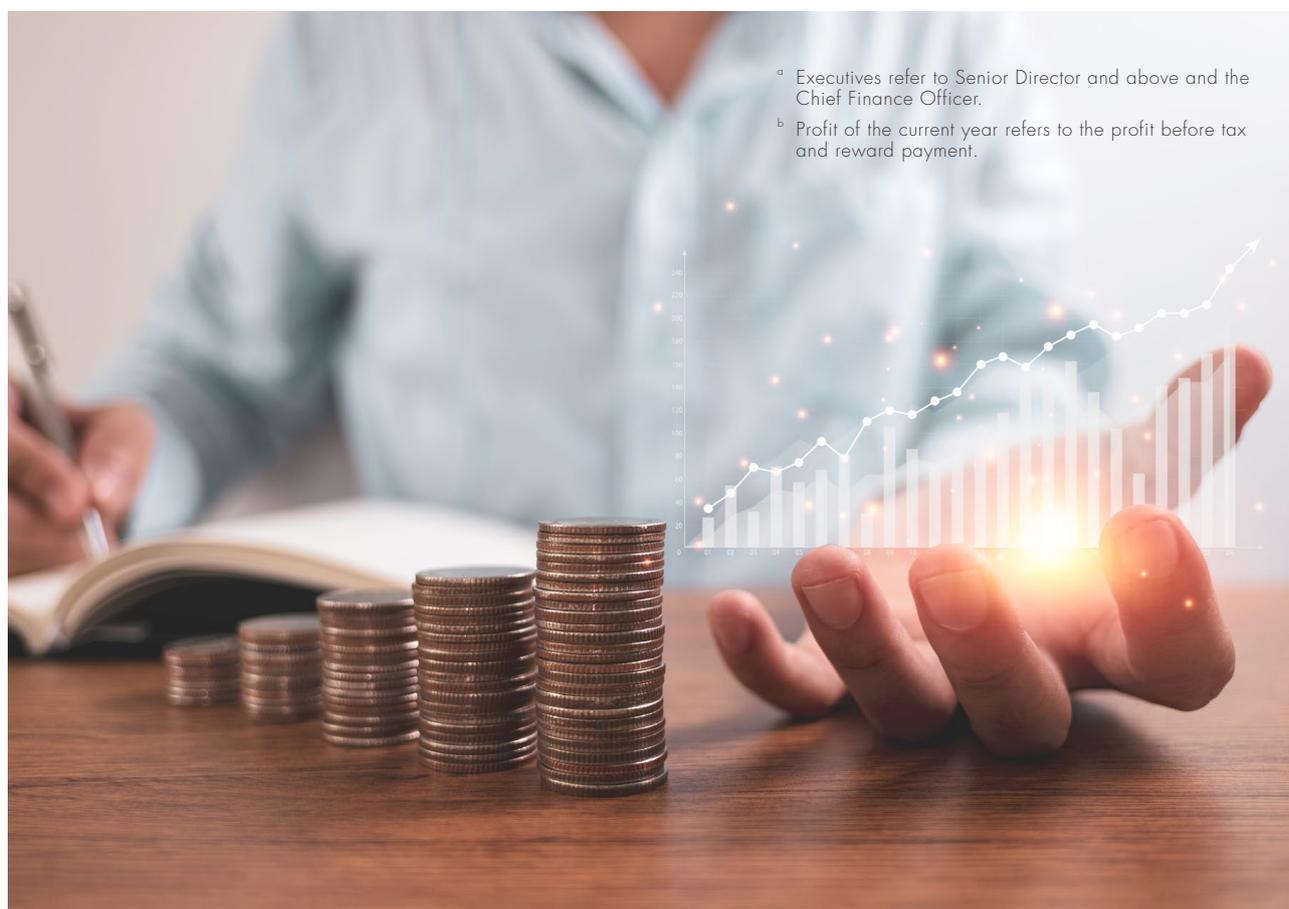
Compensation Committee was formed by 4 independent directors, its function ranges from formalising policies and systems on compensation & benefits and performance assessment, the regular review of compensation of the directors and executives to maintain fairness, to attract and retain talent. There were 2 meetings in 2020; the proposal was drafted base on the meeting resolutions and submitted to the Board of Directors for approval.

Ardentec's compensation & benefits system is established with prudence based upon the performance and future risks while considering various peer standards at home and abroad, and fully representing the performance of both individual and team regardless of age, gender, and aims to attract, retain and motivate talents.

Director's compensation includes travel allowance and Director's remuneration; travel allowance is on actual attendance basis. The disbursement of Director's remuneration depends on the company earning at proportions laid out in the Articles of Incorporation, subsequently submitted to the shareholders after obtaining

Board of Resolution. The Executives' compensation considers the role and the industrial norm while taking into consideration the internal reward scale, responsibility and contribution to the company's targets. Remuneration for Employees is formulated base on annual profit status and the proportions stipulated in the Articles of Incorporation, submitted to the shareholders after obtaining Board of Resolution. The remuneration to Directors and executives are subject to the review of the Compensation Committee and Board of Directors' resolution and are disclosed in the company's annual reports. Board of Directors recuse themselves during such review and discussion, and voting rights are revoked to avoid conflict of interest.

Based on the Company's Articles of Incorporations, we reserve 12% of the profit as employees' remuneration and 3% as directors' remuneration. Conversely, if there are accumulated losses, the amount should be made up. The rewards distributed to directors and executives were NTD 74,620,139 and NTD 298,480,556 to the employee for 2020.



3.4 Ethical Guidelines 102-16 102-17 205-1 205-2 205-3

Ardentec's belief in being "A Testing Partner You Can Trust" is manifested in its technical service as well as its business activities and employees' conduct.

Ardentec has established the Ethical Corporate Management Principles and Corporate Social Responsibility Practice Principles as the code of conduct. Any forms of corruption, extortion and misappropriation of public funds are strictly prohibited. In addition, we refuse to provide or accept any improper benefits, abide by fair trade, and do not participate in illegal market competition such as false advertisement. Ardentec also support customer CSR and ethical business conduct to show our commitment.

Ardentec's headquarters and all of our subsidiaries conduct annual employee conflict of interest declaration. There were no incidents of conflict or interests or corruption in the year 2020.

All employees are required to attend ethics and anti-corruption training. As of December 31, 2020, all employees of Ardentec completed the training.



Handling violations of ethical guidelines

Ardentec implements best practices for ethical business operations and management. We have Grievance and Reporting Regulation in place and has a dedicated reporting line and a dedicated email to provide platforms to our employees and external parties in reporting any violation of ethics, laws or integrity issues with names or anonymously. HR processes internal reporting; any external reports are assigned to the CSR Division for investigation and response. If the accused is appointed executives or above, the reporting will be submitted to President or Chairman to assign in charge of the case.

Reported cases must be filed, and the respective outcome must be reviewed by the Audit Committee and report to the Board of Director on the progress yearly. If the incident report is true upon investigation, for Ardentec employee, disciplinary action will take place in accordance with Employee Reward and Disciplinary Regulation; for suppliers, base on the severity of the case, will give a warning or consider ceasing partnership. If there is a law violation, it shall be dealt with according to respective legislation. The regulation also stated the prohibition of any retaliation towards the whistleblower.

	Employee	External Party
 Dedicated Office	HR & Service Division	CSR Division
 Grievance Hotline	03-5976688 ext.1201	03-5976688 ext.1206
 Grievance Email	grievance@ardentec.com	

3.5 Internal Controls

102-11

To ensure the effectiveness and efficiency of business operations, the reliability, timeliness, and transparency of reports, the compliance with relevant regulations and laws, Ardentec established, implemented and maintained the internal control system according to "Regulations Governing Establishment of Internal Control Systems by Public Companies" promulgated by the Financial Supervisory Commission (FSC).

Internal Audit Office drafts an annual audit plan, upon the approval by the Board of Directors, to executes the plan and makes suggestions for improvement. The audit report is subjected to Chairman's acknowledgement and must be reviewed by independent directors, report execution both in Audit Committee and Board Meeting. Thus, boards and executives exercise their duty of internal control and risk management responsibilities through audits.

In addition to the mandatory audit items determined by the FSC, part of the operational cycle and control system are included as part of the annual audit base on the risk assessment results to managing risks effectively.

Ardentec and its subsidiaries conduct self-assessment base on the Regulations Governing the Establishment of Internal Control Systems by Public Companies, determine the design and execution effectiveness of the internal control system.

Ardentec formulated Ethical Corporate Management Principles to prohibit unethical behavior. It also defines the disciplinary and appeals process for any violations. Annual training on code of ethics and anti-corruption is mandatory for all employees.

3.6 Risk Management

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Sound risk management, and appropriate crisis management designed to protect stakeholders' interests. Ardentec formulated various risk assessment and operation specification to manage risks. The President or appointed management representatives regularly review the various risk management results and formulate the improvement plans to ensure the continuous perfection of the risk management effectiveness. The performance of risk management is included in "Execution of CSR and Ethical Management" and report to the Board of Directors annually.



Risk Category	Risk Management Strategies
<div style="text-align: center;">  <p>Operational Risk</p> </div>	<p>For business continuity and emphasis on interests of stakeholders, and to ensure overall operation is free of any risks of business interruption, ISO 22301 Business Continuity Management System (BCMS) International Standard verification was approved in 2016, covering 4 sites of headquarters and Singapore subsidiary.</p> <p>The Business Continuity Policy and Business Continuity Management Manual have been established. All employees must duly comply with business continuity related operation procedures and protect the company in the event of operation disruption so as to safeguard key operational processes from the effects of major disasters, sabotage, or equipment failure.</p> <p>Supply Chain Risk Assessment Specification was established to prevent supply chain disruption and reduce the risk of operational resources disruption. Ardentec has formed the Business Continuity Management Committee, complies with the business continuity operation, and performs regular business impact analysis (BIA), risk assessments (RA), disaster drills, and surveys of stakeholder topics of concern. Every year, the Committee conducts internal audits and management review meeting on the company's business continuity management system, during which the system is monitored, measured, analysed, and evaluated to ensure the effectiveness of the Business Continuity Management System. All employees must perform annual business continuity management training.</p> <p>To continuously strengthen the management ability of business continuity risks, all supervisors implement daily management tasks, observing internal and external changes. When latent risks are likely to pose an impact on the company, they must comply with the response measures and plans of the business continuity management system to reduce the probability of business disruption.</p>

Risk Category



Financial Risk

Risk Management Strategies

Focusing solely on the semiconductor testing business and not engaging in any high-leverage or high-risk investments. Ardentec and its subsidiaries all implement a stringent approach towards financial and financial market management; we also control our operations and profit risks at all times and further coordinate in devising strategies to accommodate changes in the industrial economy, financial market, and ultimately deliver stable semiconductor testing business performance and earnings.



Safety Risk

Environmental Measurement/ Hazard Identification and Risk Assessment Procedure was in place to identify the existing characteristics and risk level of causes that may possibly result in staff injuries, illnesses, loss of property, damages to the work environment, or the combination of any of the aforesaid latent risks, for the reference of continuous improvement decision for the safety and health policy, goals and management plan.

Emergency Response Plans will be composed according to Emergency Response Control Procedure, which provides response measures for typhoons, earthquakes, and other natural disasters. Each site area has its own emergency response team in place and holds regular emergency response drills and fire evacuation drills to develop employees' responsiveness to emergencies and raise their safety awareness which ultimately reduces the risk of accidents during disasters.

Through ISO 45001 certification, headquarters and all of its subsidiaries manage the safety-related risks effectively with an international management system.



Legal and Intellectual Property Right Risk

To ensure the protection and correct use of intellectual property in the technology industry, the "Intellectual Property Management Manual" is in place. All employees undergo the training on "Intellectual Property Basic Concepts/Trade Secret Protection Training", adhere to the management and protection of intellectual property procedures, strengthening the concept of intellectual property management related risk management. Keep a close eye on domestic and foreign policies that affect operating conditions, amendments in law and regulations in the social and economic fields, or operating-related patents.

Set up a "Trade Secrets Committee" for regular inspections and reviews of management performance to continuously improve legal compliance, business secrets and the protection of intellectual property rights. The daily operation process is designed to automatically review the protection of business secrets and intellectual property to prevent the risk of improper use or leakage.

Ardentec obtained certification of the Taiwan Intellectual Property Management System in 2020. Through this management system certification, the IP management policies, objectives and system related to the operation strategies are formulated to effectively ensure the operation effectively meet the Company's expectations and reduce legal and IP rights-related risks.

The CSR committee uses the Law and Standard Identification Procedure to examine the compliance with various business-related laws and regulations on a quarterly basis, making necessary adjustments to the internal systems and business activities in response to changes in laws and regulations to ensure the legality and compliance of the company's operations.



Taiwan Intellectual Property Management System (TIPS) Grade A Certificate

Risk Category	Risk Management Strategies
 <p>Information Risk</p>	<p>Information is the life of the technology industry and customers, and to achieve rigorous protection of information security, Ardetenc stipulated Information Security Manual, Intellectual Property Management Manual, Site Security Manual and GSMA Procedure, etc. All employees are required to comply with all safety regulations and requirements, and to protect the Company and customers' information and properties, and also to undergo annual information security training.</p> <p>All system development and maintenance, data access, backup mechanisms, viruses and network intrusions have strict protection measures. The equipment room is fitted with an automatic fire extinguishing system, uninterruptible power system, access control system and video monitoring measures.</p> <p>The "Enterprise Security Committee" formulates diversified information security protection operations, periodically conducts risk assessment. The Committee conducts a review once every 6 months, making continuous improvement. Headquarters, Singapore, Korea and Nanjing subsidiaries are all ISO 27001 certified; the data centre in Tingshin site, Kaiyuan site, Gaosheng site and Paoching site, Singapore and Nanjing are all Common Criteria certified; headquarters Tingshin site has obtained GSMA SAS-UP certification,</p> <p>Ardentec's firm information security, physical security, product security and IP security management system serve as our guarding net. As of 2020, there were no customer complaints caused by business or personal data leakage.</p>
 <p>Labor and Human Rights Risk</p>	<p>There are Human Right Protection Specification and Specific Fixed-term Contract Worker Recruiting Agent Management Specification to ensure that workers are under proper human rights protections. The Company also has a variety of reporting and complaint channels announced within the company and on the official website. Any human rights-related issues can be named or anonymously reported to ensure smooth channels for all human rights concerns to be promptly eliminated. Protective operation of the Recruiting & Talent Developing Department to check the recruitment process of all labor recruited abroad; each year, the Recruiting & Talent Developing Department audits domestic and foreign agencies to confirm that employees do not have any human rights risks in the recruitment process.</p>
 <p>Business Ethics Risk</p>	<p>Establishing a Business Ethics Risk Management Procedure to identify potential risks in business ethics. Business activities identified as high risk are subject to appropriate control mechanisms to reduce risk.</p> <p>Each department conducts annual business ethical risk identification and assessment. According to the results of the 2020 annual assessment, the possibility of risk occurrence is extremely low, and the existing control measures can properly control risks, so there have been no violations of business ethics.</p>

3.7 Major Investments 102-10

To ride the rising wave of 5G, ATV (automotive electronics), HPC (High-Performance Computing) and IoT (Internet of Things) and the opportunities they had brought upon to the semiconductors industry, Ardetec have invested NTD 1 billion in building the 2nd phase Tingshin site, and it is completed at the end of 2020. The ground area is 8,264 m², and it consists of a 6-floor office building and a 5-floor production floors. It is expected to be operated by the second quarter of 2021 to expand our operation

capacity, which will provide sustainable growth in business operations in semiconductor application and innovation.

The main sources of funds for the above two investments were the company's own funds and financing of financial institutions, so it had no significant impact on the financial aspects of the company; the above two investments will be the cornerstone of the company's continuous growth in the future and are expected to keep creating greater benefits for shareholders.



Environmental Protection

4



- 4.1 Environmental Policy
- 4.2 Environmental Protection Expenses and Investment
- 4.3 Climate Change and Energy Management
- 4.4 Disclosure of Environmental Information
- 4.5 Water Resource Management
- 4.6 Pollution Prevention

4.1 Environmental Protection

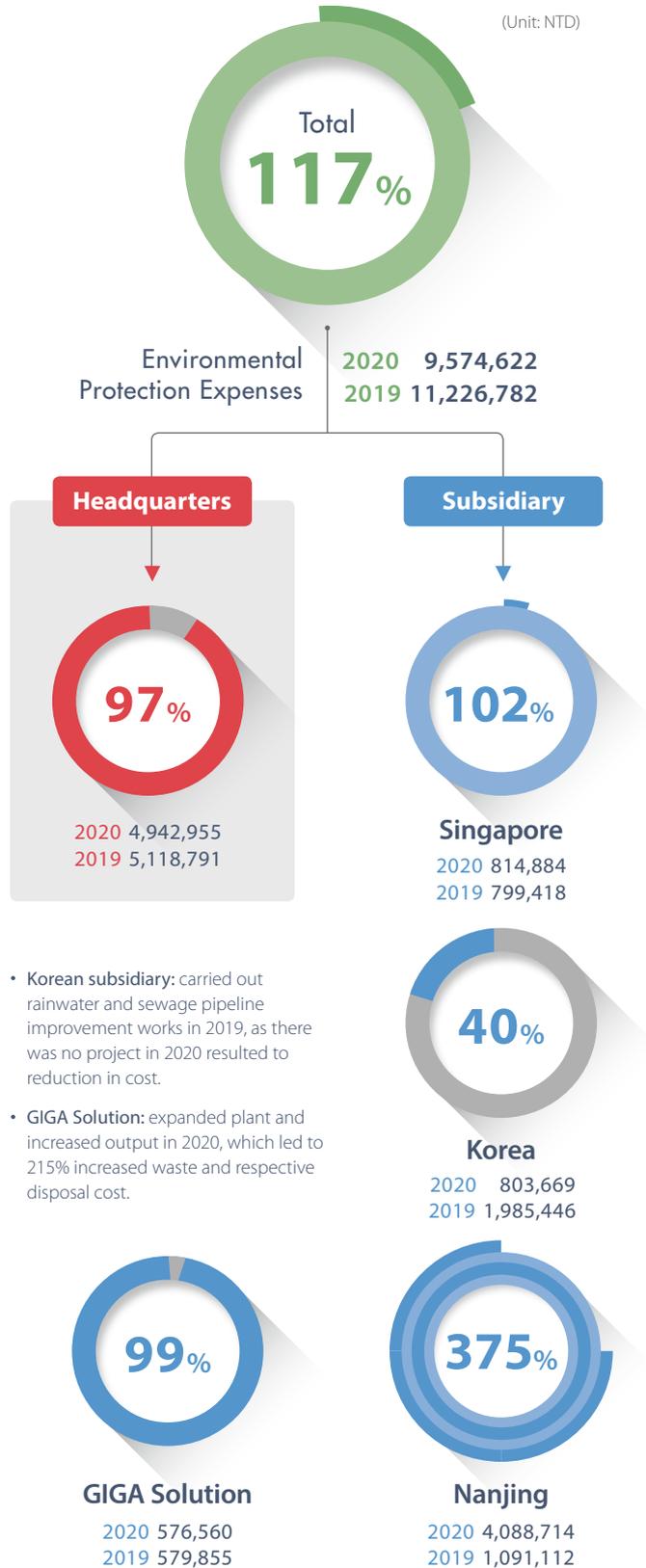
Ardentec is committed to energy saving, carbon reduction, maintenance of ecological environment, implementation of "environmental sustainable development" policies and practice the concept of environmental sustainable development.

Regarding the purchase of each site or lease assessment, selection and business activity planning, the first consideration is to be away from the habitat and conservation areas with rich biodiversity. In addition, another important selection factor is to be as close as possible to the clients to achieve low-carbon and energy saving transportation. We do our best to minimize the transportation mileage and energy consumption of daily operation in order to reduce the impact on the environment. All dormitories are located within the walking distance of the site to reduce the carbon emission generated by vehicles.



4.2 Environmental Protection Expenses

Major expenses in environmental protection include professional waste removal, pollution prevention and environmental monitoring.



4.3 Climate Change and Energy Management

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With the exacerbation of global warming, energy crisis and climate change, the requirement of relevant environmental protection regulations will become stricter. The gradual increase in energy and environmental protection costs caused by climate change is an inevitable trend.

The primary task of improving the impact of climate change is to reduce greenhouse gas emissions. The main energy used by semiconductor testing is electricity. The Ardentec Group is committed to doing its part to mitigating climate change by reducing GHG emissions through energy conservation.

Climate change management

Business Continuity Management System (ISO 22301) has been introduced by Ardentec to analyze the potential damage, risks and opportunities in terms of regulations, production activities, business reputation due to climate change. Response strategies and action plans can then be developed to reduce the business continuity risks from climate change.

Aspect identification	Risks and opportunities	Strategies or action plans
Regulations	Greenhouse gas emission control	<ul style="list-style-type: none"> Regular GHG inventories are conducted to provide a baseline for emission reduction plans. Third-party verification is commissioned by headquarters and Singapore subsidiary. Continued to execute of GHG reduction plan.
Production activities	Damage to plant and facilities/Interruption of energy supply	Introduced business continuity management system (ISO 22301) for continuous review and improvement to ensure the continuity and restoration of operations when a disaster occurs.
Business reputation	Stakeholders' assessment of the company's non-financial performance	<ul style="list-style-type: none"> Regular management reviews are conducted by CSR Committee to ensure performance targets are met An independent verified CSR report is published every year to disclose CSR performance to stakeholders.

Green Management System

Ardentec follows the government's relevant environmental protection regulations in establishment of an integrated management system, introducing environmental protection personnel, formulating, promoting, and maintaining environmental management systems and action plans. Ardentec reviews the overall operational processes to perform greenhouse gas inventory and reduction, water resources inventory management

and waste reduction/recycling and other improvement measures, to reduce and manage greenhouse gas emission from the source. In addition, Ardentec is committed to energy-saving projects, minimizing environmental consumption, optimizing cost management, and reducing the impact of global warming to enhance our competitiveness and achieve environmental sustainability goals.



Headquarters and all subsidiaries are ISO 14001:2015 Environmental Management System certified



Headquarters



Singapore Subsidiary



Korea Subsidiary



Nanjing Subsidiary



GIGA Solution

Ardentec headquarters and Singapore subsidiary have obtained ISO 50001:2018 energy management system certification to ensure effective management of energy consumption. PDCA techniques were employed to incorporate energy management into the existing organization and improve energy performance.



Headquarters

Singapore Subsidiary

In 2020, there were no incidents of major leakage or pollution related fines, lawsuits or environmental damage costs incurred by Ardentec headquarters and its all subsidiaries.



MANAGEMENT OF HAZARDOUS SUBSTANCES

Ardentec has formulated a Hazardous Substance Free (HSF) Policy, regularly implementing internal audits to manage and review the Company's Hazardous Substance Free Goal every six months. The 4 sites at headquarters have passed the certification IECQ QC 080000 Hazardous Substance Process Management System. All of operational activities conform to international regulations such as the EU's Restriction of Hazardous Substances Directive (RoHS) and the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulations. Ardentec's services adhere to international laws and regulations and comply with customers' requirements for green products and management of hazardous substances.

MANAGEMENT OF ENERGY

Semiconductor testing is positively correlated to the consumption of energy and water resources, waste generation and the amount of test equipment used. Ardentec establishes specific energy-saving and waste-saving projects and goals and includes them in long-term improvement strategies. In that way it can achieve reduction and encourage external suppliers and contractors to achieve the goal of greenhouse gas reduction in the industry chain. In order to continuously improve the performance of environmental management, Ardentec corporate had implemented measures such as upgrade facilities, optimize operation, and set energy-saving controls in 2020. Ardentec has set an energy management target of reducing average energy consumption by no less than 1% between 2015~2024.

EFFECTIVENESS OF ENERGY MANAGEMENT OF 2020

	Headquarters	Subsidiary				Total
		Singapore	Korea	Nanjing	GIGA Solution	
Power consumption (kWh)	121,739,942	10,880,320	4,932,276	6,037,560	32,149,887	175,739,985
Power saving (kWh)	1,501,357	143,564	464,950	75,661	862,874	3,048,406
Power saving rate	1.22%	1.30%	8.61%	1.24%	2.61%	1.73%

Power saving rate = Power saving / (Power used+ Power saving)

Greenhouse Gas Inventory and Reduction

GHG INVENTORY ITEMS ACCORDING TO ISO 14064

Emission	Scope / Type		Inventory item		Coverage	Source
	2006	2018	2006	2018		
Direct	I	I	Production process emissions, emergency and move emissions sources, including CO ₂ , CH ₄ , N ₂ O, HFCs , PFCs and SF ₆		Emission of GHG while generating electricity, heat, steam, or during combustion of fossil fuel.	Diesel (gasoline) used in emergency generators
					GHG emitted from transportations that the Company has control over.	Diesel (gasoline) used in trucks and company vehicles
					Fugitive emissions.	Methane gas from the septic system, refrigerant used in the air-conditioning system, carbon dioxide used in fire extinguishers, and SF ₆ used by electric switches
					GHG emissions from biological, physical or chemical processes.	Chemical reactions
Other indirect	II	II	From externally purchased electricity, including CO ₂ , CH ₄ , N ₂ O		Emission of GHG from purchased supply of electricity, heat, steam, or outsourced combustion of fossil fuel.	Purchased electricity
Other indirect	III	III	Other emission not belonging to self-owned or self-controllable	Indirect GHG emissions from transportation	GHG emissions occur from sources located outside the organizational boundaries. Those sources are mobile and are mostly due to fuel burnt in transport equipment.	Upstream/downstream transport and distribution for goods, employee commuting, clients and visitor transport, business travel
		IV		Indirect GHG emissions from products used by an organization	GHG emissions occur from sources located outside the organizational boundaries associated with goods used by the organization.	Purchased goods, capital goods, waste disposal, the use of assets ,etc.
		V		Indirect GHG emissions associated with the use of products from the organization	GHG emissions or removals associated with the use of products from the organization result from products sold by the organization during life stages occurring after the organization's production process.	The use stage of the product, downstream leased assets, end of life stage of the product, investments
		VI		Indirect GHG emissions from other sources	The purpose of this category is to capture any organization specific emission that cannot be reported in any other category.	Other

The types of GHG have been classified given Ardentec's business characteristics; it does not represent that Ardentec is an emitter of all GHG types.

GHG Inventory

Electricity and cargo transportation is the main type of energy used by Ardentec. An annual inventory of greenhouse gas (GHG) emissions is conducted by Ardentec corporate for the period running from January 1 through December 31. According to the inventory result, emissions of CO₂, CH₄, and

N₂O were mostly indirect emissions from electricity for testing machines that run 24 hours a day. HFCs from air-conditioning refrigerants were the second largest group of GHGs emitted, followed by minor amount of PFCs (CF₄) emitted when testing equipment is used.

2020 GHG EMISSIONS

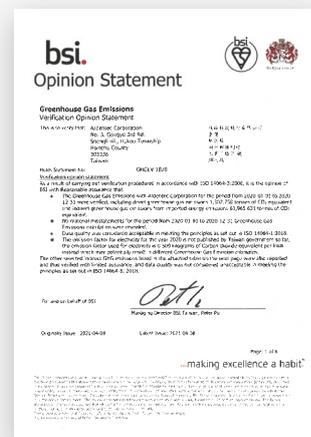
unit: metric tons CO₂e

Scope/type		Headquarters	Subsidiary				Total
2006	2018		Singapore	Korea	GIGA Solution	Nanjing	
I	I	1,303	8	37	551	18	1,917
II	II	61,966	4,366	2,253	17,007	4,963	90,555
III	III	NS	NS	NS	According to ISO 14064 2006, not inventory Scope III		NS
	IV	17,747	646	82			18,475
	V	NS	NS	NS			NS
	VI	NS	NS	NS			NS
Total		81,016	5,020	2,372	17,558	4,981	110,947
Emissions intensity (metric tons CO ₂ / NTD million revenues)		12.6	6.9	34.4	7.3	40.0	11.4

- Scope I and Scope II emission include CO₂, CH₄, N₂O, HFCs, and PFCs.
- There is no SF₆ and NF₃ emission during the business operation. A small amount of R123, R22, HCFC-141b and HCFC-124 controlled by the Montreal Protocol was emitted in 2020.
- Discharge Coefficient Refer to:
 - HQ and Giga Solution: Bureau of Energy announced 2019 power Discharge coefficient of 0.509 kgCO₂e/kWh, GWP value adopted the coefficient of IPCC announced 5th evaluation report in 2013; Giga Solution : GWP value adopted the coefficient of IPCC announced 4th evaluation report in 2007.
 - Singapore subsidiary: Singapore Ministry of the Environment and Water Resources announced power Discharge coefficient of 0.4188 kgCO₂e/kWh
 - Korea subsidiary: Korea Ministry of the Environment announced power Discharge coefficient of 0.4567 kgCO₂e/kWh
 - Nanjing subsidiary: China Ministry of Ecology and Environment announcement coefficient 0.8064 kgCO₂e/ kWh
- The statistic of greenhouse gas adapted by operation control.
- Headquarter and Singapore subsidiary inventory adopted ISO 14064-1:2018 and verified by independent 3rd party; are by Korea, Nanjing and Giga subsidiaries carried self-inventory by using: Korea-ISO 14064-1:2018; Nanjing and Giga-ISO 14064-1:2006.
- NS indicates nonsignificant.

The results of GHG inventory provides insight into the influence and impact of the Company's business activities on the environment, and serve as a reference base for developing continual carbon reduction action plans and goals.

2020 ISO 14064 GHG Emission Opinion Statement



Headquarters

Carbon Footprint Verification (CFV) (ISO 14067)

To promote Green Service and Green Manufacturing, testing service carbon footprint verification was conducted in 2020, and verified by 3rd party according to ISO 14067 standard to ensure its credibility. The verification included Wafer Probing Services in Tingshin, Kaiyung and Paoching sites, as well as Final Testing Service in Gaosheng site.

Greenhouse Gases (GHGs) Reduction

Although wafer testing is not a high electricity-consuming business in the semiconductor industry, we persistently search for every opportunity to save energy in our business activities, given that every little bit helps. We aggressive promote energy saving and electricity saving at every site. The CSR Committee assigns the Facility Department which manages all powered equipment and provides resources including water, electricity, and compression air to form a cross-site energy saving team by integrating with the quality control circle (QCC) concept. With strategic and integrated management, we aim to optimize and minimize the energy consumption of infrastructures.

2020 Energy Conservation Projects

Ardentec is striving to response to climate change by conserving energy. In 2020, the execution of 31 energy conservation projects reduced power consumption by 3,048,406kWh (10,974,262 MJ) and GHG emissions by 1,521 metric tons CO₂e.



2020 ENERGY CONSERVATION PROJECTS AND OUTCOMES

Site	Energy conservation projects	Project description	Electricity savings (kWh) ^a	Electricity savings megajoule (MJ) ^b	CO ₂ emissions reduction (t)	Electricity savings (NTD)
Headquarters	Facility update	Tingshin Site process replaced frequency conversion vacuum machine with fixed frequency vacuum machine	44,647	160,729	23	107,153
		Tingshin Site installed a new UPS	113,701	409,324	58	272,883
		Tingshin Site installed Centrifugal Constant Frequency compressor to replace active magnetic variable frequency compressor	105,983	381,539	54	254,360
		CDA optimization control	80,172	288,619	41	192,413
		Kaiyuang Site Colling tower cooling find replacement	87,339	314,420	45	209,614
		Gaosheng Site Colling tower cooling find replacement	103,380	372,168	53	248,112
		Kaiyuang Site installed high efficiency ice water pump and cooling pump	460,773	1,658,783	235	1,105,856
	Operational optimization	Kaiyuang Site DCP pump changed to variable frequency control	42,033	151,319	22	100,880
		Kaiyuang site CDA Waste recovery	63,591	228,928	33	152,619
		Gaosheng site changed to variable frequency control for peripheral pump for ice water system & air-condition regulator	78,902	284,047	41	189,365
		Paoching Site optimized ice machine	23,764	85,550	13	57,034
		Paosheng site optimized MAU	32,601	117,364	17	78,243
		Paoching site optimized water flow for cooling pump	58,718	211,385	30	140,924
	Energy saving control settings	Tingshin Site 2F and 4F implemented CR air blower energy saving control	146,814	528,530	75	352,354
		Gaosheng/Paoching sites completed common area lighting energy saving setting	3,979	14,324	3	9,550
		Paoching site 6F installed a backstop damper for UPS air conditioning box	32,875	118,350	17	78,900

Site	Energy conservation projects	Project description	Electricity savings (kWh) ^a	Electricity savings megajoule (MJ) ^b	CO ₂ emissions reduction (t)	Electricity savings (NTD)
Singapore Subsidiary	Facility update	Retrofitted the water-cooled air-conditioning system in the manufacturing office area	104,812	377,323	44	282,759
		Vacuum machine replacement	4,679	16,844	2	12,623
	Operational optimization	Replaced high efficient filters for ice water system	34,073	122,663	15	71,834
Korea Subsidiary	Facility update	Fitted LED lighting in cleanroom	107,495	386,982	50	290,237
		Fitted LED lighting in common and office area	97,190	349,884	45	262,413
	Operational optimization	Switch off lights in cleanroom during non-production period	42,130	151,668	20	113,751
		Optimisation of AHU	82,749	297,896	38	223,423
		Optimisation of CDA	112,135	403,686	52	302,765
		Fan energy saving control for MAU	23,251	83,704	11	62,778
GIGA Solution Subsidiary	Operational optimization	Air compressor system optimization	101,436	365,169	52	238,375
		Series connection of the air supply pipeline in achieving the optimization of air pressure supply	600,398	2,161,434	306	1,410,937
		Vacuum air system optimisation	161,040	579,744	82	378,444
Nanjing Subsidiary	Operational optimization	Energy saving control of facility air conditioning box	64,551.00	232,384	53	206,289
	Energy saving control settings	Lighting control in common area	11,110	39,996	9	35,505
Total			3,026,321	10,894,756	1,539	7,442,393

^a The energy savings of various energy conservation projects are estimates.

^b Referencing the 2018 Energy Statistics Handbook of Republic of China for heating value data.

CALCULATION BASIS

Unit of electricity: kWh		Headquarters	Subsidiary			
			GIGA Solution	Singapore	Korea	Nanjing
CO ₂ emission	kgCO ₂ e	1kWx1hourx0.509	1kWx1hourx 0.4188	1kWx1hourx0.4567	1kWx1hourx0.8064	
Price/kWh		NTD 2.4	NTD 2.35	SGD 0.0987	KRW 108	RMB 0.75

Reduction of lighting and air-conditioning

Partitioning and time interval control and management of air conditioning and lighting, encouraging employees to turn off the area lighting and air conditioning when leaving the office in accordance with the control chart to conserve energy. Corridors with natural lighting have been equipped with light sensors to turn off automatically when light in the area is sufficient. Corridors people seldom visit have built-in infrared sensors to turn on lighting only when people pass through the area. In Singapore subsidiary, lights in the office area and corridors are switched off during 12 noon to 1 pm on working day to reduce energy consumption.



Saving energy on management information system

Energy-saving measures are taken for all information management devices. When computers are not in use, screens are shut down, dimmed and set to go into sleep mode under pre-configured circumstances to reduce energy consumption and CO₂ emission.

Mitigating global warming

MEAT-FREE MONDAY FOR LOW CARBON LIFE

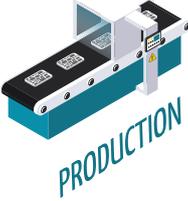
2020 is the 13th year of Meat-free Monday. Through a meat-free day a week, all employees have reduced the carbon footprint of food from their plates. With a reduction of 10% livestock products from the daily diet, we not only reduce the livestock's harm to the global warming but also give our employee a chance to practice the healthy, low-carbon and green lifestyle.



4.4 Disclosure of Environmental Information 301-1 301-2 302-1 302-3

The main environmental resource consumed during Ardentec's business operation is the electricity for the testing machines that run 24 hours a day. This is followed by the

water, electricity, oil, and refrigerant consumed, and the small amount of waste produced, during site operations, cooling, transportation and personnel activities.

Use	Operating Activities		Emission / Discharge			
 ENERGY	2019	2020	 GHG INVENTORY Metric tons CO ₂ e	2019	2020	
Diesel ^a MJ	289,246	83,962		Direct emission	1,606	1,917
Electricity ^b MJ	579,329,590	632,663,946		Indirect emission	85,693	90,555
Electricity Intensity MJ/Revenue million	71,560	64,789		Other indirect emission	19,358	18,475
Heating value refer to Energy Statistics Manual of 2018, ROC				Total ^c	106,657	110,947
 WATER Metric tons	2019	2020		 WASTE WATER Metric tons	2019	2020
Water Use	293,055	296,239		Waste Water	180,610	142,950
 PACKING MATERIALS Kg	2019	2020		 Waste Metric tons	2019	2020
Carton recyclable	177,771	253,548		General Industrial Waste	385	466
Cushioning Material recyclable	34,877	503,875		Hazardous Industrial Waste ^d	7	4
Foil Bags [*] non-recyclable	278,175	474,418				
Recycle and Reuse %	43.3%	61.5%				
Testing industry does not need to use materials, above calculation is for packaging material						
* Correction to include data of Giga for year 2019						

^a Generator is for annual maintenance, routine operation testing or power outage use.

^b Electricity for testing and office.

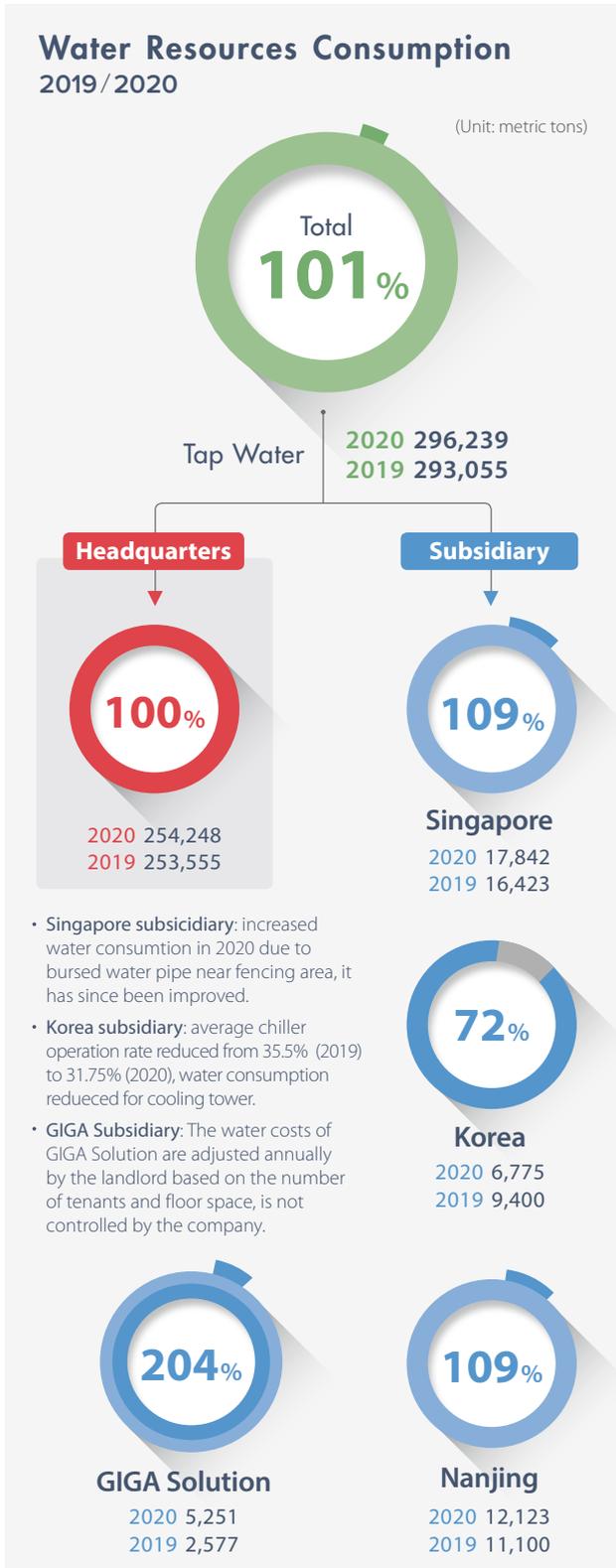
^c Headquarter and Singapore subsidiary inventory adopted ISO 14064-1:2018 and verified by independent 3rd party; are by Korea, Nanjing and Giga subsidiaries carried self-inventory by using: Korea - ISO 14064-1:2018; Nanjing and Giga - ISO 14064-1:2006.

^d Customer's scrap IC or wafers, probe card cleaning solutions, etc.

4.5 Water Resource Management 303-1 303-3

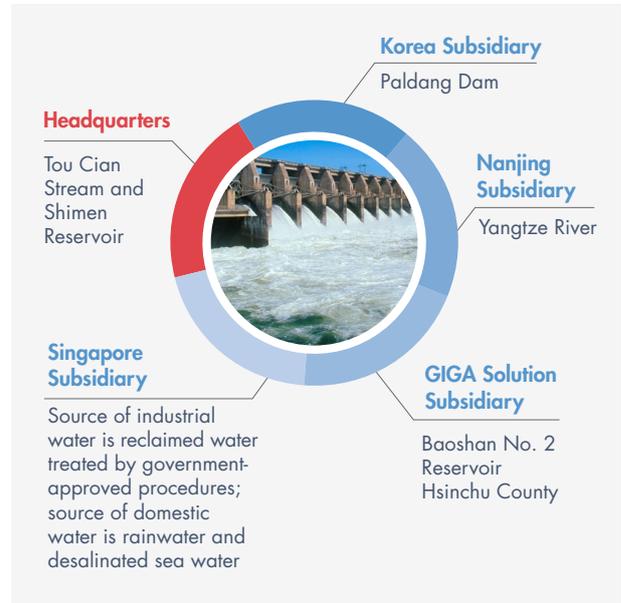
Use of Water Resources

The bulk of Ardentec's water usage was for air conditioner cooling in 24-hour testing fabs. Other water usages include general and fire safety purposes. In 2020, Ardentec used 296,239 metric tons of water in total.



WATER SOURCES

Water sources are all approved by the government for business purposes, to there is no risk of impact on the environment or species.



Water resources risk management

Ardentec collects water consumption data, uses the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI) to identify water stress levels in the areas where headquarters and all subsidiaries are located, to strengthen our water conservation efforts. Through the data of source of water and the total water withdrawal, to understand our overall water consumption and potential risks and impacts.

Water conservation results

Even though Ardentec is not water intensive company and have relatively low water consumption, Ardentec commits to "reduce, recycle and reuse" water resources while continuously introducing new water-saving facilities and management practices. The air conditioning condensation water and the RO discharge from the manufacturing process have been reused as cooling water for the air conditioning, which maximizes the recycling and reuse rate of water resources, thereby reducing the depletion of water resources. The cost saved from water conservation will be transferred to environmental education related to water resources, to promote positive feedback loops in the green management system.

In 2020, a total of 24,906 metric tons of water were recycled from the Headquarters and Singapore subsidiary, accounted for 8.4% of the water consumed.

4.6 Pollution Prevention 303-1 303-2 303-4 303-5

Management Principles

Ardentec headquarters and all operating subsidiaries have closely controlled waste or sewage treatment, ensuring that there is no environmental pollution, outflow to habitats, or impact to ecology or diversity of any species.

Ardentec's operation waste can be divided into general industrial waste and hazardous industrial waste. The waste has been centralized, stored, and managed to effectively control the output of waste sources. The waste has been classified as appropriate, and the waste that cannot be recycled is entrusted to be treated by professional, qualified waste organizations according to the best treatment

technology corresponding to the waste characteristics. The Company conducts non-periodical follow up to ensure that the waste is properly disposed of, and the hazardous industrial waste is not transported to be treated abroad.

In 2020, Ardentec removed a total of 466 metric tons of general industrial waste; about 4 metric tons of hazardous industrial waste from headquarters, Korea and GIGA Solution subsidiaries. Singapore and Nanjing subsidiaries do not produce hazardous industrial waste. Headquarters set a waste recycling target of over 37% for 2020 and 39% was achieved in practice.

WASTE ITEMS AND TREATMENT

unit: metric tons

Waste Category	Treat Type	2019					2020				
		Head-quarters	Subsidiary				Head-quarters	Subsidiary			
			Singapore	Korea	Nanjing	GIGA Solution		Singapore	Korea	Nanjing	GIGA Solution
General industrial waste	Reusable ^a	62	0	0	0	0	15	0	0	0	0
	Recyclable ^b	81	4	5	6	51	71	4	4	9	138
	Incineration	135	6	5	16	14	137	5	4	12	67
Hazardous industrial waste	Reusable ^c	4.0	0.0	0.0	0.0	1.0	3.0	0.0	0.0	0.0	0.5
	Incineration	1.0	0.0	1.0	0.0	0.0	0.0	0.0	0.5	0.0	0.0

^a Reusable general industrial waste includes mixture of waste wood, sludge.

^b Recyclable general industrial includes recyclable plastic, waste paper, mixture of iron, computers, etc. GIGA increased its general business waste in 2020 compared to 2019 due to machine scrap and 50% increment in waste paper boxes.

^c Reusable hazardous industrial waste includes empty barrels, waste electronic components, offal products, defective product, etc.



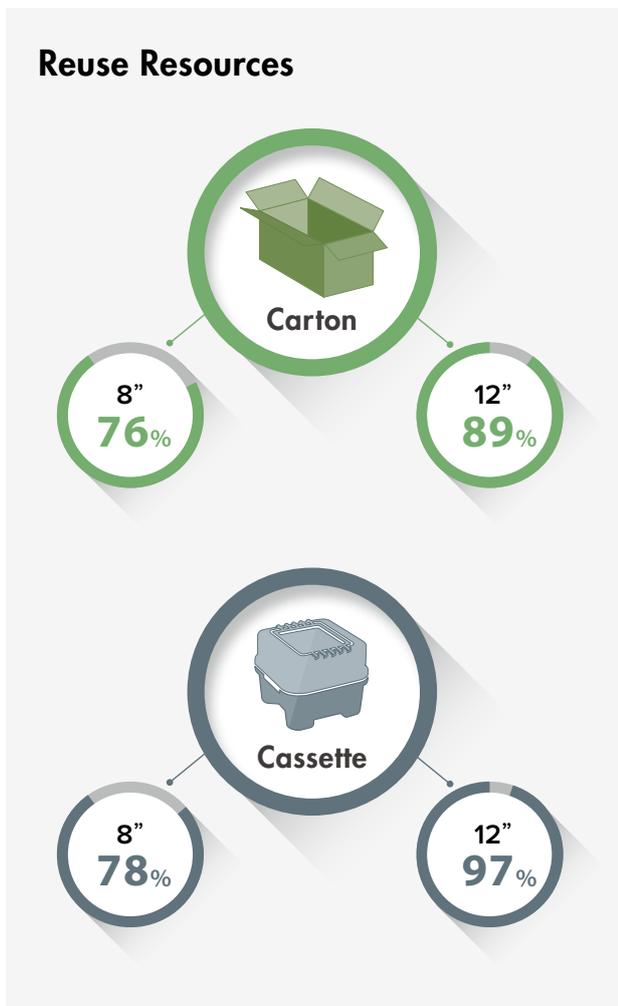
Waste Reduction Initiatives

REUSE AND REDUCTION OF PACKAGING MATERIALS

Ardentec rigorously encourages upstream and downstream vendors to reduce waste by enhancing the recycling and reuse rates of their various packaging materials. Except for specific products of the customers that are not suitable for packaging material reuse, Ardentec cooperates with customers to reuse packaging materials of shipments to Ardentec for Ardentec's future shipments back to the customers. For example, the special wafer cassettes are professionally cleaned and re-used for shipments, and the cartons are reused.

REFUSE TO USE OF DISPOSABLE UTENSILS

Most of the disposable dining utensils are made from fossil materials that produce high amounts of carbon when incinerated. 75% of disposable chopsticks contain bleach, sulfur dioxide, hydrogen peroxide and a number of chemical substances that are harmful to our health. As Ardentec believes in the idea that "health comes to those who are friendly to the environment". It had saved nearly 141,891 meal's worth of disposable dining utensils in headquarters in 2020, and reduce the amount of carbon they emit and the level of pollution they could have done to the environment.

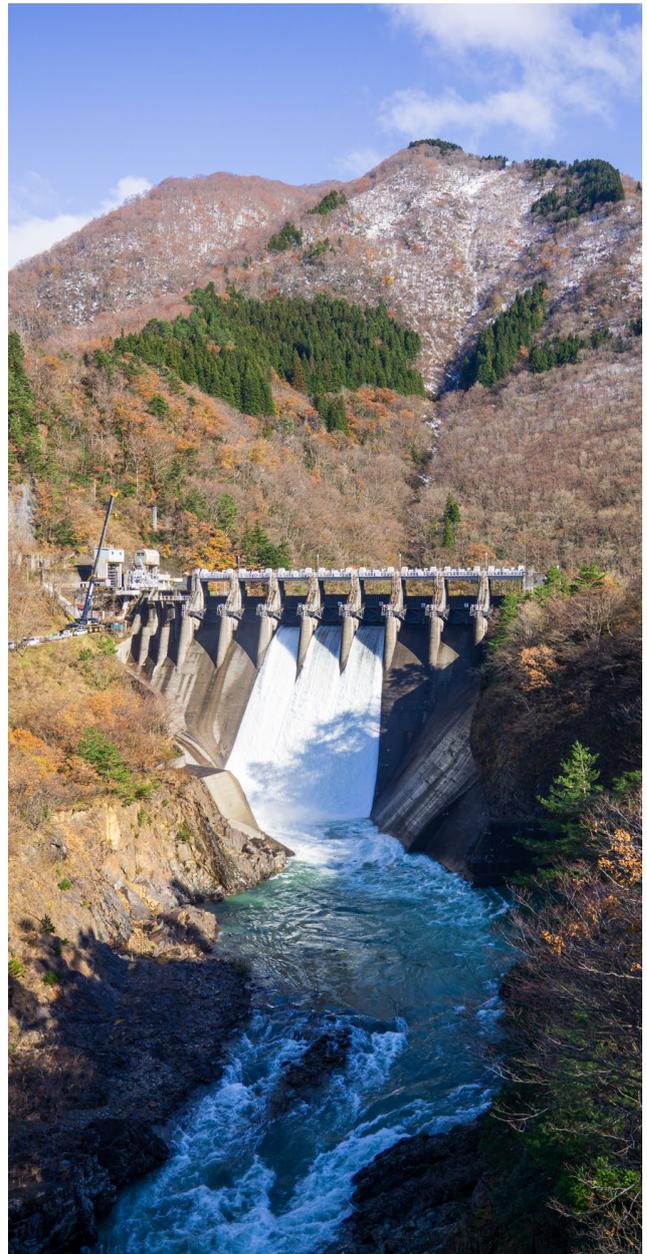
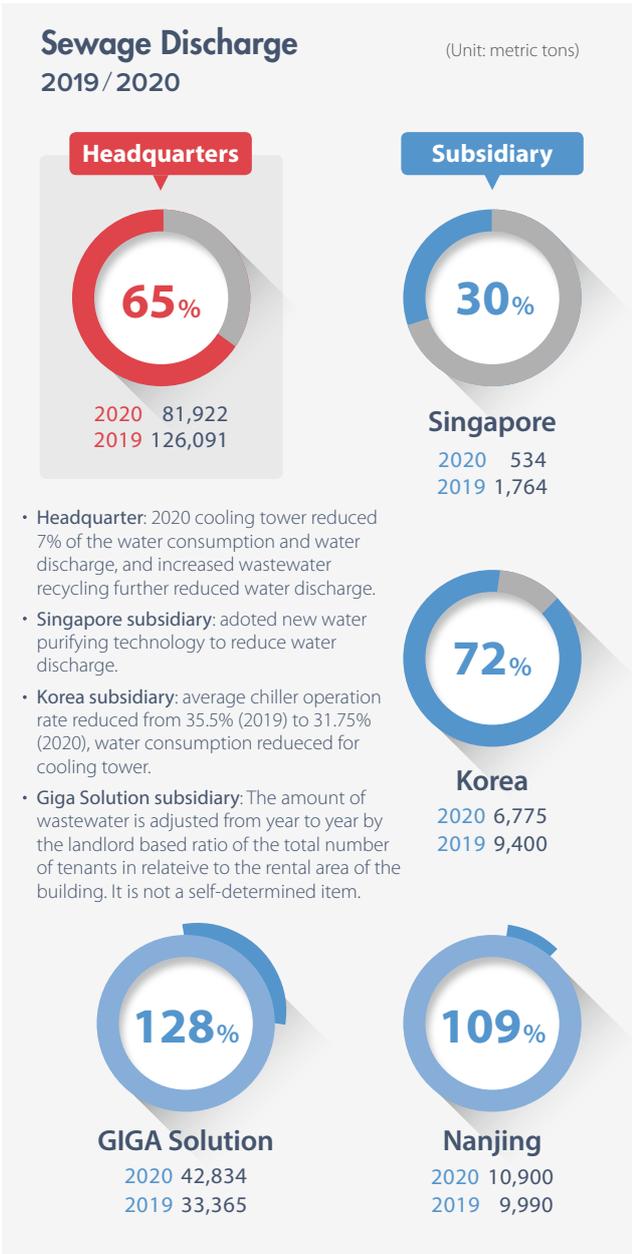


Waste or Polluted Water Management

The polluted water is mainly discharged from the wastewater of the cooling water tank operated for the fab's air-conditioning and general domestic water. The Ardentec headquarters has monitoring facilities in place to manage and control the polluted water to be in compliance with the discharge standards of waste (sewage) water in the sewers of Hsinchu Industrial Park before discharging, ensuring that wastewater reaches the PH, COD and SS discharge standards of waste (sewage) water in the sewers of Hsinchu Industrial Park. This ensures that subsequent treatment of water quality reaches the standards for discharge into streams. As a result, the water discharge of Ardentec headquarters does not influence or impact the biodiversity or habitat in regions near the Xinfeng River and on areas of high biodiversity outside of protected areas.

GIGA Solution subsidiary is located in the Hsinchu Science Park, and the polluted water is treated according to the system of the Science Park Bureau and discharged to Keya River. Wastewater (sewage) from the Korean and Nanjing subsidiaries are processed by the sewage treatment plant of their industrial park. Once the wastewater meets discharge water quality standards they are discharged into the Hwanggujicheon River and Gaowon River; industrial wastewater at the Singapore subsidiary is discharged to the government's NEWater Plant, and domestic wastewater is discharged to the sea after being treated.

Both headquarters and subsidiaries have contingency measures in place for rainwater discharge. Headquarter placed valves at drainage gutters to strengthen the anti-blocking mechanism, and reducing the risk of pollution discharge from the drain.



DISCHARGED WATER QUALITY (KAIYUANG SITE)

2020	Water Temperature (°C)		pH Value		Chemical Oxygen Demand ,COD (mg/L)		Suspended Solids ,SS (mg/L)	
	Legal Limit	Actual Reading	Legal Limit	Actual Reading	Legal Limit	Actual Reading	Legal Limit	Actual Reading
1 st half	Under 45	25.1	5~9	8.0	480	204	400	26.5
2 nd half		26.2		8.4		100		21.8

Only WLCSP in Kaiyuang site produces wastewater

A photograph showing a group of people's hands clasped together in a circle on a wooden desk. In the background, there is a silver laptop, a smartphone displaying a dial pad, and another smartphone displaying the time 10:24. The scene is set in an office environment with electrical outlets visible on the desk surface.

Employees as Partners

5



- 5.1 Employee Partnership Policy
- 5.2 Right People for Right Job
- 5.3 Compensation and Benefits
- 5.4 Career Growth
- 5.5 Workplace Health and Safety
- 5.6 Labor-Management Harmony
- 5.7 Workforce Structure

5.1 Employee Partnership Policy

By viewing employees as partners of the Company, Ardentec has developed an employee partnership policy that is centered on 4 core values: Right People for the Right Job, Reasonable Compensation and Benefits, Career Development, and Workplace Health and Safety. Through empathy and trust, we strive to grow with our partners. Through establishing Work-Life harmony policies, we hope that employee not only happy at work, but also able to enjoy their time with their families. We are promote Ardentec Corporate Citizenship as one of the core of the Company's competitiveness in the global semiconductors industry, corporate and its citizens working side by side to cultivate a win-win and brighter future for all.

5.2 Right People for Right Job

202-2 | 408-1

Ardentec evaluates each job applicant base on the merits and professional skills through a systemic assessment process. At Ardentec, we strive to attract and retain talented people who are good fit for our corporate culture.

Ardentec is committed to creating more opportunities and allow us to take care of more families. We comply with local employment regulations. We promote fair and inclusive recruitment practices. With locals being the core of our workforce, we also employ foreign employees with the approval of employment authorities to meet our operational demands through pre-screened recruitment agencies, with the growth, we are then able to create more jobs. Ardentec has rigorous selection process in shortlisting recruitment agencies to work with. All appointed agencies are with good credentials in human rights protection, and are committed to adhere to the RBA CoC. Any fees (pre & post employment) related to the employment is born by Ardentec, workers hired are not required to pay any agency fee or other related expenses for the employment, such as airfare, fee for the medical examination required by laws. They only need to board the plane to start their journey at Ardentec.

Ardentec commit to ensure our workplaces embrace diversity and are free from discrimination such as race, skin color, age, gender, ethnicity or nationality, religion, political affiliation, marital status or any other personal characteristics. Both human rights policy and non-discrimination policy are communicated to all candidates during each overseas recruitment activities, and at the same time they are given a card contains information of grievance reporting channel should they wish to lodge complaints of any violation of Ardentec policies. There were 865 new hires in 2020, and no violations of human rights or incidents of discrimination observed in the hiring process.

Employee Partnership Policy



Right People for the Right Job



Reasonable Compensation and Benefit



Career Development



Workplace Safety and Health



Non-Retaliation channels for grievance or reporting

Thank you for joining Ardentec's interview!

If you have been treated or charged unfairly while applying Ardentec jobs with the agent in Philippines, please email to grievance@ardentec.com.

We will have the designated person at your service. Don't worry about retaliation for using this channel to raise your points.

Recruiting Process



Resume Screening



Interview



Hired



Report to Company

5.3 Compensation and Benefits

201-1 201-3 401-2

Ardentec prohibits any hiring of child labor aged below 16. Ardentec has a stringent age verification process in place, and hiring are compliant with respective local labor regulations. Ardentec's headquarters and all of its subsidiaries have a strong focus in local core workforce. Ardentec treats every employee fairly and equally; employees have the same opportunities for recruitment, rewards and promotions regardless of their race, religion, or gender. The management of Ardentec headquarters, its Korean subsidiary, and GIGA Solution Tech. Co., Ltd. are local talents; except the General Manager assigned by the headquarters, 95% of the Singapore subsidiary management team members are locals. The construction of Nanjing subsidiary completed in early 2018. In order to effectively train the local recruited employees and foster the operation of Nanjing subsidiary, five managers (56%) were assigned from headquarters in 2020 to build and ramp up the Ardentec operation system.

All employment contracts are mutually agreed between the employer and the employee. As required by law, any changes to the terms of employment requires consent from employee. Ardentec sources talent through supportive and protective workforce agencies. It takes into consideration of the suitability of disabled persons to create job opportunities for them, and thereby increases the chances for the socially disadvantaged to be part of our workforce. In addition to making changes to the nature of work and the working environment, the Company also provides disabled employees with full training so that they can realize their best potentials, and improve their quality of life while contributing towards the development of society.

Meanwhile, the Company also requires its suppliers to refrain from any unfair treatments and eliminate any form of forced labor. It is imperative for labors to perform work out of their own free will. This initiative ensures that Ardentec's CSR extends to other ends of the supply chain.

Ardentec employees' compensation is highly competitive within the given industry. Compensation revision is free from employees' gender, and while doing so the Company ensures full compliance with labor regulations locally. Market and industrial compensation as well as the Company's performance are assessed regularly. Performance evaluation and salary adjustment are carried out in the first quarter of each year based on the individual's contribution, performance and responsibilities in the previous year, and is free from any discrimination such as gender, race, religion or marital status.

The new Corporate Governance Roadmap (2018-2020) issued by the Financial Supervisory Commission included measures for improving the quality of disclosure on corporate governance information and increased emphasis on social responsibility. Statistics on 1,373 full-time employees in non-management positions in 2019 were compiled by Ardentec Headquarters in accordance with the Salary Information for Full-time Employees in Non-Management Positions* reporting process. Average salary was found to be NTD 811,000, median salary was NTD 677,000, which was at 3rd place amongst all TWSE/GTSM-listed packaging and testing companies. In 2020, there were 1,375 full-time employees in non-management positions, and average salary was NTD 935,000, median salary was NTD 767,000. The increase in operating revenue and earnings in 2020 resulted more employee remuneration being available for distribution, thus average salary and median salary of 2020 was higher than 2019.

In 2020, the salaries, welfare expenses and training investment of employees in Ardentec group totaled NTD 2,823,847,020. The Articles of Incorporation states that employees are entitled to share the company's earnings when the company is profitable on governmental accounting base. This system is consistent with Ardentec's view that employees are its core business partners. The 2020 surplus of Taiwan headquarters allocable to the employee is NTD 298,480,556.



Market Observation Post System

Salary information for full-time employees in non-management positions

<https://reurl.cc/yEnNgO>

WELFARE

Item	Headquarters	Subsidiary			
		Singapore	Korea	Nanjing	GIGA Solution
Pension contribution	√	√	√	√	√
Health insurance & occupational insurance	√	√	√	√	√
Comfortable dormitory	√		√	√	√
Medical consultation by stationed physicians	√		√		√
Wedding/funeral subsidies and festive gifts	√	√	√	√	√
Profit sharing	√	√			√
Group medical insurance, life insurance, and travel insurance	√	√			√
Regular health exam	√		√		√
Long-term service trophy and bonus	√	√			√
Free/subsidy night meal	√		√	√	
Lunch and dinner subsidies	√	√	√	√	√
Commute shuttle service	√	√	√	√	√
Production/operation bonus	√	√			√
Optical allowances		√			
Multi-functional health center	√				
Housing central provident fund				√	
Zero MO birthday leave		√			
Fitness class	√				

Headquarters contract employees are not eligible to profit sharing

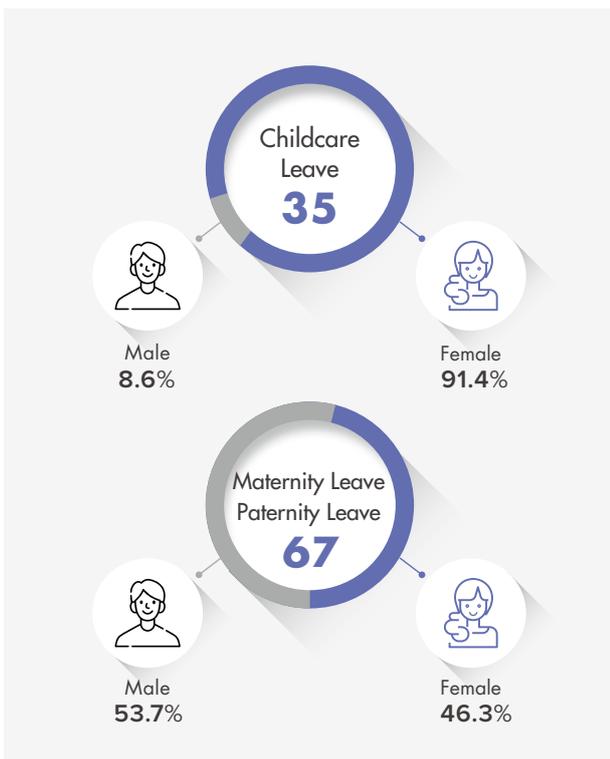


Pension Compensation

The Headquarters and GIGA Solution subsidiary transfers the pension contribution to the employees' personal bank accounts every month in accordance with the new retirement policy. Pension contribution following the old retirement contribution is also deposited to the specific accounts every month in accordance with the law. Every year, the Company hires actuaries to calculate the rate of employees' pension contributions to ensure that monies provided to the defined benefit account held with Bank of Taiwan and amounts budgeted for pension contributions do suffice to guarantee employees' lifestyles after retirement. A Pension Supervisory Committee comprising of employee and management representatives would review the pension account every quarter and discuss issues regarding employees' retirement.

The Singapore subsidiary complies with "Central Provident Fund Act" by contributing to the government-managed Central Provident Fund (CPF), whereas the Korea Site follows the "Pension Protection Act" and makes contributions to a "Defined Contribution" (DC: Defined Contribution Retirement Pension) plan that the employer and the employees have agreed upon. The Nanjing subsidiary makes contributions to pension insurance in accordance with the pension insurance regulations of China.

In 2020, the total pension contributions of Ardentec group was at 3.3% of total employees welfare expenses.



Gender Equality

Ardentec respects what employees have planned for their career. It adopts an equal gender perspective and accepts applications for Child Care leave. In 2020, there were 32 females and 3 males applied for Childcare Leave in 2020, and 31 females applied for maternity leave and 36 males applied for paternity leave.

Club Welfare

The headquarters's health center is equipped with treadmills, static bicycles, table tennis, and pool tables, offering a broad range of fitness training courses that differ every quarter, including aerobics, pilates, yoga, and belly dancing. The different choices of fitness activities aimed at helping employees strengthen both of their physical and mental wellbeing!

The welfare committee organizes employee trips on an annual basis. In 2019, 1,318 employees and their families joined the trips to explore the beauty of Taiwan and to foster the interaction and friendship among families.

HEADQUARTERS CLUBS

- Softball
- Badminton
- Table Tennis
- Yoga
- Billiard
- Cycling
- Basketball
- Volunteer
- Photography
- Belly Dancing
- Mountain Climbing
- Water Activities
- Triathlon

GIGA SOLUTION CLUBS

- AKGS Softball
- GS café
- GS Tabletop Gaming
- GS Billiard
- 17 RUN Jogging
- Sports and Leisure



Headquarters | Cycling Club
Hsinchu Kaohsiung 1 day trip covering 300km



Headquarters | Mountain Climbing Club
Concoured Jade Mountain submit in one day



Headquarters | Triathlon Club
The 38th Pulifourswim across Sun Moon Lake



Headquarters | Badminton Club
In club competition 2020



Headquarters | Softball Club
In club practice



GIGA Solution | Sports and Leisure Club
In club badminton practice



5.4 Career Growth

404-1 404-2 404-3 410-1 412-2

Nurturing talent is the key to sustainable business. In Ardentec, trainings in the direction of the Company's growth has become one of the critical management focuses. We have developed a multitude of training solutions that are centered on the Company's goals and employees' career development. Through systematic learning roadmaps, we have built an environment where employees may learn and grow on the job.

The performance evaluation in the first quarter of each year involves training requirement assessment and personal development plan (PDP) review. The supervisor and employee discuss the personal work and annual growth requirement required by the future target and create a customized training program in order to assist the employee's career development and lifelong learning.

Ardentec offers five different types of training:

Training System

				
New Employee Orientation	Growth Management	Compulsory Training	On-the-Job Training	Compliance Training
Company profiles, management regulations, company policies, employee rights, human rights and ethics and work-related laws and regulations	Helps employees develop the right knowledge, attitude, teamwork, and management skills	Trains employees on skills and knowledge that are needed for certain roles	Training that is mandatory and relevant to the employee's line of work; e.g. training of machine operations for technical staff	Helps employees become aware of the laws, policies, national and international standards that are relevant to their business activities, which eventually contributes toward business and environmental sustainability

Technical skill development is one of the major emphases in the Company's training program. Employees who have been trained on Ardentec's testing procedures and system operations are given the responsibility to pass on their knowledge and bring new comers to the expected standard of professionalism.

Apart from the five main types of training, the company has also organized advanced learning featuring a variety of issues to broaden the scope of employees' learning and to enrich their lives.



Advanced Learning for Employees

- 

Training at external or overseas institutions
- 

Working at overseas subsidiary/parent companies for practical multinational experience
- 

Quarterly managers' forums where managers may develop leadership skills by discussing trends of the industry, regulatory developments, upcoming international standards, business planning, and share practical experiences

Ardentec places special emphasis on the human rights and ethic training. As of 2020, accumulated total of 18,090 hours in "Human Rights and Ethics" and "CSR and RBA Code Introduction" training, and achieved 100% training completion rate.

Training of human rights policies and consideration are provided to all security guards to ensure that they comply with

Ardentec's respect for human rights when performing their duties.

In 2020, Ardentec's headquarters and subsidiaries organized 86,718.6 hours of training in total. On an average, every male employee had 33 hours of training, and 32 hours of training for every female employee. 100% of employees received trainings.

TRAINING HOURS BY THE NATURE OF WORK AND GENDER

unit: hour

Nature of Work	Male	Female
Management [■]	25.5	21.9
Engineering	34.5	42.2
Administrative	26.1	19.6
Technical	36.1	31.8

■ Section head and above managerial position



5.5 Workplace Health and Safety

403-1 403-2 403-3 403-4 403-5 403-6 403-7 403-8 403-9

Safety and Health Policy

Comply with international safety and health regulations and standards, eliminate hazards and reduce occupational safety and health risks to establish a safe and healthy workplace, promote the consultation and participation of workers, and upgrade safety and health performance through continuous improvement.

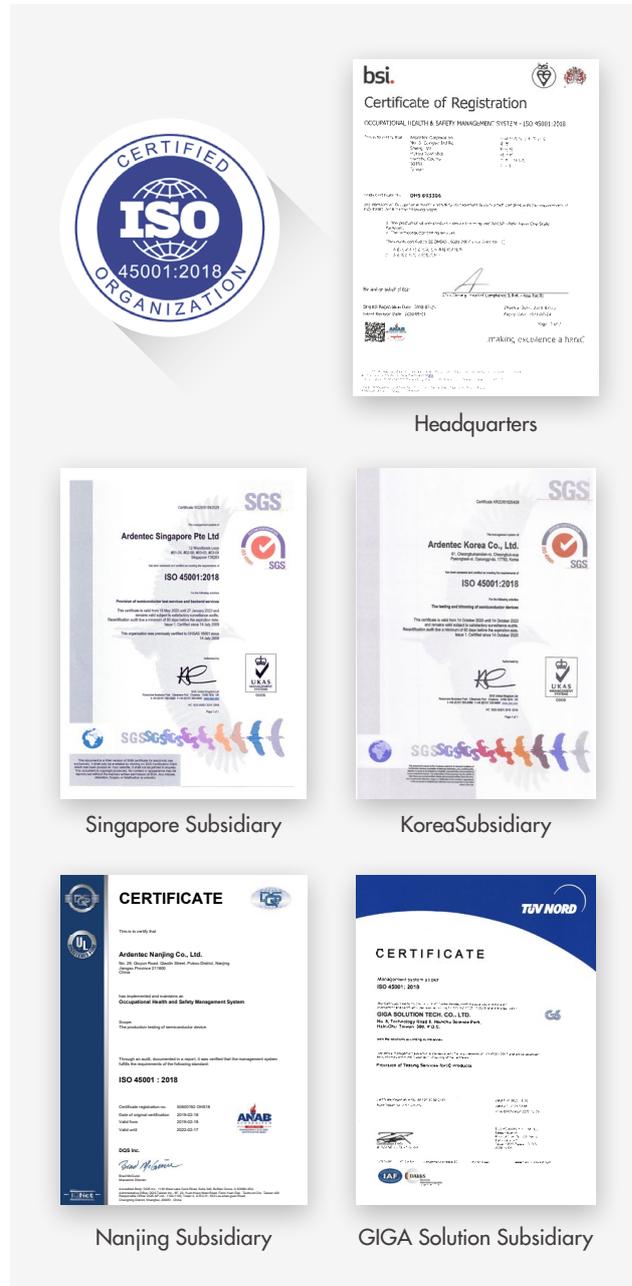
Occupational Safety and Health Management System

Ardentec and its operating sites follow the regulations on occupational safety and health and the regulations of domestic and foreign management systems to promote various safety and health measures. The Ardentec headquarters, Singapore, Korea, Nanjing, and GIGA Solution subsidiaries have all passed ISO 45001:2018 Occupational Health and Safety Management Systems certification. Health and safety risk assessments are performed for each project to identify possible risks, with audits to timely control risks and achieve continuous improvement goals.

Occupational Safety and Health (OSH) Management Committee

At headquarters and subsidiaries, the labor representatives of the OSH Management Committee are selected by Labor representatives and the percentage is higher than that required by the statutory requirements

The Committee is responsible to review workplace health related plan, performance, coordination, and suggestions. All representatives may fully express opinions of safety and health, the committee is a transparent communication platform for employee direct participation. The conclusion and agreement from each meeting will be documented as reference for further monitor or planning for occupational health and safety.



MEMBER DISTRIBUTION OF OSH MANAGEMENT COMMITTEE

Representatives	Headquarters		Subsidiary							
			Singapore		Korea		Nanjing		GIGA Solution	
Labor Representative	13	52%	13	93%	4	50%	8	80%	10	50%
Management Representative	12	48%	1	7%	4	50%	2	20%	10	50%
Total	25		14		8		10		20	

Safe Workplace

Headquarters and all subsidiaries have set safety and health management mechanism, through various prevention measures and training for all kinds of risk management to enhance employee's awareness of workplace safety and health. Each department follow Hazard Identification and Risk Assessment Procedure to identify the possibility and severity of risk, and to find out hazard points for improvement. For accident happened, investigation and improvement will be conducted to prevent reoccurrence, and also be reported to Occupational Health and Safety Committee.

INSPECTION

Safety inspection is carried out on a monthly basis; the head of each department work area inspection in turn; occupational safety guards thoroughly inspect the Company, and deficiencies found must be improved and traced to ensure the safety of the workplace. Fab Directors and Vice Presidents conducted safety inspection in person every six months to convey their concern to safety.

WORKING ENVIRONMENT MEASUREMENT

Working environment measurement is conducted on a biannual basis to ensure the intensity of CO₂ in air, the exposure intensity of chemical, and illuminance are complying with the regulatory requirements.

VERY EARLY SMOKE DETECTION APPARATUS

To increase our internal safety standards to a high level and uphold our commitment to customers on business continuity, in 2019 Ardentec headquarters required all clean rooms and high/low-voltage switching rooms to install the Very Early Smoke Detection Apparatus (VESDA) beyond regulatory requirements. The higher sensitivity of VESDA allows alarm configuration to be optimized for different environments. Potential fires can then be detected early to prevent fire outbreak and reduce risk. Prevents disruption to operations and losses from stoppages. Headquarters is planning to expand the program to include the server room as well.

Even though subsidiaries located country do not have legal requirement for VESDA, while based on corporate aligned policy for high level safety standard, all the subsidiaries will also install VESDA by Ardentec self-demand base.

LOW-OXYGEN ENVIRONMENT MONITORING

To prevent accidents from low-oxygen environments caused by accidental leakage of nitrogen gas, low-oxygen detection and alarm systems have been installed in all areas where nitrogen gas is used to ensure work safety.

SAFETY AND HEALTH EDUCATION

We conduct regular employee safety and health training sessions. We also require employees to complete relevant safety and health training according to the nature of their job before they can commence their work. Employees using chemicals must complete general hazard education and training and perform their work only after fully understand the chemical characteristics and hazards, the use of protective equipment, exposure prevention measures, and emergency response measures.

CONTRACTOR AND ON-SITE PERSONNEL SAFETY MANAGEMENT

In accordance with the requirements of the Occupational Safety and Health Management System (OSHMS) guidelines, Ardentec aims to ensure a safe working environment for all on-site (e.g., guard/security, food, cleaning services) personnel and contractors.



Healthy Workplace Program

The four sites in Taiwan headquarters have received the Health Promotion Badge for Accredited Healthy Workplaces from the Health Promotion Administration of the Ministry of Health and Welfare since 2015. The programs of healthy workplace program include:

HEALTH MANAGEMENT AND RISK IDENTIFICATION

Employee health checkups are conducted every two years to collect information such as employee age, work, and life schedule, and working conditions. The correlation between health risks and work are analyzed to identify high-risk employees for proactive health management. Resident physicians provide consultations for employees identified as high-risk while to reduce the risk of serious illness, nurses provide regular follow-ups and support.

For employees with anomalies in the results during their health screenings, individual health instruction and education by the resident physician is organized. Assistance is provided (if necessary) to who required to seek medical treatment.

Resident physicians and nurses visit each site regularly to assist in treating/preventing general/occupational diseases/injuries, and offer health advice and first-aid.

EMERGENCY TREATMENT

Nurses are employed at each site. Employees who fall ill or injured are given immediate care and assessment of the need for further medical care, and arrangement of medical institutions.

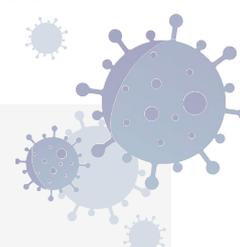
First-aid personnels onsite in each site and shift are more than retulatory requirements. In production area, first-aid personnel uniforms are specially marked for quick and easy identification. When emergency needs arise, emergency resources can be immediately sought after.

Automated External Defibrillators (AED) are in place in all sites of headquarters and also Singapore subsidiary. Annual refreshing trainings enable personnel familiarize AED operation during emergencies.

EPIDEMIC DISEASE CONTROL

Ardentec has established epidemic prevention mechanisms and supplies to prevent the spread of contagious diseases and viral infections. The Company also provide the latest international information on epidemics and health education regularly.

Facing the fast spread of COVID-19 from 2019, headquarters have set up Epidemic Prevention Committee, to co-work with related departments to stipulate related guidelines, advanced-deploy epidemic prevention measures. Those contingency measures also aligned to all subsidiaries to avoid impact of workforce.



Countermeasures against COVID-19



To stipulate Severe Respiratory Infectious Disease Operation Specification



Anti-epidemic Classification

To set classified control level based on epidemic dynamic situation, such as contrait to business travel, meeting mode, dinning, elevator, shuttle, domiroty.



Risk Level and Control

Employees are managed and separated base on correspond risk level.



Employee Health Management

Implement following measures to all employees- body temperature taking at entering to company, health self-assessment and contact survey, high risk employee tracing.



Non-employee

Body temperature taking at entering to company, health self-assessment and contact survey, mask wearing, limited activity area.



Epidemic Prevention Resources

More than enough masks, 75% alcohol, forehead/ear thermometer prepared.



Environment Cleaning and Disinfection

Enhance cleaning disinfection, and also the frequency.



Epidemic Measure Propaganda

Frequently release epidemic related information such as control measure and correct prevention.

HEALTH PROTECTION FOR FEMALE AND MATERNAL EMPLOYEES

The company arranges regular female three-in-one cancer screenings, offers designated parking spaces for pregnant employees, and provides uniforms of a specific color for pregnant employees for easy identification.

HEALTH PROMOTION

Combined with lectures from mental health counselors, fitness centers, and clinics, we organized multiple health-promoting activities, including stress management and weight loss management.

Health and Safety Information Disclosure

Occupational injury and absenteeism information is composed according to the definition of GRI 403-9 annually, to review the performance of health and safety management, and as a reference for continuous improvement.

In 2020, there were 33 cases of occupational accidents with 4 cases in the workplace such as falling from stairs or while walking, were all categorized as minor injuries; 29 cases were traffic accidents while commuting but are not included in the statistics for occupational injuries.

OCCUPATIONAL INJURY AND ABSENTEE STATISTICS

Item	Headquarters		Subsidiary								Total	
			Singapore		Korea		Nanjing		GIGA Solution			
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female		
No. of Occupational Injury	13	11	0	0	0	0	0	0	0	0	1	25
Disabling Injuries	0	3	0	0	0	0	0	0	0	0	1	4
Lost Days	0	120	0	0	0	0	0	0	0	0	15	135
Injury Rate (IR)	0.00	0.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.44	0.17
Lost Day Rate (LDR)	0.00	16.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.64	5.89

Lost days: Lost working day count from 2nd working day after the accident

Injury Rate (IR) = (total disabling injuries / total work hours elapsed) × 200,000

Lost Days Rate (LDR) = (total lost work days / total work hours elapsed) × 200,000

No occupational disease (ODR=0%), occupational death incident occurred in 2020, including headquarters, its subsidiaries and their contractors.

5.6 Labor Management Harmony 102-17 102-41 402-1 407-1

Employee Communication

Ardentec is not unionised under the Collective Agreement Act. However, to create a harmonious relationship between employees and employer, we followed the Regulations for Implementing Employee-Management Meetings to form the Labor Management Meeting Committee as an alternative to the unionsation. In addition, the Company has labor management communication committee in place that thoroughly discuss and communicate on the various of issues, including labor safety window meetings, the Occupational Safety and Health Committee, and the Staff Welfare Committee. These committees comprise representatives from both the management and the employees; these functional committees protect employees' rights and listen to their opinions. In an environment promoting open communications, Ardentec has been able to cultivate trust between the management and the employees. No employment-related dispute cases that had negative impact on the employee relations or resulted in losses.

In order to provide a more open means of communication, Ardentec has implemented a set of Employee Communication and Protection Guidelines that offers a various communication channels, from labor-management meetings to online and physical suggestion boxes. These encourage employees to raise suggestions or problems concerning their work and the environment to the decision-making bodies.

In addition to these communication channels, Ardentec respects the freedom of associate, and employees may join or organize clubs to enrich their lives according to their preferences.



Labor Management Meetings

A total of 6 management representatives have been appointed, comprising the Vice President of Operation and directors. A total of 6 labor representatives have been elected by employees below the rank of Site Director. If no foreign worker is elected as an employee representative, a foreign worker communication meeting will be held beforehand, and proposals made during the session will be submitted to the quarterly labor-management meeting for discussion.

Labor-management meetings are held on a quarterly basis, and on an interim basis when deemed necessary. Employees are able to raise suggestions regarding employment relations, employment terms and conditions, welfare, and are able to speak freely during the meetings. During these meetings, labor representatives can communicate with management and participate in labor-related decision-making process. Employees are able to express their opinions while being protected under the labor meeting agreements. All issues discussed are documented for subsequent follow-ups improvements.

Any changes to the Company's operations that require an adjustment to employees' jobs are notified to the affected employees at least 30 days in advance. Meanwhile, all necessary assistances are given to affected employees. For any employees out-stationed at overseas subsidiaries, Ardentec provides the necessary subsidies and makes family relocation arrangements.

Employee Complaints

Employees may file complaints personally to their line managers or to human resource should they encounter any problems at work, including but not limited to physical or verbal violence, coercive conducts, sexual harassment or assault. The person in charge of employee complaints are required to discuss and explore solutions in the shortest time possible. Employees may file complaints anonymously by sending e-mails to grievance@ardentec.com, and describing clearly the details and provide evidence. Where a complaint involves other employees, the investigator is required to protect the basic rights of all those involved during investigation. All complaints, whether identified or anonymous will be investigated with proper measures where appropriate. Line managers and the Human Resource Department have the responsibility to resolve employees' complaints, while in the meantime giving employees the rightful protections they deserve, including the right to confidentiality.

Suggestion Box

Suggestion boxes are available in all sites, which employees may use to express opinions on an identified or anonymous basis. Queries raised through the suggestion box are looked into and answered by the relevant functional units. Where improvements required, the underlying issues are followed upon until completion, while good communication is maintained. Anonymous suggestions that do not involve any particular person are announced publicly once resolved. In 2020, we received 150 mails from the suggestion box, including 46 suggestions or grievances from the internal on-line platform and 104 anonymous suggestions or grievances from the suggestion box. The comments and complaints via the Internet and electronic suggestion boxes were replied. The comments from the suggestion boxes of each site have been replied by the relevant units and announced to the whole company in Chinese and English.



Work Life Balance

We appreciate employees who enjoy their work and are self-motivated in learning, and we also care for employees' work-life balance. Aging, birthrate declining, and family size reducing is the social trend. Respond to this trend, headquarters started "Work from home for family caring" program. Employee with older, major injury/disease parent may take 1 day "Work from home for family caring" per month so that may work and taking care parent free from working location constraint.

We ensure strict compliance with local regulations regarding employees' working hours. The Taiwan headquarters, for example, adheres to the terms of the Labor Standards Act by providing "at least one day's rest for any seven-day period" and "at least 30 minutes of break time for every four consecutive work hours," while limiting work hours to "no more than 12 hours a day" and "no more than 46 overtime hours in a month." If there is a need to arrange overtime, we mandate line managers to make overtime arrangements only with willing employees. In order to ensure that employees' working hours are managed according to the above rules, the Company has implemented an electronic overtime application system that caters for all overtime scenarios. Overtime arrangements that do not comply with such rules will be automatically rejected by the system without exceptions. Ardentec has strict rules to ensure that it does not exceed its authorities when managing employees' working hours and rights.

Respect for Career Plans

Employees who wish for a change of role or to take on different career plans may do so by raising a transfer request, subject to department head's approval. Employees who wish to resign may do so freely by serving a required period of notice.

Respect for Freedom

Ardentec respects employee's rights to set up associations or participate in any legitimate organizations or union, and encourages the employees to exercise their civil rights. We also respect individual's political orientation and reached mutual understanding with our suppliers on the topic. Neither Ardentec nor its suppliers violated any freedom of association in the reporting year.

5.7 Workforce Structure 102-7 102-8 405-1

As of December 31, 2020, Ardentec had 2,638 employees worldwide with a gender distribution of 1.12:1 (male:female). Details of which are as follows:

NATURE OF THE WORK/GENDER DISTRIBUTION

Nature of Work	Headquarters		Subsidiary							
			Singapore		Korea		Nanjing		GIGA Solution	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Manager*	130	30	14	6	9	0	8	1	63	17
Engineering	481	150	43	17	13	5	35	16	310	48
Administrative	49	60	5	7	1	4	2	8	6	54
Technical	136	447	11	26	0	15	18	19	60	315

* Manager: section head or higher management

Headquarters: includes 1 part-time consultants (male), 1 contract employee (female) and 8 interns (male 5, female 3); Singapore subsidiary includes 1 contract employee (male); Nanjing subsidiary includes 3 contract employees (male 2, female 1); GIGA Solution subsidiary includes 4 contract employee (male)

ACADEMIC DISTRIBUTION

Education Background	Headquarters		Subsidiary							
			Singapore		Korea		Nanjing		GIGA Solution	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
High school and below	71	191	11	30	5	14	21	16	54	126
College/university	567	433	29	12	17	8	40	27	328	296
Postgraduate and above	158	63	33	14	1	2	2	1	57	12

NATIONALITY DISTRIBUTION

Nationality	Headquarters		Subsidiary							
			Singapore		Korea		Nanjing		GIGA Solution	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Domestic	729	484	23	9	22	21	54	42	438	274
Foreign	67	203	50	47	1	3	9	2	1	160

AGE DISTRIBUTION

Age	Headquarters		Subsidiary								ratio
			Singapore		Korea		Nanjing		GIGA Solution		
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
<30	177	141	10	12	1	11	41	29	81	82	22%
30~50	549	483	60	42	21	13	18	15	338	339	71%
>50	70	63	3	2	1	0	4	0	20	13	7%



Customer Service and Supplier Management



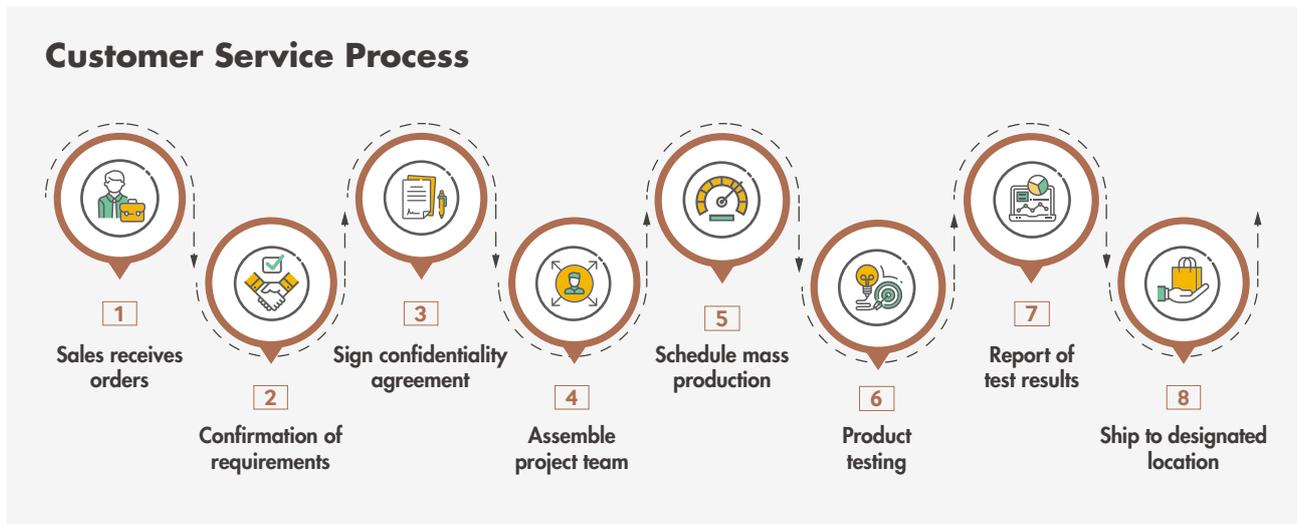


- 6.1** Customer Service
- 6.2** Customer Secrecy Protection
- 6.3** Quality Optimization of Customer Service
- 6.4** Customer Satisfaction Surveys
- 6.5** Supplier/Contractor Management
- 6.6** Supplier/Contractor Workplace Safety

6.1 Customer Service

Ardentec focuses on the development of wafer and final testing technologies as well as improvements to rapid mass production. A comprehensive information system has been developed to provide customers with high-quality and timely testing services. The information system also safeguards customers' confidential data allowing them in gaining competitive edge to succeed in the global market. This strategy benefits both Ardentec and our customers.

The Test Process Analysis System (TPAS) information system developed by Ardentec can provide customers with transparent, real-time information on production and testing. The system allows customization to satisfy the different testing requirements of each customer. Weekly cross-department project meetings strengthen the function and service efficiency of our Customer Project Teams. Integrated service systems and communication channels provide ample information for sales, production management, quality assurance, test development, product engineering, product manufacturing and other areas.



6.2 Customer Secrecy Protection 418-1

Ardentec has formed a Security Committee to manage and promote information security, such as Common Criteria, GSMA SAS-UP and Taiwan Intellectual Property Management System (TIPS). The Security Committee ensures the compliance and the effectiveness of the management system, at the same time the committee is responsible to have signed Confidentiality Agreement with each customers in place, all members of Ardentec require abiding all of the confidentiality clauses at all times to safeguard confidential product information and trade secret of our customers. To strengthen the level of information security, Ardentec headquarter and all of its subsidiaries are ISO27001 certified. In addition, Kaoyuan, Tingshin, Gaosheng Site IDC, Paoching Site IDC, Singapore and as well as Nanjing Site have passed Common Criteria site certification, Tingshin site attained GSMA SAS-UP certification, and headquarter passed TIPS audit. These efforts enabled Ardentec in constructing a firm "wall" to guard customers' confidential information and trade secrets, allowing the implementation of intellectual property protection, and keep our commitment.

DCC closely monitor and control all customer technology and data, grant access individually on need-to-know basis. Identifying the individuals who print documents and require access card to retrieve printed documents allowed us to eliminate the risk of leaking customer's confidential information.

In stepping up email control when corresponding with external parties, system reviews recipient's domain and return all suspicious emails to prevent any emails sent accidentally to unintended parties, and taking confidentiality to the next level.

Monthly meetings review any violation cases reported relating to invasion of privacy or data leakage. In 2020, no such violation reported by any customer.

6.3 Quality Optimization of Customer Service

Ardentec conducts weekly project meetings with customers. Ardentec also conducts Quarterly Business Reviews (QBRs with key customers on business, engineering technology and quality optimization, and gathering customer inputs and requirements. Internal meetings are held regularly to propose and review improvement plans. Progress is then reported at the next business, engineering technology and quality optimization meeting. To improve customer satisfaction, Ardentec executives and sales managers visit customers regularly to stay abreast of market changes and customer requirements.

Ardentec continues to upgrade the functionality and efficiency of our proprietary TPAS system to provide customized virtual real-time factory information. Data links can be set up based on individual customer requirements to provide the most updated information on production process and utilization of production capacity. This virtual factory model allows the customer to keep track of production progress and delivery time at all times. Information provided by the production automation system covers everything before mass production to WIP/EDAS testing; production progress and test results are generated in real-time to facilitate communication with customers.

Ardentec established efficient communication channels with its customers, meetings held in discussing business, production, engineering matters by the members of each functional teams and its corresponding customer contact points as and when needed, at the same time exchanging information on engineering and technology, with the aim to discover and resolve issues within shortest timeframe with our customers.



WIP | Work In Process

EDAS | Engineering Data Analysis System

6.4 Customer Satisfaction Survey

The Customer Satisfaction Survey conducted by Ardentec annually looks at sales & customer services, engineering support, on-time delivery rate, hazardous substance free controls, quality management and system services. The results provide a critical reference for future improvements in customer satisfaction. Having better knowledge of customer requirements allows Ardentec to make continuous enhancements and upgrades in testing quality, engineering technology and service efficiency that leads a win-win partnership. Ardentec believes that customer satisfaction with delivered quality and services is the only way to take customer satisfaction to the next level, strengthen relationships with existing customers, and attract new opportunities. Only then, the profitability of the company can be retained. Results gathered from customer satisfaction surveys are consolidated and reviewed by the Vice President of Sales. After which, employees of relevant departments are tasked to conduct reviews and make improvements to address customers' suggestions, and therefore contribute towards total satisfaction. Ardentec achieved a 98% customer satisfaction in 2020, which was higher than 2019 and more advanced to customer expectation.

Satisfaction Rate (the percentage of customers' requirements met) = Ardentec's Performance/Customer's Requirements.



6.5 Supplier/Contractor Management

102-9	204-1	308-2	403-7
407-1	408-1	414-1	

As suppliers and contractors are key business partners of Ardentec, the Company has implemented a business model that aimed at pursuing sustainable operation and business growth. Except the reliance on the manufacturer or clients' designated suppliers for the testing equipment, Ardentec maximizes its partnership with local suppliers to utilize various resource and services efficiently while supporting local jobs and maintain the economic stability. Except for testing equipment and customer-appointed suppliers, Ardentec headquarters and its subsidiaries procures 100% locally. In 2020, there were no major supplies added to Ardentec's approved supplier list.

Supplier/Contractor CSR Performance Management

Ardentec formulated CSR supplier code of conduct as a standard to follow, and suppliers are required to sign the compliance confirmation. Ardentec amends its standards whenever there is a change in RBA Code of Conduct, and re-sign the compliance confirmation with its suppliers, this is to ensure the adherence to the latest standards. There were 303 suppliers signed the compliance confirmation in 2020.

Ardentec requires all of our suppliers and contractors to comply with 「Supplier CSR and Business Ethics Guidelines」 to achieve the goal of CSR in the industry supply chain.

Supply Chain Structure





Supplier CSR and Business Ethics Guidelines

To the suppliers of Ardentec:

We appreciate your long-time support to Ardentec's businesses. Ardentec has long-dedicated in maintaining business reputation in a world of rising awareness towards corporate social responsibilities (CSR). As workers' rights, health and safety, and the company's working environment, management and ethics become an increasing part of our image, you-being one of our key suppliers-play a critical role in Ardentec's pursuit for CSR.

To give you an idea of what Ardentec and its key suppliers must do to meet customers' expectations, we have created a set of "Supplier CSR and Business Ethics Guidelines" and would like you-a key supplier of Ardentec-to comply accordingly.

Should you encounter any situation that contradicts the "Supplier CSR and Business Ethics Guidelines" while dealing with Ardentec, please report such incidents to Ardentec CSR Division. We will maintain confidentiality for all suppliers and employees who report inappropriate conducts. Contact method is as follows:

Sincerely,

Rhiannon Chen
Project Senior Director

 03 597 6688 ext. 1206
0933 266 008

 rhiannon.chen@ardentec.com
grievance@ardentec.com

Material Management Division
Ardentec Corporation

- 1 All Ardentec's suppliers must operate and employ based on standards that are equivalent to or more stringent than those set forth by the Responsible Business Alliance (RBA) and those of the Labor Standards Act of the Republic of China. This includes but is not limited to: Refraining from the use of slave, child or illegal labor or forcing employees to work under inhumane conditions and in the meantime ensuring that employees' work hours and remuneration do comply with laws. Respecting employees' freedom of association and apply no restraints on their communication. Avoiding discrimination of employees based on race, skin color, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status.
- 2 Providing employees with a safe and healthy work environment that complies with the relevant health and safety regulations.
- 3 Complying with environmental protection laws.
- 4 Avoiding gifts to Ardentec employees or their relatives in the form of gifts, tours, discounts, loans, commissions, kick-backs, complimentary services or remunerations of any kind.
- 5 Conducting business in the utmost good faith, and refrain from making fictitious quotations or forging transaction data.
- 6 Refraining from the use of bribery, corruption, extortion, monopoly, conspired price-fixing or any inappropriate methods to compete, negotiate or deliver business deals.
- 7 Refraining from making non-business purchases with business entities established by Ardentec employees or their relatives.
- 8 Refraining from hiring Ardentec employees or their relatives as consultants within the supplier.
- 9 Not asking Ardentec employees to lobby within Ardentec.

Equipment and software are the major investments of Ardentec. The main equipment manufacturers who supply to Ardentec are located in America and Japan; these developed countries have sound legal system in protecting human rights, thus human rights protection is not part of supplier qualifying criteria. To qualify suppliers and contractors, one of the qualifying criteria is there must be entities registered in the locations with legal representative and comply with local labor law and other required law and regulations. This is to ensure that all of their operational activities comply with local laws and protect human rights.

SUPPLIERS AUDIT

Ardentec conducts annual on-site audits to our major suppliers (process related suppliers, recruitment agencies and on-site service providers) covering all aspects of CSR in accordance with the supplier CSR performance management procedures to ensure that our partners in the supply chain adhere to the economic, environmental, social and other related laws and regulations.

In 2020, a total of 15 major suppliers were audited, including

one probe card supplier, 3 recruitment agencies, 4 security service providers, 5 cleaning service providers and 2 caterers. Audit covered the human rights, working conditions, and safety, health & environment elements.

The audited supplier complied with respective local labor law, no child or forced labor were detected, communication channels were available between the management and labor, and respect the freedom of association was observed. The management of safety and health was sound. Probe card supplier is a repair and maintenance service provider. Small amount of chemicals required in their process were managed appropriately; waste disposal complied with laws and regulations and fulfilled environmental protection requirements. Ardentec observed no risk of safety or environmental impact.

Major suppliers had no penalties resulted from law violation in 2020, good management practices contributed to zero impact on social and environment elements, achieved Ardentec supplier CSR performance expectation and requirements, preserved the supply chain partnerships.



6.6 Suppliers / Contractors' Workplace Safety 403-7

The contractors must sign the Contractor Safety and Health Environmental Protection Regulation to commit that the service provided meets the requirements of safety, health and environmental protection protocols. Before operating, the employee must undergo a mandatory "Orientation Training for Contractors" briefing.

In 2020, Ardentec headquarter and its subsidiaries held total of

261 sessions of Contractor Pre-Service Education and Training, attended by 98 suppliers corresponding to 2,316 participants.

Prior to accessing the site, the personnel must attend engineering meetings organized by both contractors and Ardentec to understand the working environment, the risk factors, and relevant risk prevention measures when commencing assigned work on site.

Orientation Training for Contractors



1 Notification of hazards before commencing work to ensure the protection of the safety and health of contractors



2 Informing suppliers and contractors of the expectations and requirements in corporate social responsibility and business ethics for suppliers



3 In charge department call Tool Box Meeting with supplier each day before starting work, the record shall display at the working spot





Community Engagement

7



- 7.1 Education Outreach
- 7.2 Caring for the Disadvantaged
- 7.3 Sustainability of the Environment and Ecosystem

Creating Happy Cities Together

Ardentec and its subsidiaries committed in caring for the communities in which we have a presence, and are gradually expanding the scope of caring. There are various programs at each locations aiming to enhance the lives of local communities. We actively participate in charity events, using our action to contribute to the growth of the communities.

7.1 Education Outreach

Knowledge travel to remote areas Second Hand Books Sharing

Into the 7th year of “sharing good books” with children, Ardentec employee donated 416 second-hand books and 34 new books to the children living in remote areas in 2020. A total of 5,232 books were donated to Boyo Social Welfare Foundation and remote elementary schools in Hsinchu over the past 7 years.



Appreciation cards made by the principle and students from Huaxing Elementary School

Blessings to the graduates Have A Bright Future

Ardentec began supporting local schools within the neighborhoods near the industrial park in 2017. There were total 61 Ardentec Awards had been given to graduates of Zhongzheng Junior High School and Huxing and Zhongxing Elementary Schools at Hukou Industrial Park in recognition of their academic achievements, and to encourage them aim higher, be more successful and paying it forward in future.



Ardentec Award was presented in Zhongzheng Junior High School graduation ceremony



Ardentec Award was presented in Zhongxing Elementary School graduation ceremony



Headquarters donated necessities to Fengshan Village for after-school learning

After School Learning for Taiwanese Children

There are many low-income or new immigrants' families in Hsinchu Industrial Park where Ardentec located. These families lack sufficient support to their children's education and learning on the top of "Taiwanese children". The chief of Fengshan Village spearheaded the "free after-school tutoring", and accompanied with "complimentary dinner", after-school care for children of those families. The initiatives helped them overcome learning difficulties and reduced the learning gap. Ardentec stands by Chief Wu's good will. Since 2013, we have continued donating children's books, school supplies, and food for after-school tuition centers for 8 consecutive years, and providing disadvantaged families with the support they need. The sustained support and assistance from Ardentec warmed the hearts of new immigrants and their children.

Academic and Industry Integration

Since 2012, Ardentec has been providing undergraduates the opportunities to experience working in the industry so that they can apply knowledge in the real world, and lay their foundation for a seamless transitions once they embark on their career. Our internship program collaborating with National Taiwan University of Science and Technology, Yuan Ze University, Fu Jen Catholic University, Feng Chia University, and Minghsin University of Science and Technology. In the 2020 academic year, we had 25 interns in headquarter. A total of 192 students from 8 universities were accepted into Ardentec internship program.



7.2 Caring for the Disadvantaged

Build a Career Stage for the Disadvantaged

Play our part in the community has always been part of Ardentec's corporate identity. To support and contribute to the journey of the independence of the physical challenged individuals, Ardentec offers job opportunities to help them to build their confidence and acquire skills, give them hope and making each day a new canvas for them to paint upon. Over the years, Ardentec hired more than what is required by the People with Disabilities Rights Protection Act. In 2020, the employment of physically challenged was 33% higher than legal requirement.



Headquarters: recognition and thank-you note from charitable organization

Diversity and Inclusivity

Ardentec's longstanding support for local charities aims to help fostering a diverse and inclusive society. Along the years, we have worked with World Vision, Boyo Social Welfare Foundation, Genesis Social Welfare Foundation, St. Joseph Social Welfare Foundation, Catholic Hua-Kuang Social Welfare Foundation, Down Syndrome Foundation, World Peace Council, Children Are Us Foundation, St. Francis Xavier Home for Children, St. Joseph. Home, Eden Social Welfare Foundation, Taiwan Fund for Children and Families, Huashan Social Welfare Foundation, and Maria Social Welfare Foundation.



GIGA Subsidiary: charity sale for Genesis Social Welfare Foundation



Headquarters: donate New Year dishes for older people living alone

The donation of 2020 is total NTD 1,395,710, including NTD 863,110 by company and NTD 532,600 by employees. The employee donation to widen the lighting spots of warm from Ardentec.

Singapore subsidiary received SGD 1,000.50 from Charity Sale of 2020. Income from the Sale was donated to Singapore Children's Society to bring hope and wish to life for children.

GIGA subsidiary holds charity sale for disadvantage group annually, convert employees' consumer activities to sales income of disadvantage friends. The sales in 2020 was NTD 54,138 which was donated to Taipei Women's Rescue Foundation, Genesis Social Welfare Foundation, Chinese Childrenhome & Shelter Association (CCSA).

Headquarters and GIGA have invoice collection box which collected invoice 2,512 total in 2020. The invoice was donated to Genesis Social Welfare Foundation and Huashan Social Welfare Foundation.



Korea subsidiary: rice donation to local charitable organization



Support Cancer Patients

2020 was the 3rd year Singapore subsidiary employees joined Singapore Cancer Society charity events to support and raise funds in fighting against cancer and save lives!

Blood Donation

Ardentec has been hosting blood donation drives every year since 2013. Employees are encouraged show compassion by donating their blood towards the cause of "donate one bag of blood to save a life". A total of 1,176 bags of blood have been donated over the past 7 years. Employees at the Singapore subsidiary rolled up their sleeves every year for the blood bank. We believe saving lives by the small gesture show our compassion and care, and it is rewarding!



Headquarters



Singapore Subsidiary

Fighting COVID-19

In the face of the unprecedented and rapidly spreading COVID-19 pandemic, medical supplies were scarce and allocation was in chaos, and it was especially challenging for vulnerable minority groups. Ardentec put ourselves in their position, Ardentec Singapore raised SGD 2,000 and donated to Red Cross in the beginning of 2020 to provide support and assistance to the communities that were affected by the outbreak of COVID-19. Besides, Ardentec Singapore managed to secure 300 packs medical masks and donated to elderly nursing home in Singapore. In Taiwan, Giga Solution donated NTD 100,000 in sponsoring medical charity organisations to provide medical resources to developing countries.



Singapore subsidiary: letter of appreciation from the nursing home for mask donation

GIGA Subsidiary: appreciation letter from Taiwan Root Medical Peace Corps. (TRMPC) for medical fund donation

7.3 Sustainability of the Environment and Ecosystem

Green Hills and Water is Green Treasure Protect Environment and Loving Earth

The employees of Nanjing subsidiary took matters into their own hand in protecting the environment. The General Manager and his wife led the group of employees, relatives and friends cleaned Xiangshang Lake, and took the opportunity in educating the importance of environmental protection. They were grouped into several teams and picked up trash along the lake, returned the nature its clean green hill and water.



Trash Classification knowledge Contest

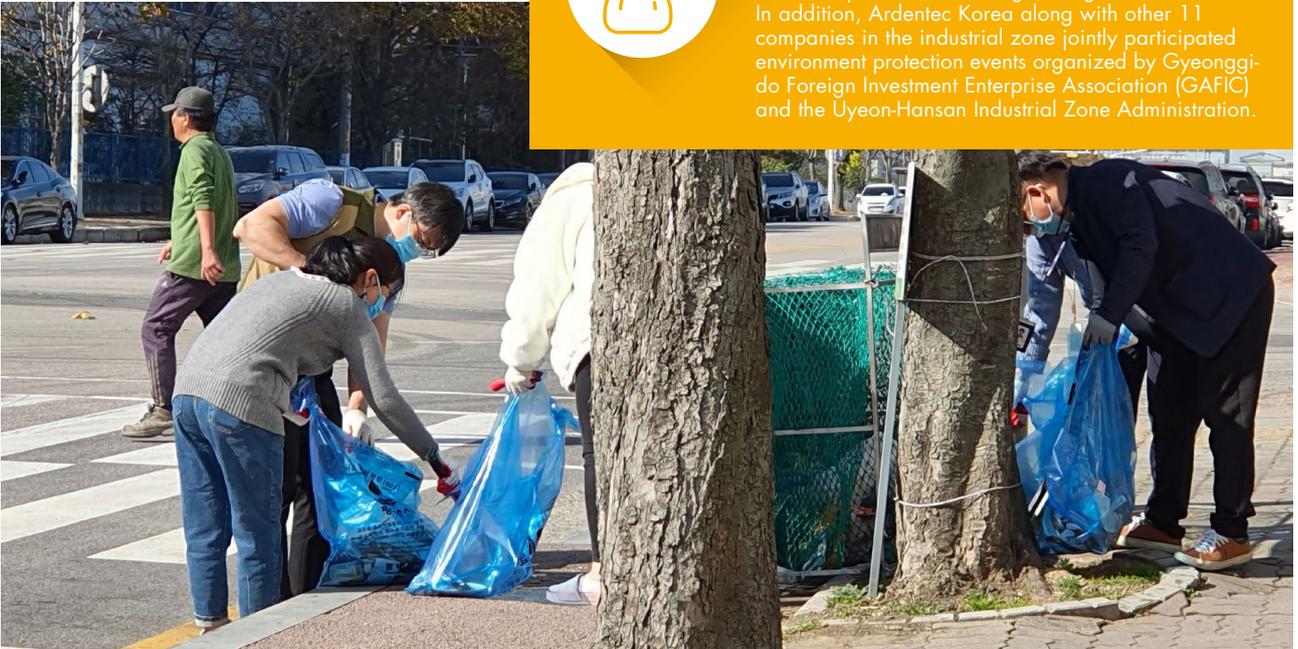
Through contest to enhance the knowledge of waste recycling in a fun way, aiming to instill the environment protection into our daily life so that may retain the nature its formal tranquility.





Happy Spore Environment Activity

Ardentec Korea promote Happy Environment activities to clean up the waste in neighboring communities. In addition, Ardentec Korea along with other 11 companies in the industrial zone jointly participated environment protection events organized by Gyeonggi-do Foreign Investment Enterprise Association (GAFIC) and the Uyeon-Hansan Industrial Zone Administration.



Respect ecology friendly health Ardentec Natural Paddy Field

Ardentec started supporting Changhua Ecology Wetland Rehabilitation Project since 2015, and co-worked for ecological wetland rice field restoration as "Ardentec Natural Paddy Field". Only the most natural farming methods that eschew the use of pesticides, herbicides and chemical fertilizers were adopted so that a naturally diverse and balanced eco-system can be cultivated by the plants and animals living on the land. Employees purchase 2 rice harvest and other agricultural products in 2020 to support friendly farming and to protect ecology diversity.



Annexes





- Annex 1** Independent Assurance Opinion Statement
- Annex 2** GRI Standards Reference Table
- Annex 3** ISO26000 Reference Table
- Annex 4** UN Sustainable Development Goals (SDGs) Reference Table
- Annex 5** The UN Global Compact Reference Table
- Annex 6** Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies Reference Table

Annex 1 Independent Assurance Opinion Statement 102-56



INDEPENDENT ASSURANCE OPINION STATEMENT

Ardentec Corporation 2020 Corporate Social Responsibility Report

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

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

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

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

Scope

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

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

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

Opinion Statement

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

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

Methodology

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

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

Conclusions

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

Inclusivity

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

Materiality

Ardentec has established relative procedure in organization level, as the issues which were identified by all departments have been prioritized according to the extent of impact and applicable criterion for sustainable development of organization. Therefore, material issues were completely analyzed and the relative information of sustainable development was disclosed to enable its stakeholders to make informed judgments about the organization's management and performance. In our professional opinion the report covers the Ardentec's material issues.

Responsiveness

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

Impact

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

GRI Sustainability Reporting Standards (GRI Standards)

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

Assurance level

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

Responsibility

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

Competency and Independence

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

For and on behalf of BSI:



Peter Pu, Managing Director BSI Taiwan



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...making excellence a habit.™

Statement No: SRA-TW-2020039
2021-04-21

Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.

BSI Taiwan is a subsidiary of British Standards Institution.

Annex 2 GRI Standards Reference Table 102-55 406-1

Verify result is as Annex 1 Independent Assurance Opinion Statement

GRI Standards	Chapter	Page	Remarks
GRI 102: General Disclosures 2016			
Organizational Profile			
*102-1	Name of the organization	CSR Report Cover	
*102-2	Activities, brands, products, and services	1.1 Company Introduction 1.4 Professional Services	8 10
*102-3	Location of headquarters	About the Report 1.1 Company Introduction	1 8
*102-4	Location of operations	About the Report	1
*102-5	Ownership and legal form	1.1 Company Introduction	8
*102-6	Markets served	1.5 Market Size and Performance	10
*102-7	Scale of the organization	1.1 Company Introduction 1.3 The Organization 1.5 Market Size and Performance 5.7 Market Size and Performance	8 9 10 73
*102-8	Information on employees and other workers	5.7 Market Size and Performance	73
*102-9	Supply chain	6.5 Supplier/Contractor Management	78
*102-10	Significant changes to the organization and its supply	3.7 Major Investment	41
*# 102-11	Precautionary Principle or approach	3.5 Internal Controls 3.6 Risk Management	39 39
*102-12	External initiatives	1.9 Honors and Accolades	14
			2019, 2020 RBA VAP Audit obtained full score 200. Reduce damage to the Ozone layer from methane emissions.
*102-13	Membership of associations	1.9 Honors and Accolades	14
Strategy			
*# 102-14	Statement from senior decision-maker	Letter from the Management 3.1 Governance Principles	2 34
# 102-15	Key impacts, risks, and opportunities	1.5 Market Size and Performance	10
Ethics and integrity			
*# 102-16	Values, principles, standards, and norms of behavior	3.4 Ethical Guidelines	38
# 102-17	Mechanisms for advice and concerns about ethics	3.4 Ethical Guidelines 5.6 Labor-Management Harmony	38 17

GRI Standards	Chapter	Page	Remarks
Governance			
*102-18	Governance structure	1.3 The Organization 2.2 The CSR Organization 3.2 Board of Directors	9 18 35
102-19	Delegating authority	2.2 The CSR Organization	18
102-20	Executive-level responsibility for economic, environmental, and social topics	2.2 The CSR Organization	18
102-21	Consulting stakeholders on economic, environmental, and social topics	2.4 Analysis of Stakeholders and Topics of Concern 2.7 Communication with Stakeholders	19 30
102-22	Composition of the highest governance body and its committees	3.2 Board of Directors	35
102-23	Chair of the highest governance body	3.2 Board of Directors	35
102-24	Nominating and selecting the highest governance body	3.2 Board of Directors	35
102-25	Conflicts of interest	3.2 Board of Directors 3.3 Executive Compensation Policy	35 37
102-26	Role of highest governance body in setting purpose, values, and strategy	1.2 Corporate Values	8
# 102-27	Collective knowledge of highest governance body	3.1 Governance Principles	34
# 102-28	Evaluating the highest governance body's performance	3.1 Governance Principles 3.2 Board of Directors	34 35
102-29	Identifying and managing economic, environmental, and social impacts	3.2 Board of Directors	35
# 102-30	Effectiveness of risk management processes	3.6 Risk Management	39
# 102-31	Review of economic, environmental, and social topics	3.1 Governance Principles 3.6 Risk Management	34 39
102-32	Highest governance body's role in sustainability reporting	About the Report	1
102-36	Process for determining remuneration	3.3 Executive Compensation Policy	37
Communication with Stakeholders			
*102-40	List of stakeholder groups	2.4 Analysis of Stakeholders and Topics of Concern	19

GRI Standards		Chapter	Page	Remarks
*102-41	Collective bargaining agreements	5.6 Labor-Management Harmony	71	
*102-42	Identifying and selecting stakeholders	2.4 Analysis of Stakeholders and Topics of Concern	19	
*102-43	Approach to stakeholder engagement	2.4 Analysis of Stakeholders and Topics of Concern	19	
*102-44	Key topics and concerns raised	2.4 Analysis of Stakeholders and Topics of Concern	19	
		2.7 Communication with Stakeholders	30	

Report overview

*102-45	Entities included in the consolidated financial statements	1.5 Market Size and Performance	10	
*102-46	Defining report content and topic Boundaries	About the Report	1	
*102-47	List of material topics	2.5 Topic Materiality Matrix	23	
*102-48	Restatements of information	Refer to each chapter	—	
*102-49	Changes in reporting	2.6 Material Topics Value Chain and Management Strategy	24	
*102-50	Reporting period	About the Report	1	
*102-51	Date of most recent report	About the Report	1	
*102-52	Reporting cycle	About the Report	1	
*102-53	Contact point for questions regarding the report	About the Report	1	
*102-54	Claims of reporting in accordance with the GRI Standards	About the Report	1	
*102-55	GRI content index	Annex 2	94	
*102-56	External assurance	About the Report	1	
		Annex 1	92	

GRI 103: Management Approach 2016

*103-1	Explanation of the material topic and its Boundary	2.5 Topic Materiality Matrix	23	
		2.6 Material Topics Value Chain and Management Strategy	24	
*103-2	The management approach and its components	2.6 Material Topics Value Chain and Management Strategy	24	
*103-3	Evaluation of the management approach	2.6 Material Topics Value Chain and Management Strategy	24	

GRI Standards		Chapter	Page	Remarks
Disclosure of specific topic				
GRI 201: Economic Performance 2016				
*# 201-1	Direct economic value generated and distributed	1.5 Market Size and Performance 1.6 Surplus Allocation 3.3 Executive Compensation Policy 5.3 Compensation and Benefits	10 12 37 61	
201-2	Financial implications and other risks and opportunities due to climate change	4.3 Climate Change and Energy Management	45	
*# 201-3	Defined benefit plan obligations and other retirement plans	5.3 Compensation and Benefits	61	
GRI 202: Market Presence 2016				
202-2	Proportion of senior management hired from the local community	5.2 Right People for Right Job	60	
GRI 203: Indirect economic Impacts 2016				
# 203-2	Significant indirect economic impacts	3.6 Risk Management	39	
GRI 204: Procurement Practices 2016				
204-1	Proportion of spending on local suppliers	6.5 Supplier/Contractor Management	78	
GRI 205: Anti-corruption 2016				
205-1	Operations assessed for risks related to corruption	3.4 Ethical Guidelines	38	
# 205-2	Communication and training about anti-corruption policies and procedures	3.4 Ethical Guidelines	38	
# 205-3	Confirmed incidents of corruption and actions taken	3.4 Ethical Guidelines	38	
GRI 207: Tax 2019				
207-1	Approach to tax	1.6 Tax Management	12	
207-2	Tax governance, control, and risk management	1.6 Tax Management	12	
207-4	Country-by-country reporting	1.6 Tax Management	12	
GRI 301: Materials 2016				
301-1	Materials used by weight or volume	4.4 Disclosure of Environmental Information	53	
301-2	Recycled input materials used	4.4 Disclosure of Environmental Information	53	

GRI Standards		Chapter	Page	Remarks
GRI 302: Energy 2016				
302-1	Energy consumption within the organization	4.4 Disclosure of Environmental Information	53	
302-3	Energy intensity	4.4 Disclosure of Environmental Information	53	
302-4	Reduction of energy consumption	4.3 Climate Change and Energy Management	45	
302-5	Reduction of energy consumption	4.3 Climate Change and Energy Management	45	
GRI 303: Water and Effluents 2018				
303-1	Interactions with water as a shared resource	4.5 Water Resource Management 4.6 Pollution Prevention	54 55	
303-2	Management of water discharge-related impacts	4.6 Pollution Prevention	55	
303-3	Water withdrawal	4.5 Water Resource Management	54	
303-4	Water discharge	4.6 Pollution Prevention	55	
GRI 305: Emissions 2016				
305-1	Direct (Scope 1) GHG emissions	4.3 Climate Change and Energy Management	45	GHG emissions in Headquarters and Singapore Subsidiary has been verified by BSI
305-2	Energy indirect (Scope 2) GHG emissions	4.3 Climate Change and Energy Management	45	GHG emissions in Headquarters and Singapore Subsidiary has been verified by BSI
305-4	GHG emissions intensity	4.3 Climate Change and Energy Management	45	
305-5	Reduction of GHG emissions	4.3 Climate Change and Energy Management	45	
305-6	Emissions of ozone-depleting substances (ODS)	4.3 Climate Change and Energy Management	45	
GRI 306: Effluents and Waste 2016				
306-1	Water discharge by quality and destination	4.6 Pollution Prevention	55	
306-2	Waste by type and disposal method	4.6 Pollution Prevention	55	
306-3	Significant spills	4.3 Climate Change and Energy Management	45	
306-5	Water bodies affected by water discharges and/or runoff	4.6 Pollution Prevention	55	

GRI Standards		Chapter	Page	Remarks
GRI 307: Environmental Compliance 2016				
307-1	Non-compliance with environmental laws and regulations	4.3 Climate Change and Energy Management	45	There was no major fine in the year of report
GRI 308: Supplier Environmental Assessment 2016				
308-2	Negative environmental impacts in the supply chain and actions taken	6.5 Supplier/Contractor Management	78	
GRI 401: Employment 2016				
# 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.3 Compensation and Benefits	61	
GRI 402: Employer and employee relations 2016				
# 402-1	Minimum notice periods regarding operational changes	5.6 Labor-Management Harmony	71	
GRI 403: Occupational Health and Safety 2018				
# 403-1	Occupational health and safety management system	5.5 Workplace Health and Safety	67	
403-2	Hazard identification, risk assessment, and incident	5.5 Workplace Health and Safety	67	
403-3	investigation	5.5 Workplace Health and Safety	67	
# 403-4	Occupational health services	5.5 Workplace Health and Safety	67	There is no union in the Company, but there is an occupational safety and health management committee dedicated to this function.
403-5	Worker participation, consultation, and communication on occupational health and safety	5.5 Workplace Health and Safety	67	
403-6	Promotion of worker health	5.5 Workplace Health and Safety	67	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.5 Workplace Health and Safety 6.5 Supplier/Contractor Management 6.6 Supplier/Contractor Workplace Safety	67 78 81	
403-8	Workers covered by an occupational health and safety management system	5.5 Workplace Health and Safety	67	
403-9	Work-related injuries	5.5 Workplace Health and Safety	67	
GRI 404: Training and Education 2016				
404-1	Average hours of training per year per employee	5.4 Career Development	67	

GRI Standards		Chapter	Page	Remarks
404-2	Programs for upgrading employee skills and transition assistance programs	5.4 Career Development	67	
404-3	Percentage of employees receiving regular performance and career development reviews	5.3 Compensation and Benefits	61	
		5.4 Career Development	67	
GRI 405: Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	3.2 Board of Directors	35	
		5.7 Market Size and Performance	73	
GRI 406: Non-discrimination 2016				
# 406-1	Incidents of discrimination and corrective actions taken	GRI Standards Reference Table	94	There was no discrimination in 2020
GRI 407: Freedom of Association and Collective Bargaining 2016				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	5.6 Labor-Management Harmony	71	
		6.5 Supplier/Contractor Management	78	
GRI 408: Child Labor 2016				
# 408-1	Operations and suppliers at significant risk for incidents of child labor	5.2 Right People for Right Job	60	
		6.5 Supplier/Contractor Management	78	
GRI 410: Security Practices 2016				
410-1	Security personnel trained in human rights policies or procedures	5.4 Career Development	65	
GRI 412: Human Rights Assessment 2016				
412-2	Employee training on human rights policies or procedures	5.4 Career Development	65	
GRI 414: Supplier Social Assessment 2016				
414-1	New suppliers that were screened using social criteria	6.5 Supplier/Contractor Management	78	
GRI 418: Customer privacy 2016				
# 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.6 Risk Management	39	There was no complaint of violation of customer privacy or data leakage in 2020
		6.2 Customer Secrecy Protection	77	
GRI 419: Socioeconomic Compliance 2016				
# 419-1	Non-compliance with laws and regulations in the social and economic area	—	—	There was full-compliance with laws and regulations in the social and economic area in 2020

* Core Item

Topic Materiality; Core Item is fully disclosed and others are non-fully disclosed.

Annex 3 ISO 26000/ISO 26000 Reference Table

ISO 26000 indicators		Chapter	Remarks
Organizational Governance	Decision-making processes and structures that help fulfill social responsibilities and enable applications of core CSR principles	2 Sustainable Business Framework 3 Corporate Governance 5.2 Right People for Right Job	
Human Rights	Checks for regulatory compliance and avoidance of human rights risks	5 Employees as Partners 6.5 Supplier/Contractor Management	The Taiwan headquarters, Singapore, Korea, and GIGA Solution subsidiaries are located in countries with sound human rights review. All business operations are located in the industrial zones supervised by the governments. All human rights related matters meet the regulations.
	Human rights risk situations	5 Employees as Partners 5.6 Labor-Management Harmony	
	Avoidance of complicit	5.6 Labor-Management Harmony	Employees are provided with multiple means through which to communicate and file complaints.
	Resolving grievances	5.6 Labor-Management Harmony	
	Discrimination and vulnerable groups	7.2 Caring for the Disadvantaged	
	Civil and political rights	5.6 Labor-Management Harmony	Ardentec cares for all aspects of national development but remains politically neutral; We encourage employees to exercise civil rights, but fully respect the political orientation of individual employees.
	Economic, social and cultural rights	5 Employees as Partners	
	Fundamental principles and rights at work	5.2 Right People for Right Job 5.3 Compensation and Benefits	
Labor Practices	Employment and employment relations	5.2 Right People for Right Job	
	Conditions of work and social protection	5.2 Right People for Right Job 5.3 Compensation and Benefits 5.5 Workplace Health and Safety 5.6 Labor-Management Harmony	
	Social dialogue	2.7 Communication with Stakeholders	
	Health and safety at work	5.5 Workplace Health and Safety	
	Human development and training in the workplace	5.4 Career Development 5.5 Workplace Health and Safety	

ISO 26000 indicators		Chapter	Remarks
The Environment	Prevention of pollution	4.3 Climate Change and Energy Management 4.6 Pollution Prevention	
	Sustainable resource use	4.6 Pollution Prevention	
	Climate change mitigation and adaptation	4.1 Environmental Policy 4.3 Climate Change and Energy Management	
	Protection of the environment, biodiversity and restoration of natural habitats	4.1 Environmental Policy 7.3 Sustainability of the Environment and Ecosystem	
Fair Operating Practices	Anti-corruption	3.4 Ethical Guidelines 5.4 Career Development	
	Responsible political involvement	—	Ardentec cares for all aspects of national development but remains politically neutral; We encourage employees to exercise civil rights, but fully respect the political orientation of individual employees.
	Fair competition	3.4 Ethical Guidelines	The Company serves corporate customers and is not involved in the mass market. Ardentec complies with regulations that govern intellectual property rights and fair trading. It maintains sound and legal business interactions with customers as well as upstream and downstream partners.
	Promoting social responsibility in the value chain	6.1 Customer Service 6.4 Customer Satisfaction Survey 6.5 Supplier/Contractor Management	
	Respect for property rights	3.6 Risk management	The Company complies with regulations that govern intellectual property rights. It maintains sound and legal business interactions with customers as well as upstream and downstream partners.

ISO 26000 indicators	Chapter	Remarks
Consumer Topics	Fair marketing, factual and unbiased information and fair contractual practices	3.4 Ethical Guidelines The Company complies with regulations that govern fair trade. It maintains sound and legal business interactions with customers as well as upstream and downstream partners.
Consumer Topics	Protecting consumers' health and safety	— The Company's business activities were primarily semiconductor testing with no tangible products produced. The testing procedures pose no health or safety concerns to the customers.
Consumer Topics	Sustainable consumption	— The Company maintains long-term business relationships with its corporate customers.
Consumer Topics	Consumer service, support, and complaint and dispute resolution	6.1 Customer Service 6.4 Customer Satisfaction Survey The primary operation does not contain any tangible products. Therefore, there is no concern about customer services, support, complaints and disputes.
Consumer Topics	Consumer data protection and privacy	6.2 Customer Secrecy Protection The primary operation does not contain any tangible products. Therefore, it does not involve customer data and privacy.
Consumer Topics	Access to essential services	6.1 Customer Service
Consumer Topics	Education and awareness	— The Company's services are not targeted at individual consumers.
Community Involvement and Development	Community involvement	7 Community Engagement
Community Involvement and Development	Education and culture	7 Community Engagement 7.1 Educational Support
Community Involvement and Development	Employment creation and skills development	1.8 Development strategies and innovations 5.2 Right People for Right Job
Community Involvement and Development	Technology development and access	1.8 Development strategies and innovations
Community Involvement and Development	Wealth and income creation	1.5 Market Size and Performance 5.3 Compensation and Benefits
Community Involvement and Development	Health	5.5 Workplace Health and Safety
Community Involvement and Development	Social investment	7. Community Engagement

Annex 4 UN Sustainable Development Goals Reference Table

Sustainable Development Goals		Goal Item	Chapter	Page
3	Ensure healthy lives and promote well-being for all at all ages	3.8 3.9	5.5 Workplace Health and Safety	67
4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	4.4	5.4 Career Development	65
		4.5 4.7	7.1 Educational Support	84
5	Achieve gender equality and empower all women and girls	5.1	5.2 Right People for Right Job	60
		5.2	5.3 Compensation and Benefits	61
		5.b	5.4 Career Development	65
6	Ensure availability and sustainable management of water and sanitation for all	6.3	4.5 Water Resource Management	54
		6.4	4.6 Pollution Prevention	55
7	Ensure access to affordable, reliable, sustainable and modern energy for all	7.2	4.3 Climate Change and Energy Management	45
		7.3	4.5 Water Resource Management	54
8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.2	1.8 Development strategies and innovations	13
		8.7	5.2 Right People for Right Job	60
		8.8	5.4 Career Development	65
12	Ensure sustainable consumption and production patterns	12.5	4.3 Climate Change and Energy Management	45
			4.6 Pollution Prevention	55
13	Take urgent action to combat climate change and its impacts	13.3	4.3 Climate Change and Energy Management	45
			5.4 Career Development	65
16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	16.5	3.1 Governance Principles	34

Annex 5 The UN Global Compact Reference Table

Classification and Principles of the UN Global Compact		Chapter	Remarks
Human rights	Businesses should support and respect the protection of internationally proclaimed human rights	5 Employees as Partners 6.5 Supplier/Contractor Management	The Taiwan headquarters, Singapore, Korea, and GIGA Solution subsidiaries are located in countries with sound human rights review. All business operations are located in the industrial zones supervised by the governments. All human rights related matters meet the regulations.
	Business should make sure that they are not complicit in human rights abuses		
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	5.6 Labor-Management Harmony	
	Elimination of all forms of forced and compulsory labor	5.2 Right People for the Right Job 6.5 Supplier/Contractor Management	
	Effective abolition of child labor	5.2 Right People for the Right Job 6.5 Supplier/Contractor Management	
	Elimination of discrimination in respect of employment and occupation	5.2 Right People for the Right Job 5.3 Compensation and Benefits	
Environment	Business should support a precautionary approach to environmental challenges	4.3 Climate Change and Energy Management 4.5 Water Resource Management 4.6 Pollution Prevention 7.3 Sustainability of the Environment and Ecosystem	
	Undertake initiatives to promote greater environmental responsibility	4.3 Climate Change and Energy Management 4.5 Water Resource Management 4.6 Pollution Prevention 7.3 Sustainability of the Environment and Ecosystem	
	Encourage the development and diffusion of environmentally friendly technologies	7.3 Sustainability of the Environment and Ecosystem	Ardentec primarily offers testing services and technologies, and does not produce tangible products.
Anti-corruption	Businesses should work against corruption in all its forms, including extortion and bribery	3.1 Governance Principles 3.4 Ethical Guidelines 3.5 Internal Controls 6.5 Supplier/Contractor Management	

Annex 6 Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies Reference Table

	Definition	Chapter
Article 1	<p>In order to assist companies listed on the Taiwan Stock Exchange Corporation ("TWSE") and GreTai Securities Market ("GTSM") (collectively referred to as "TWSE/GTSM listed companies") to fulfill their corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, the TWSE and GTSM hereby jointly adopt the Principles to be followed by TWSE/GTSM listed companies.</p> <p>TWSE/GTSM listed companies are advised to promulgate their own corporate social responsibility principles in accordance with the Principles to manage their economic, environmental and social risks and impact</p>	<p>About the Report</p> <p>Letter from the Management</p> <p>2.2 The CSR Organization</p> <p>3.1 Governance Principles</p>
Article 2	<p>The Principles applies to TWSE/GTSM listed companies, including the entire operations of each such company and its business group.</p> <p>The Principles encourages TWSE/GTSM listed companies to actively fulfill their corporate social responsibility in the course of their business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on corporate social responsibility.</p>	<p>Letter from the Management</p> <p>2 Sustainable Business Framework</p> <p>3 Corporate Governance</p>
Article 3	<p>In fulfilling corporate social responsibility initiatives, TWSE/GTSM listed companies shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.</p>	<p>2 Sustainable Business Framework</p> <p>4 Environmental Protection</p> <p>7 Community Engagement</p>
Article 4	<p>To implement corporate social responsibility initiatives, TWSE/GTSM listed companies are advised to follow the principles below:</p> <ol style="list-style-type: none"> 1. Exercise corporate governance. 2. Foster a sustainable environment. 3. Preserve public welfare. 4. Enhance disclosure of corporate social responsibility information. 	<p>About the Report</p> <p>Letter from the Management</p> <p>3.1 Governance Principles</p>
Article 5	<p>TWSE/GTSM listed companies shall take into consideration the correlation between the development of domestic and international corporate social responsibility principles and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility programs, which shall be approved by the board of directors and then reported to the shareholders meeting.</p> <p>When a shareholder proposes a motion involving corporate social responsibility, the company's board of directors is advised to review and consider including it in the shareholders meeting agenda.</p>	<p>2.1 CSR Policy</p>
Article 6	<p>TWSE/GTSM listed companies are advised to follow the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the Code of Ethical Conduct for TWSE/GTSM Listed Companies to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.</p>	<p>3.1 Governance Principles</p> <p>3.4 Ethical Guidelines</p>

	Definition	Chapter
Article 7	<p>The directors of a TWSE/GTSM listed company shall exercise the due care of good administrators to urge the company to perform its corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its corporate social responsibility policies.</p> <p>The board of directors of a TWSE/GTSM listed company is advised to give full consideration to the interests of stakeholders, including the following matters, in the company's performance of its corporate social responsibility initiatives:</p> <ol style="list-style-type: none"> 1. Identifying the company's corporate social responsibility mission or vision, and declaring its corporate social responsibility policy, systems or relevant management guidelines; 2. Making corporate social responsibility the guiding principle of the company's operations and development, and ratifying concrete promotional plans for corporate social responsibility initiatives; and 3. Enhancing the timeliness and accuracy of the disclosure of corporate social responsibility information. <p>The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of a TWSE/GTSM listed company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.</p>	<p>Letter from the Management</p> <p>2 Sustainable Business Framework</p> <p>2.1 CSR Policies</p> <p>3.1 Governance Principles</p>
Article 8	<p>TWSE/GTSM listed companies are advised to, on a regular basis, organize education and training on the implementation of corporate social responsibility initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.</p>	3.4 Ethical Guidelines
Article 9	<p>For the purpose of managing corporate social responsibility initiatives, TWSE/GTSM listed companies are advised to establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.</p> <p>TWSE/GTSM listed companies are advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders.</p> <p>It is advised that the employee performance evaluation system be combined with corporate social responsibility policies, and that a clear and effective incentive and discipline system be established.</p>	2.2 The CSR Organization
Article 10	<p>TWSE/GTSM listed companies shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important corporate social responsibility Topics which they are concerned about.</p>	<p>2.4 Stakeholders and Analysis to Topics of Concern</p> <p>2.7 Communication with stakeholders</p>
Article 11	<p>TWSE/GTSM listed companies shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.</p>	4.1 Environmental Policy

	Definition	Chapter
Article 12	TWSE/GTSM listed companies are advised to endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.	4.3 Climate Change and Energy Management
Article 13	<p>TWSE/GTSM listed companies are advised to establish proper environment management systems based on the characteristics of their industries. Such systems shall include the following tasks:</p> <ol style="list-style-type: none"> 1. Collecting sufficient and up-to-date information to evaluate the impact of the company's business operations on the natural environment. 2. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis. 3. Adopting enforcement measures such as concrete plans or action plans, and examining the results of their operation on a regular basis. 	4.3 Climate Change and Energy Management
Article 14	TWSE/GTSM listed companies are advised to establish a dedicated unit or assign dedicated personnel for drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and should hold environment education courses for their managerial officers and other employees on a periodic basis.	4.3 Climate Change and Energy Management
Article 15	<p>TWSE/GTSM listed companies are advised to take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from their business operations:</p> <ol style="list-style-type: none"> 1. Reduce resource and energy consumption of their products and services. 2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly. 3. Improve recyclability and reusability of raw materials or products. 4. Maximize the sustainability of renewable resources. 5. Enhance the durability of products. 6. Improve efficiency of products and services. 	4.3 Climate Change and Energy Management 4.5 Water Resource Management 4.6 Pollution Prevention
Article 16	<p>To improve water use efficiency, TWSE/GTSM listed companies shall properly and sustainably use water resources and establish relevant management measures.</p> <p>TWSE/GTSM listed companies shall construct and improve environmental protection treatment facilities to avoid polluting water, air and land, and use their best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.</p>	4.5 Water Resource Management 4.6 Pollution Prevention
Article 17	<p>TWSE/GTSM listed companies are advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <ol style="list-style-type: none"> 1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company. 2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam. <p>TWSE/GTSM listed companies are advised to monitor the impact of climate change on their operations and should establish company strategies for energy conservation and carbon and greenhouse gas reduction based upon their operations and the result of a greenhouse gas inventory. Such strategies should include obtaining carbon credits to promote and minimize the impact of their business operations on climate change.</p>	4.3 Climate Change and Energy Management

	Definition	Chapter
<p>Article 18</p>	<p>TWSE/GTSM listed companies shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination.</p> <p>A TWSE/GTSM listed company, to fulfill its responsibility to protect human rights, shall adopt relevant management policies and processes, including:</p> <ol style="list-style-type: none"> 1. Presenting a corporate policy or statement on human rights. 2. Evaluating the impact of the company's business operations and internal management on human rights, and adopting corresponding handling processes. 3. Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights. 4. In the event of any infringement of human rights, the company shall disclose the processes for handling of the matter with respect to the stakeholders involved. <p>TWSE/GTSM listed companies shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.</p> <p>TWSE/GTSM listed companies shall provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. A company shall respond to any employee's grievance in an appropriate manner.</p>	<p>5.1 Employee Partnership Policy</p>
<p>Article 19</p>	<p>TWSE/GTSM listed companies shall provide information for their employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.</p>	<p>5.2 Right People for Right Job</p>
<p>Article 20</p>	<p>TWSE/GTSM listed companies are advised to provide safe and healthful work environments for their employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents. TWSE/GTSM listed companies are advised to organize training on safety and health for their employees on a regular basis.</p>	<p>5.5 Workplace Health and Safety</p>
<p>Article 21</p>	<p>TWSE/GTSM listed companies are advised to create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.</p> <p>TWSE/GTSM listed companies shall appropriately reflect the corporate business performance or achievements in the employee remuneration policy, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.</p>	<p>5.4 Career Growth</p>

	Definition	Chapter
Article 22	<p>TWSE/GTSM listed companies shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the company's operations, management and decisions.</p> <p>TWSE/GTSM listed companies shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employers, employees and employee representatives.</p> <p>TWSE/GTSM listed companies shall, by reasonable means, inform employees of operation changes that might have material impacts.</p>	5.6 Labor-Management Harmony
Article 22-1	<p>A TWSE/GTSM listed company is advised to treat customers or consumers of its products or services in a fair and reasonable manner, including according to the following principles: fairness and good faith in contracting, duty of care and fiduciary duty, truthfulness in advertising and soliciting, fitness of products or services, notification and disclosure, commensuration between compensation and performance, protection of the right to complain, professionalism of salespersons etc. Said company shall also develop the relevant strategies and specific measures for implementation.</p>	Major business is semiconductor testing service for business customer, no physical product to consumers, thus no need of labelling for product nor advertisement for consumers.
Article 23	<p>TWSE/GTSM listed companies shall take responsibility for their products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the company shall ensure the transparency and safety of their products and services. They further shall establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers.</p>	6.1 Customer Service
Article 24	<p>TWSE/GTSM listed companies shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries.</p> <p>TWSE/GTSM listed companies shall follow relevant laws, regulations and international guidelines when marketing or labeling their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.</p>	Major business is semiconductor testing service for business customer, no physical product to consumers, thus no need of labelling for product nor advertisement for consumers.
Article 25	<p>TWSE/GTSM listed companies are advised to evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society.</p> <p>TWSE/GTSM listed companies are advised to provide a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints, shall comply with laws and regulations related to the Personal Information Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.</p>	Major business is semiconductor testing service for business customer, no physical product to consumers, thus no need of labelling for product nor advertisement for consumers.

	Definition	Chapter
Article 26	<p>TWSE/GTSM listed companies are advised to assess the impact their procurement has on society as well as the environment of the community that they are procuring from, and shall cooperate with their suppliers to jointly implement the corporate social responsibility initiative.</p> <p>Prior to engaging in commercial dealings, TWSE/GTSM listed companies are advised to assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy.</p> <p>When TWSE/GTSM listed companies enter into a contract with any of their major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.</p>	6.5 Supplier/Contractor Management
Article 27	<p>TWSE/GTSM listed companies shall evaluate the impact of their business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance.</p> <p>TWSE/GTSM listed companies are advised to, through equity investment, commercial activities, endowments, volunteering service or other charitable professional services etc., dedicate resources to organizations that commercially resolve social or environmental Topics, participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.</p>	5.2 Right People for Right Job 7 Community Engagement
Article 28	<p>TWSE/GTSM listed companies shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to their corporate social responsibility initiatives to improve information transparency.</p> <p>Relevant information relating to corporate social responsibility which TWSE/GTSM listed companies shall disclose includes:</p> <ol style="list-style-type: none"> 1. The policy, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility initiatives, as resolved by the board of directors. 2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare. 3. Goals and measures for realizing the corporate social responsibility initiatives established by the companies, and performance in implementation. 4. Major stakeholders and their concerns. 5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social Topics. 6. Other information relating to corporate social responsibility initiatives. 	5 Employees as Partners 7 Community Engagement

Definition		Chapter
Article 29	<p>TWSE/GTSM listed companies shall adopt internationally widely recognized standards or guidelines when producing corporate social responsibility reports, to disclose the status of their implementation of the corporate social responsibility policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include:</p> <ol style="list-style-type: none"> 1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing corporate social responsibility initiatives. 2. Major stakeholders and their concerns. 3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development. 4. Future improvements and goals. 	<p>About the Report 2 Sustainable Business Framework</p>
Article 30	<p>TWSE/GTSM listed companies shall at all times monitor the development of domestic and foreign corporate social responsibility standards and the change of business environment so as to examine and improve their established corporate social responsibility framework and to obtain better results from the implementation of the corporate social responsibility policy.</p>	<p>2.2 The CSR Organization</p>

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