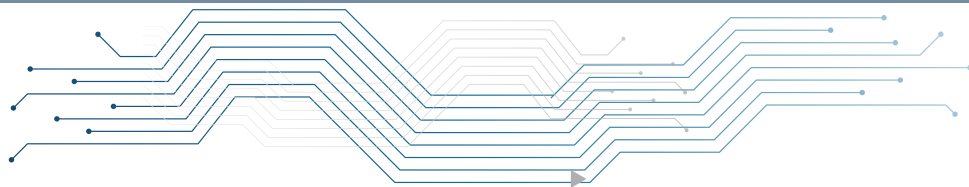
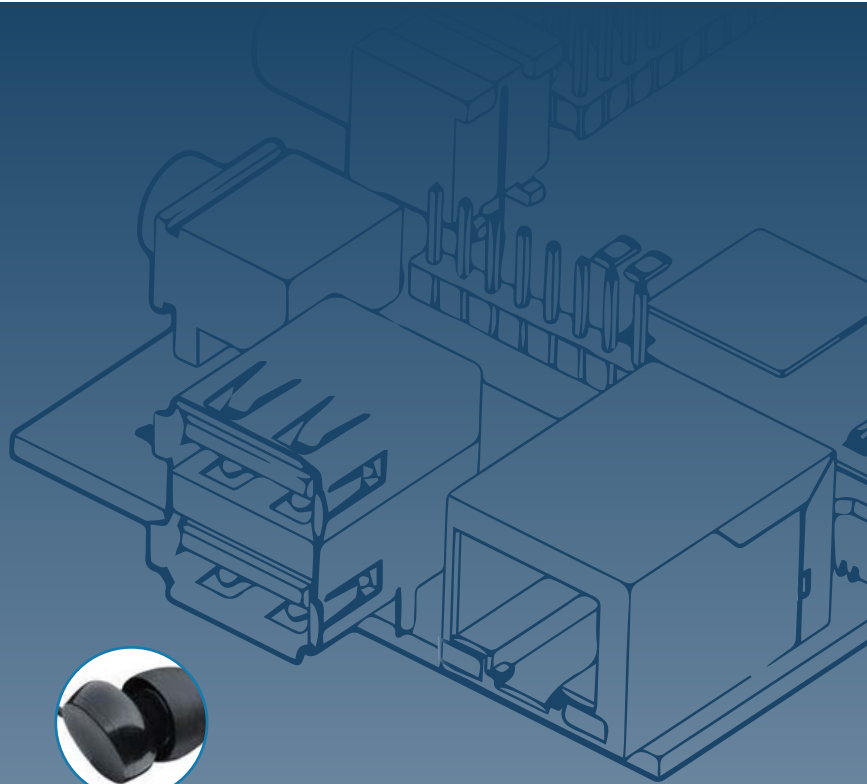




5xLINK 2020 CSR

Corporate Social Responsibility Report of
Cheng Uei Precision Industry Co., Ltd.



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About the report

Since 2016, Cheng Uei Precision Industry Co., Ltd. (hereinafter referred to as Cheng Uei Group, Cheng Uei and the Company) has issued the corporate social responsibility report every year. According to the Global Reporting Initiative (GRI) program, the achievements of Vladivostok in the relevant fields of economy, society and environment in 2020 will be disclosed. In this year's report, 17 sustainable development goals (SDGs) set by the United Nations will be further responded to. In view of the framework of "SDGs correspondence", "strategic approach" and "commitment", the action plans and results of Cheng Uei investment will be specified in the light of the framework of "SDGs correspondence", "strategic approach" and "commitment", and the issuance of this report is expected, to convey the results of Cheng Uei's promotion of CSR management to relevant stakeholders and serve as the basis for good communication with each other.

This report was published in June 2021. All disclosed information covers the performance of Cheng Uei Precision Industry Co., Ltd. in corporate social responsibility (CSR) from January 1, 2020 to December 31, 2020. The internal boundary includes Taiwan headquarters and Mainland factory, and the external scope includes local community government, supply chain, etc.

The list is shown as follows:

Headquarters	Taiwan	Tucheng headquarters
Factory	Mainland China	South China factory, Kunshan factory Xuzhou factory and Ma'anshan factory
This report does not include the subsidiaries with a public offering and unpublic offering. If there are exceptions, they will be specifically noted in the report.		

Report issuance time

Cheng Uei continuously issues the corporate social responsibility report on a regular basis every year, and it is also disclosed on the website of Cheng Uei Precision Industry Co., Ltd.

Version of the year: issued in June 2021

Next-year version: scheduled to be released in June 2022



Contact information

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Message from the Chairman

The world is deeply affected by the new crown pneumonia (COVID-19) epidemic in 2020, and the Group took full advantage of the mechanism of continuous operation and worked together to prevent the epidemic. All the factories could operate normally under the epidemic situation. With the growth of manufacturing business and the input of capacity automation, the annual revenue in 2020 will reach NT \$89.552 billion. Looking forward to the future, in addition to the continuous cultivation of consumer electronics product line, electric vehicles, power batteries, 5G network communication and AR application layout will be the future transformation direction and growth power of the Group. Moreover, in order to meet the needs of customers, the Company is also actively increasing production sites in Southeast Asia.

In response to the green production and manufacturing and carbon neutralization goal in 2030, Cheng Uei Group will adhere to the original intention of sustainable operation, build a new factory with environmental protection and energy conservation, and promote the increase of green power production ratio in each factory. Meanwhile, SHINFOX ENERGY, a subsidiary of FIT Holding Co., Ltd., takes the core value and vision of protecting the earth, sustainable development, green energy reducing carbon and clean energy, providing renewable energy power plants such as solar power, offshore wind power, land-based wind power, and hydropower and so on, establishing a full range of energy services such as maintenance and operation, clean energy liquefied natural gas (LNG) import, green power trading platform, ESCO energy saving, and energy storage device technology, etc.

In 2020, the Group's social responsibility report responds to the UN sustainable development goals. In the process of business development, the Group combines the business philosophy of "sincerity, macroeconomics, and conscientiousness" with ESG (environmental, social, corporate governance), and listens to the voice of stakeholders, responding to all expectations in a positive way. We know that the implementation of social responsibility is a crucial link in the sustainable development of enterprises. In 2020, we will enter into the 11th year of production and learning cooperation with National NTUST of Science and Technology, and sign the third five-year cooperation plan. Both sides hope to cultivate technical talents through the platform of production and learning cooperation, and realize the integration and utilization of R & D resources between the academic circles and enterprises to create a win-win situation.

sincerity, macroeconomics, and conscientiousness
full advantage of the mechanism
build a green and safe production environment

郭台強

Chairman of Foxlink Precision Industry Co., Ltd.

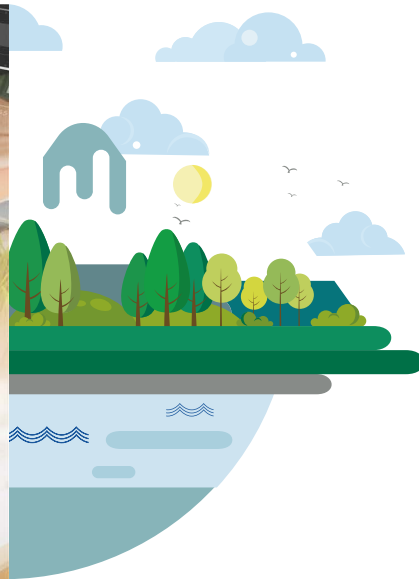
There is a long way to go for sustainable operation. Cheng Uei Group will continue to promote a good workplace, environmental balance and social care, actively assume corporate social responsibility and build a green and safe production environment. In 2021, it will take green cycle as a sustainable development strategy, work hand in hand with customers, supply chain and all employees to actively and actively face various difficult challenges, and show the good value of a sustainable society.



Responding to the United Nations Sustainable Development Goals (SDGs)

In 2015, the United Nations adopted 17 goals of sustainable development, namely SDGs, including social, economic and environmental dimensions, aiming to promote the global development work to the direction of sustainable development. As an influential enterprise in the industry, Cheng Uei Group takes advantage of its core resources, gives full play to the advantages of industrial chain, actively responds to the development goals of SDGs and takes the lead in sustainable development strategy.

SDGs		Corresponding issues	Group contribution
	[3.d] Strengthen the capacity of countries, especially developing countries, to early warning, reduce risks and manage national and global health risks.	Risk management	response to the new crown pneumonia, the Dongguan factory of Cheng Uei Group quickly introduced mask production line, providing assistance to overseas customers in addition to meeting all the staff's needs.
	[4.3] 2030, ensure that all men and women have equal access to affordable high-quality technology, vocational and higher education, including university education, for all men and women.	Staff development, education and training	The Group has a multi-element learning platform, and it is equipped with general courses, professional skills training and management training for different groups and learning needs. In 2020, the Company has 299,044 hours of total training hours and 123,232 trainees.
	[6.3] By 2030, water quality will be improved by reducing pollution, eliminating dumping, minimizing hazardous chemicals and materials emissions, halving the proportion of untreated wastewater, and substantially increasing global waste recovery and safe reuse.	Water resource management	The Group continuously promotes water resource saving measures through the immediate monitoring of central control and management. The total water consumption in 2020 is 2,689km ³ , which is 458km ³ lower than that of the benchmark year after 2018; The reclaimed water recovery is 351km ³ , which is 6 times higher than that in 2018.
	[7.a] By 2030, strengthen international cooperation to promote research and technology access to clean energy, including renewable energy, energy efficiency, and advanced and cleaner fossil fuel technologies, and to promote investment in energy infrastructure and clean energy technologies.	Greenhouse gases Energy resource management	The Group's production sites use the waste heat recovery machine to absorb the heat escaping from the air compressor system and the heating of air source heat pump to produce hot water, saving about 400,000 liters of fuel per year; The annual power generation capacity of photovoltaic power generation projects in Ma'anshan and Kunshan factories in Mainland China can reach 4million kwh.
	[8.2] Achieve a higher level of economic productivity through diversification, technology upgrading and innovation, including the focus on the development of high value added and labor intensive industries.	Company profile	◆ With the growth of manufacturing business and the investment of capacity automation, the Group's annual revenue in 2020 reached NT \$89.552 billion.
	[8.5] By 2030, all men and women, including young people and the disabled, will achieve full and productive employment, decent work and equal pay for equal work.	Employee profile	◆ The Company fully guarantees equal pay for equal work for job seekers, male and female employees and disabled employees in terms of recruitment, promotion, etc., and refuses discrimination, forced labor and unequal treatment.
	[8.7] Take immediate and effective measures to eradicate forced labour, modern slavery and trafficking in human beings, prohibit and eliminate the worst forms of child labour, including the recruitment and use of child soldiers, and end all forms of child labour by 2025. [8.8] Protect labour rights and promote a safe and secure working environment for all workers, including migrant workers, especially women migrants and those who do not work stably.	Occupational health and safety	◆ Strengthen age identification in management, abide by relevant laws and regulations to prevent child labor and protect the rights and interests of minors. ◆ The Company actively promotes ISO14001-ISO45001 certification to provide comfortable, safe and healthy working environment for employees.
	[12.5] generation will be greatly reduced through prevention, emission reduction, recycling and reuse.	Waste Management	The Company adheres to ISO14001 and adheres to the spirit of minimizing waste and maximizing the recycling rate of resources. In 2020, it will reduce 550 tons compared with 2019, and the total waste production will also decrease year by year.
	[13.3] We will strengthen education and advocacy in climate change mitigation, adaptation, impact reduction and early warning, and strengthen the capacity of people and institutions in this regard.	Greenhouse gas emissions	The Group has carried out carbon asset management in all directions, continuously implemented energy conservation and emission reduction projects, improved energy utilization efficiency and greatly reduced low-temperature gas emissions; And conduct annual greenhouse gas inventory.
	[16.5] Reduce corruption and bribery in all its forms.	Sustainable Governance	The Group sets up internal audit system, forbids various bribery and corruption illegal acts; All stakeholders are encouraged to reflect through various open channels any acts or activities that violate business ethics and good faith.



Sustainable Governance

Statement of corporate social responsibility

Cheng Uei's business philosophy is sincere, macroscopic and responsible, which are three aspects to start and do good to the social responsibility of the enterprise. In pursuit of business growth, we should strive for social protection and sustainable development of environmental ecology. The Company undertakes and declares its commitment to promote CSR, establishes the way of internal corporate responsibility performance and regularly reviews the implementation results, so as to fully implement the Responsible Business Alliance (RBA), and also requires the suppliers providing relevant services or products to support corporate social responsibility policies and standards of conduct, And carry out the irregular social responsibility audit. The topics we are concerned about include:

- Respect the human rights of labor, including all regular workers, short-term workers, temporary workers, interns and any other types of workers. The following standards shall be guaranteed: to enable the workers to freely choose their occupation, not to use child labor, to protect the rights and health of female workers, to prevent discrimination against workers, to prohibit any inhuman treatment, to pay and welfare to the workers and to working hours in accordance with local laws and regulations, and the workers have the freedom of association.
- Provide the working environment for labor health and safety, including ensuring the occupational safety of labor, providing emergency preparation plan, managing occupational injury and disease, controlling hazard sources, assessing and controlling the impact of special physical requirements on labor, making risk assessment on machines, maintaining public health and providing clean restaurants and dormitories.
- Environmental responsibility shall be undertaken, and adverse impacts on society, environment and natural resources shall be minimized during manufacturing process, and the public health and safety shall be protected. The following standards shall be ensured: obtaining necessary environmental permits and reports, preventing pollution and saving resources, controlling the treatment procedures for chemical and hazardous substances, treatment procedures for controlling waste water and solid waste, air discharge control procedures and complying with relevant laws and regulations on product content control.

- It shall comply with the highest ethical requirements, including honest operation, no improper income, disclosure of business and financial status in accordance with applicable laws and regulations, compliance with anti-corruption laws (such as FCPA), respect for intellectual property rights, fair trade advertising and competition standards, and anonymous complaint procedures to protect the identity of whistleblowers In the procurement of minerals, we should take a responsible attitude, protect the personal data of all business contacts, abide by the laws and regulations related to privacy and information security, and formulate protection procedures to prevent retaliation.
- Establish relevant management system, including commitment to social environmental responsibility policy, determination of management responsibilities and regular inspection, monitoring and understanding of applicable laws and customer requirements, development of risk assessment and risk management process, development of improvement objectives and regular assessment, training plan and communication procedures with labor.
- The factory director is appointed as the representative of the social responsibility management of the factory according to the Manual on Labor and Ethics Management, and the social responsibility management department of each factory is responsible for coordinating and reporting to the management representative the implementation of policies and strategies related to labor, environment, economy and other aspects.



Identification and communication of stakeholders

Stakeholder communication

The Company promotes the sustainable development of labor, environment, economy and other related issues based on the social responsibility management statement, and regularly and irregularly responds to issues of concern to stakeholders through various channels and methods, and at the same time, in accordance with the five principles of influence, attention, dependence, responsibility and multiple perspectives of the stakeholder agreement standard (AA1000 SES -2011), identify the main stakeholders including shareholders and investors, customers, employees, suppliers/contractors, community residents and government agencies.

Stakeholder	Issues of concern	Communication / response
Shareholders and investors	◆ Market image, investment, anti-corruption ◆ Economic performance, labor employment relationship ◆ Compliance with regulations, customer health and safety	1. Hold the general meeting of shareholders in the second quarter of each year. 2. The Company's website exposes "investment relations" and provides financial 3. The statement and information shall be disclosed in the public information Observatory notice. 4. Establish a spokesman system to provide the window for dialogue between legal person investment institutions and companies.
Clients	◆ Market image, anti-corruption, customer privacy ◆ Labor employment relations, non discrimination, no forced and compulsory labor, energy, water, products and services ◆ Compliance with regulations, child labor, supplier environmental assessment, supplier labor assessment, supplier human rights assessment, human rights complaints mechanism	1. The Company's business departments visit customers from time to time. 2. Carry out customer satisfaction survey regularly. 3. Reply to customer CSR questionnaire and accept customer audit from time to time. 4. Disclose performance and supplier social responsibility management to customers. 5. cooperate with the audit of customer environment, social responsibility, products, etc., and cooperate with continuous improvement and prevention
Staff	◆ Diversity and equal opportunities ◆ Training and education, non discrimination, no forced and compulsory labor ◆ The complaint mechanism of occupational health and safety labor practice and the rules and regulations of human rights issues	1. The complaint line, wechat public number and network comment box shall be understood and replied through the special responsible department. 2. Medical service in the factory. 3. Employee satisfaction survey. 4. Employee satisfaction survey. 5. Internal and external training of employees. 6. The welfare committee shall announce the employee welfare items from time to time.

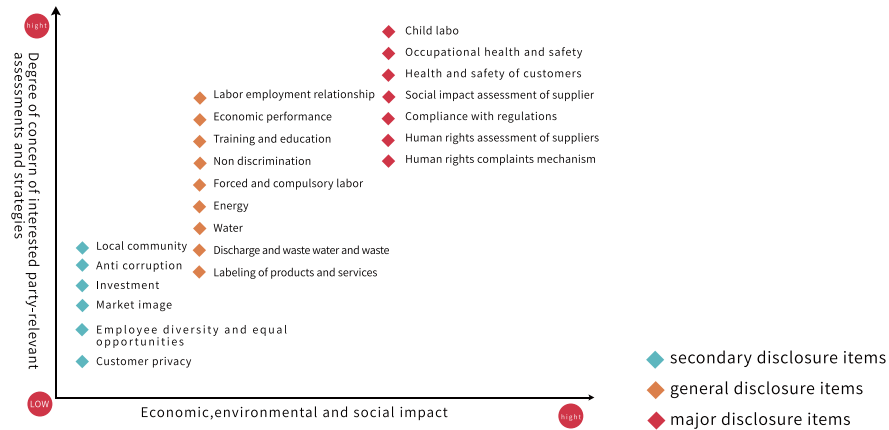
Stakeholder	Issues of concern	Communication / response
Supplier	◆ Market image ◆ Product and service marking ◆ Supplier environmental assessment, supplier labor assessment, supplier human rights assessment, compliance with regulations, supplier social impact assessment	1. Conduct the supplier's social responsibility audit irregularly to confirm the status of supplier implementation. 2. Sign the declaration of non use of conflict minerals, environmental protection and occupational safety. 3. Conflict minerals data are collected regularly. 4. Inspection of hazardous substances and quality.
Community/government	◆ Local community ◆ Discharge, waste water and waste ◆ Occupational health and safety, regulations and compliance	1.To interact with residents through activities held by the Charity Society from time to time. 2. To convene volunteers to serve the society. 3. The special department of factory complaint shall accept. 4. Maintain good interaction with the competent authority. 5. Actively participate in the public hearing and seminar on laws and regulations held by the competent authority.

To ensure the operation compliance of the Company, the Company continuously identifies the applicable laws and regulations of each site in real time, and adjusts and revises the existing systems and working methods. Any ticket or fine imposed by the government due to violation of relevant laws and regulations shall be disclosed by the Company.

If stakeholders find any behavior that violates ethics and regulations, they can provide feedback through relevant communication channels or the stakeholder section of the official website (<http://www.foxlink.com/stakeholder> section/).

Identification of major issues

According to the principles of GRI-G4, that is, materiality, stakeholder inclusiveness, sustainability and integrity, the scope and topics disclosed in this report are confirmed by considering the impact of various topics on the Company's activities, products, services and relationships, and taking into account the communication practice of stakeholders. According to the evaluation and decision-making impact of stakeholders and the significant degree of impact on economy, environment and society, all the topics to be disclosed are divided into three parts: major disclosure items, general disclosure items and secondary disclosure items.



The impact on the internal and external of the Company should also be considered when disclosing the issues that are communicated and fed back by the stakeholders and determined by the functional management. That is to say, when disclosing the relevant issues, it is necessary to explain the impact on the internal operation and activities of the Company on the one hand, and the impact on the external of the Company on the other hand.

In this regard, the boundary of specific indicators to be disclosed in this report is clear as follows: the economic aspect is limited to the internal disclosure of the Company organization; In social and environmental aspects, the indicators are mainly internal and external because they involve organizations or groups outside the Company.



Ethical management

Company profile

Operation bases



Company profile

Core development

Cheng Uei takes the integration of mechatronics and optoelectronics as its development goal, makes full use of the advantages of the Group, cooperates with the development and expansion of wireless transmission field, establishes a diversified product portfolio, and becomes the power source of the Company's stable growth every year. In recent years, we have been constantly seeking to improve the manufacturing technology, develop the 4.0, 5G and WiFi 6 wireless technologies for molds, conduct upstream integration, establish 360 degree dynamic panoramic suture technology, develop bone identification / eye tracking technology, and create a niche market related to energy. With the upgrading of labor-intensive production, our main production sites have been transformed into intelligent factories, including the introduction of automation and optical inspection technology, etc. By integrating materials, machinery, electronics, optics, electroacoustics, energy, assembly and R & D technologies with the core capabilities of mold, forming, stamping, secondary processing and automation, to establish a global marketing and supply chain management network, and provide customers with high-quality products in a timely manner, at the same time, taking the demand of consumer electronics, information, communication and automobile market as the guidance, and combining with digital content, environmental protection, and energy saving to create value for customers, constantly surpasses itself according to the concept of sincerity, macrocosm and conscientiousness, and creates the best business performance with team spirit.

Company products

The Company's main products cover three categories of components, accessories and system products.

① Components

Connector / FPC / rigid-flex board / FPCBA/ Antenna module/Bluetooth module/Wifi module/



Company products

② Accessories

High-speed cable/Bluetooth headset/Over-ear headset/Wireless speaker/Bluetooth USB adapter/Bluetooth music receiver/SD card reader/Bluetooth mouse/



③ System

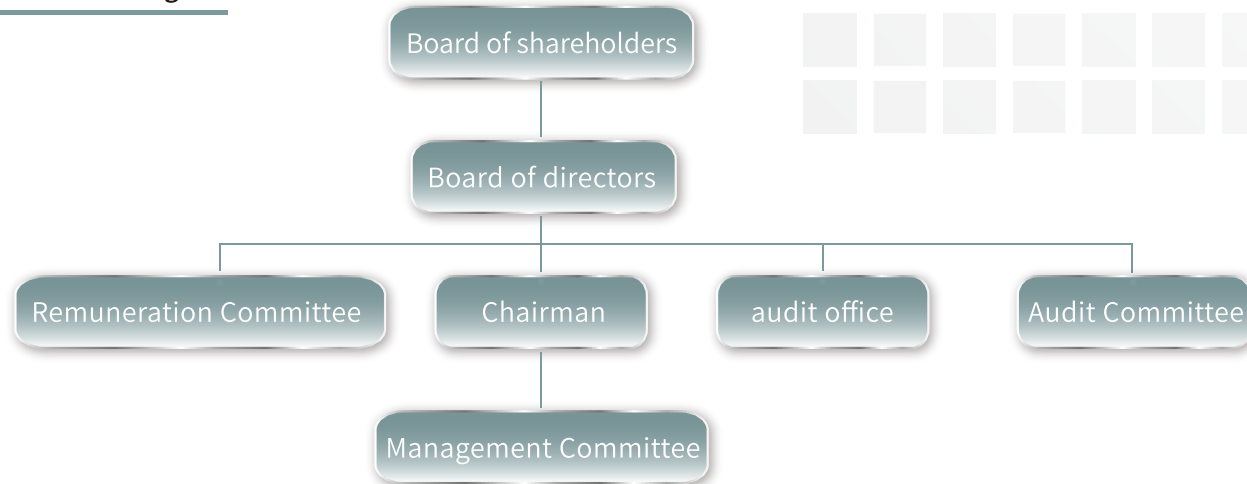
Smart watch /Smart Band /Air quality monitor/ Bike power assist control unit/EV contactless radar respiratory monitor



Corporate governance

There are seven to nine directors in the board of directors, who are selected from the list of directors' candidates by the board of shareholders. They can be re elected and re elected for a term of three years. The number of independent directors shall not be less than three. The system of nomination of candidates shall be adopted. The board of shareholders shall select the independent directors from the list of candidates. The professional qualifications, shareholding, part-time restrictions, nomination and election methods and other matters to be followed of the independent directors shall be in accordance with the relevant provisions of the securities authority. The board of directors has a Remuneration Committee and an audit office to assist the board of directors in performing its supervisory duties. The functions and powers of the board of directors include the deliberation of the Company's business policies and medium and long-term development plans, the deliberation and supervision of the annual business plans, and the execution of the annual business plans. The shareholders' meeting is divided into regular meeting and temporary meeting. The regular meeting is held once a year, and the temporary meeting is called in accordance with relevant laws and regulations when necessary.

Organizational structure of Cheng Uei



Head of corporate governance

In accordance with Article 23 of the key points for the establishment of the board of directors, Lin Kunhuang, a qualified director of corporate governance as special assistant, was set up.

Purpose of establishment of the highest governance unit, evaluation method of strategic roles

1. Following the Code of Practice on Corporate Governance of Listed and OTC Companies, Code of Good Faith Management of Listed and OTC Companies, Code of Practice on Corporate Social Responsibility of Listed and OTC Companies, to formulate internal norms, and refer to international and industrial best practices to implement corporate governance and good faith leadership. To achieve the goal of strengthening the structure and operation of the board of directors, safeguarding the rights and interests of shareholders and treating shareholders equally, improving information transparency, implementing honest management and anti-corruption propaganda.
2. The board of directors of Cheng Uei Precision has long followed the principle of high standard corporate governance as the basis of a sound system, so as to ensure the effective operation of the board of directors and further protect the rights and interests of shareholders. In the 106th year of the Republic of China, a Remuneration Committee and an audit committee were set up under the board of directors. For details of the operation, please refer to the annual report of shareholders' meeting in the 108th year, p25-34.
3. Under the supervision of the board of directors and functional committees, all business units follow the Company's internal control system and carry out self-assessment. The board of directors and the management review the results of the self-assessment conducted by each department and the audit report of the audit unit on a quarterly basis. The effectiveness of the internal control system is approved by more than half of the members of the audit committee, and the resolution of the board of directors is proposed.

Subjects concerned by stakeholders and communication channels

1. The annual general meeting of shareholders shall be held once a year, including the minutes and minutes of the meeting, and electronic voting shall be adopted, so as to increase the proportion of shareholders attending the meeting and ensure that shareholders can exercise their shareholders' rights in accordance with the law.
2. Monthly revenue announcement once a month
3. Open information observation exhibition and the Company website release the Company's monthly revenue
4. E-mail with press release, visit of investors and telephone interview with investors

Ethics, internal risk assessment policies and procedures and action

1. the Company maintains the business philosophy of sincerity, macrocosm and conscientiousness, formulates the Code of Good Faith Operation, Code of Business Ethics and other procedural documents, and encourages employees to disclose violations through any available channels and ensure that they will not be subjected to retaliation or other unfair treatment by means of conducting relatives' avoidance investigation, issuing integrity announcement, and conducting business ethics training for all employees.

The internal audit department is set up to check and evaluate the effectiveness of the internal control system, and provide timely improvement suggestions, so as to ensure the continuous and effective implementation of various systems. Effective risk factor identification and evaluation procedures are formulated to identify and evaluate the Company's labor and moral factors, and monitor the performance of labor and moral management, to assist the board and management to achieve and set goals.

2. In the supply chain management, according to the Management Procedure of Conflict Minerals Control, Cheng Uei strictly abides by the relevant regulations of international organizations and industries, and conducts due diligence on the relevant minerals and materials used in the supply chain. Ensure that ore from conflict affected and high-risk areas is not accepted and used, and require suppliers to regularly disclose the use of conflict minerals and CMRT reports.

3. Policies and procedures: Cheng Uei Precision has an opinion mailbox and a contact window for stakeholders to communicate with. If there are any questions, suggestions or even complaints about relevant issues, employees can check the relevant contents and report channels through the internal website (Cheng Uei's e-mail for reporting is ceo@foxlink.com). If any violation of the code of conduct is found, it can be directly reported to the department head, audit department, human resources department and legal department. In order to protect the rights and interests of reporting colleagues, the identity of any informant or person participating in the relevant investigation will not be disclosed. In addition, in order to encourage courage to speak out, if the investigation confirms that the reported case is true, rewards will be given as appropriate.

4. Take action: it covers all factories all over the world. When receiving the complaint letter, confirm whether the complaint content is true and carry out relevant investigation. The complaint case should be closed within one month and extended for one month if necessary. If the reported case is verified by investigation, the Company shall handle it in accordance with the law or relevant internal disciplinary provisions, or pursue legal liability. However, before making a punishment decision, the Company shall provide the opposite party of the case with an opportunity to state their opinions or appeal, so as to safeguard the rights of the opposite party of the case.

Financial information

year	Operating income	Operating gross profit	Net profit after tax
2020	89,552	9,773	1,967
2019	97,820	10,218	1,987
2018	87,911	7,661	608
2017	93,624	9,489	1,335

Unit: NT million yuan

Note: For more information on the Group's operating performance, please refer to the Group's financial report 2020

Risk management of novel coronavirus pneumonia

Risk prevention and control of infectious diseases

At the beginning of the new year in 2020, the COVID-19 epidemic broke out. Following the continuous operation plan and emergency response management measures, Cheng Uei Group established an epidemic prevention headquarters by the Group's headquarters. All departments carried out epidemic prevention work in an orderly manner. The epidemic prevention group meeting was held every day in the factory. All the factories resumed work smoothly on the premise of meeting the local official requirements. In 2020, there was no shutdown due to the outbreak of COVID-19.

Scientific and precise prevention and control

1. Personnel management: formulate an infectious disease contingency plan, and plan four levels of management requirements according to the requirements of local government and the occurrence of factory cases. The management objects include employees, suppliers, customers and relevant external personnel. The prevention and control measures include environmental disinfection, access control management and social distance requirements.

covid-19 epidemic prevention mechanism	Operational mission	Rights and responsibility	Level 4 Management	Level 3 Management	Level 2 Management	Level 1 Management
Establishment of Epidemic Prevention Command Center	1.Task grouping	Environmental safety/Administration	✓	✓	✓	✓
	2.Carry out	Environmental safety/Administration	✓	✓	✓	✓
	3.Check and prepare the quantity of epidemic prevention materials	Environmental safety/Administration	✓	✓	✓	✓
	4.Suspension of recruitment in the key areas	Recruit	✓	✓	✓	✓
Self-management	1.Autonomous health questionnaire survey	All			✓	✓
	2.Notice of postponement of epidemic prevention in key control areas	Human resources			✓	✓
Entrance post quarantine management	1.Check the mask and temperature measurement	Security		✓	✓	✓
	2.Identification and credit card control	Security		✓	✓	✓
	3.Disinfection of luggage and vehicles	Security		✓	✓	✓
Diversion control	1.Work echelon adjustment and management by echelon	All			✓	✓
	2.Dining echelon adjustment and echelon management	All			✓	✓

Scientific and precise prevention and control

covid-19 epidemic prevention mechanism	Operational mission	Rights and responsibility	Level 4 Management	Level 3 Management	Level 2 Management	Level 1 Management
Set up isolated observation dormitory	1. Isolated dormitory	Administration			✓	✓
	2. Observation dormitory	Administration			✓	✓
Epidemic prevention management in plant	1. Cultural posters	Environmental safety/Administration		✓	✓	✓
	2. Restaurant disinfection and food management	Administration		✓	✓	✓
	3. Dormitory disinfection and personnel management	Administration			✓	✓
	4. Disinfection of workshops, offices and public areas	Administration		✓	✓	✓
Plant closure management	1. Personnel are not allowed to leave the factory without special circumstances	All				✓
	2. Suppliers are not allowed to enter the factory without special needs	All				✓

2. Data management and control: according to the health code, travel path, health statement, accurately manage the staff trend, and as the basis for managing the entry of foreign personnel. At the same time, QR code scanning was arranged in the restaurant seats to record employees' meal time and seat situation in detail, and employees' dynamic declaration of leaving the factory during the epidemic period. The relevant big data is provided to the epidemic prevention team as a reference for close contact screening and epidemic prevention policy formulation.

3. Epidemic prevention materials: at the beginning of the epidemic, the factory has prepared epidemic prevention materials in advance, and the quantity is sufficient to fully meet the requirements of the local government for the resumption of work and production. The mask production line is rapidly introduced into the Dongguan factory, which not only meets the needs of all employees, but also provides assistance to overseas customers. For the employees returning home during the Spring Festival, special rework vehicles are provided to ensure the safety of employees and smooth production. Special isolation dormitories, rest shelters and toilets are set up in the factory.

During the epidemic period, the Group carried out all kinds of epidemic prevention work quickly and truly, integrated the strength of the Group, all members performed their duties, and ensured the safety and health of the Group's employees. Before the epidemic was over, we still had to adhere to the epidemic prevention action, practice the original mission, and embody the social responsibility and corporate responsibility.



Information security

Cheng Uei provides excellent product manufacturing for customers, establishes long-term partnership with customers all over the world, follows the information security standards required by customers, and actively deepens the confidentiality mechanisms related to production and operation, so as to safeguard the cooperative interests of customers and create the best sustainable business performance of the enterprise.

Information security management model

In order to deepen the Company's employees' understanding of information security awareness, we regularly carry out social engineering drills, information security education and publicity, and information system penetration testing for employees according to the three principles of anti-virus, anti-hacking and anti-leakage, so that employees can adhere to the information security principles and jointly maintain information security in the use of information systems. In the aspect of system, regular vulnerability scanning, establishment of system alarm notification platform, regular voucher management, correction and formulation of relevant management measures are carried out, which is in line with the principle of PDCA, so as to make capital security become the awareness of employees.

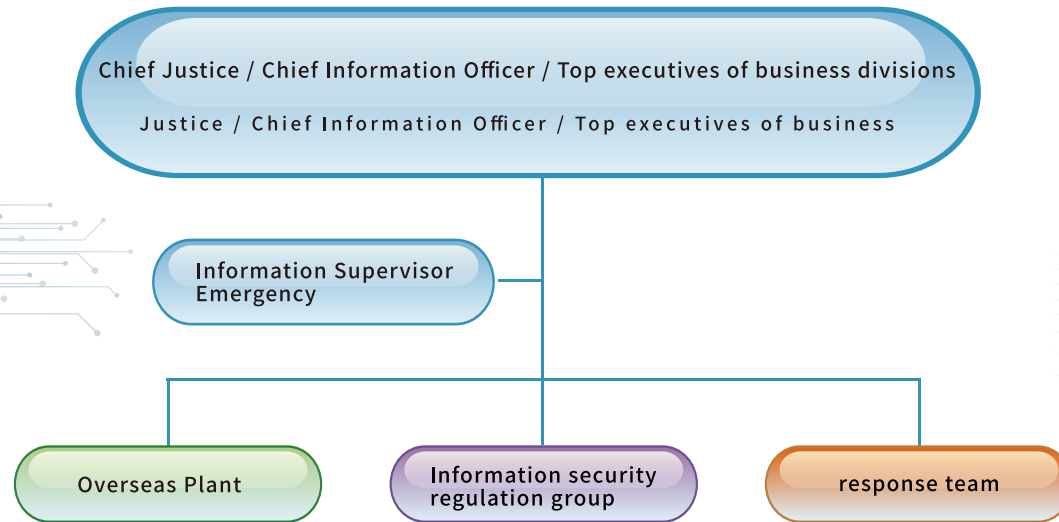
At the Company's management level, a business secret Review Committee shall be established in accordance with the instructions of the chairman of the board of directors, and a capital security organization shall be established under it. The top executives of various business groups shall be recruited as members. The chief justice and the chief information officer shall jointly hold regular meetings of the business secret Review Committee to implement and formulate group capital security control measures and review relevant capital security procedures, so as to effectively promote the Group's capital security management policies, and ensure the effective operation of group information security management.



Information security management model

According to the Company's information security policy of "in order to maintain the integrity, availability and confidentiality of the information of the Group's affiliated companies, actively avoid the damage caused by man-made, natural and other external forces, and reduce the impact on the Company's operations and the loss of the Company's interests.", the information security team conducts an internal information security review every year, including inventory of information equipment assets, vulnerability strengthening measures, and construction of anti-virus system. The assessment results are sent to the audit unit of the Company for review with relevant supporting materials. The audit unit of the Company conducts an information cycle review once a year and submits the results to the board of directors for report.

Since the information security education was announced, the Group has not had any harmful events that infringe on the Company's operation and customers' rights.



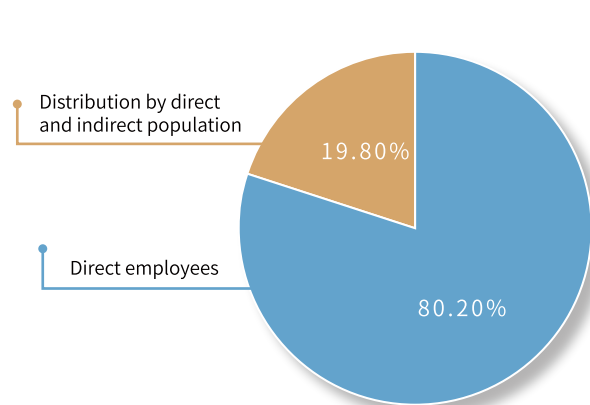
People-oriented

Company profile

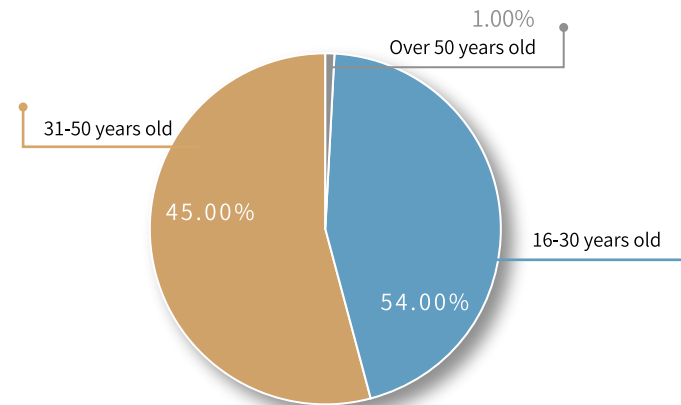
Employees are an important driving force for the development of Cheng Uei Group. We attach great importance to the working environment, career development and care of employees. We are committed to building a healthy and happy workplace culture for employees' growth, shaping the spirit of responsibility, deepening human capital, implementing talent cultivation, and creating a harmonious and shared workplace environment.

In accordance with international norms and relevant labor laws, Cheng Uei provides a friendly workplace working environment, protects the rights and interests of employees, continuously promotes various community activities and implements employee care, promotes the balance of physical and mental health of employees, and works hand in hand with employees to realize the vision of sustainable operation of Cheng Uei.

As of the end of December 2020, the Group has 33,071 employees, including 64.7% male employees, 35.3% female employees, 6,546 indirect employees and 26,525 direct employees. Due to the labor-intensive nature of the electronic industry, the Group members are mainly direct employees, accounting for 80.2%.

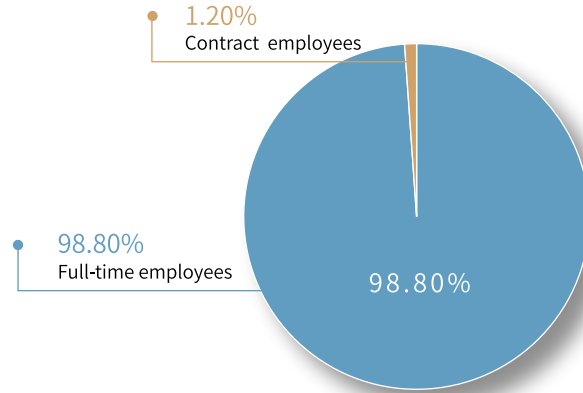


Distribution by direct and indirect population

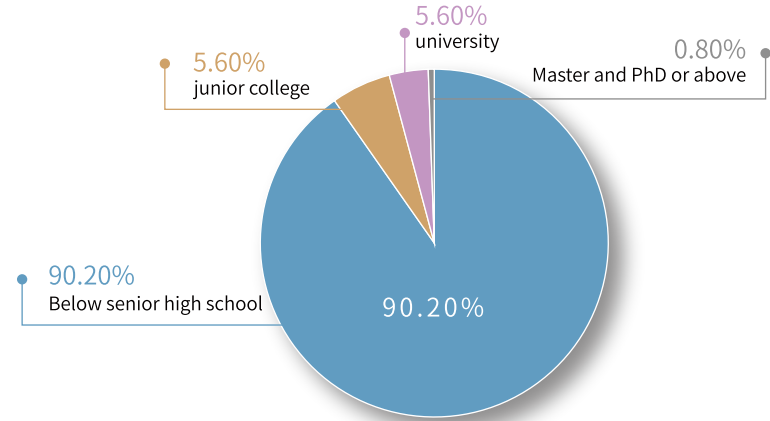


Distribution by age

Company profile



Distribution by employment



Distribution by educational level

Employees recruitment

Recruitment of personnel is conducted in accordance with the local labor laws and regulations, and comply with the requirements of the Responsible Business Alliance code of conduct (RBA), conduct risk assessment, and formulate the management specification of the "measures for the management of child labor and underage workers". The minimum age of appointment is set in the factory, the identification system and control measures are developed, and internal and external checks are carried out.

The employment of child labor is strictly prohibited and the legitimate rights and interests of minors are protected in accordance with the law; Strictly implement the non discrimination policy and provide equal employment opportunities regardless of race, color, age, gender, sexual orientation, disability, pregnancy, religion, nationality or political party orientation.



Salary and benefits

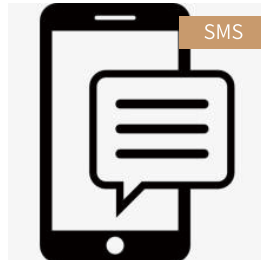
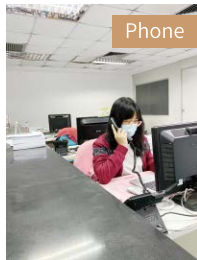
The Group sets a reasonable salary level in each base, realizes the synchronization of the salary adjustment and the development of the Group, encourages the continuous growth of employees, and specifically improves and affirms the performance of employees through the twice-a-year performance appraisal and promotion system; According to the Company's operating situation, according to the performance to determine the reward. According to the position, contribution and performance of each employee, the incentive bonus, patent bonus, employee bonus and performance bonus will be issued every year.

All employees shall sign formal contracts from the date of employment and pay social insurance, labor insurance, health insurance, group insurance and other related benefits in accordance with local government regulations; To guarantee that retirees are provided with pensions in accordance with relevant regulations; Implement and improve the leave system, including marriage leave, lactation leave, maternity leave, paternity leave, funeral leave, annual leave, etc; Employees with child care needs will be given substantial care and care. In case of long-term leave due to service, serious injury and other circumstances, they can also apply for salary suspension. After the expiration of the period, they can apply for reinstatement, taking into account personal and family care needs. Taking Taiwan as an example, in 2020, there will be 10 applications, including 7 females and 3 males; From 2019 to 2020, there will be a total of 18 applications for child care, of which 10 have been reinstated, with a return rate of 55.56%.

diverse communication and care

To establish a harmonious and friendly employee relationship, the Company sets up diversified communication channels for colleagues, provides feedback channels for colleagues to use, carries out in a fast and confidential way, constructs a perfect communication platform, and provides an open communication environment.

There are special units and personnel to receive the information through face-to-face inquiries, telephone calls, short messages, WeChat, e-mail, etc., and set up anonymous complaint channels, so that employees can communicate with the Company smoothly, transparently and instantaneously, so as to protect their legitimate rights and interests.



To show the Company's humanized management and care, care for employees, and use various activities to show respect for diversity. The "Mommy house" is set up in factories in Taiwan and China, so that female employees need a secret, comfortable and convenient space to use:

China factory



leisure room
reading room
nursing room

Open day activities

The China's factories set up a "one-stop service team" to play the role of a "bridge", to assist employees to solve work problems, highlight the "people-oriented" corporate culture, employees are good at work, cadres are good at management, and cultivate employees' sense of identity, belonging and cohesion to the Company.



Leisure activities

In 2020, in order to enhance mutual understanding among employees of various departments, enhance their teamwork spirit and cohesion, we will organize a variety of leisure activities to enable employees to participate in community activities after work.



Basketball



Dance



Merry



Psychological counseling for employees

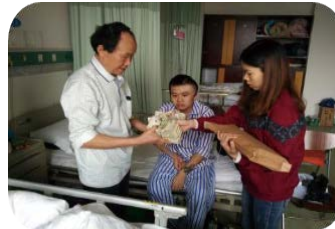
Pay attention to the physical and mental health of colleagues, improve the quality of life, create a positive and optimistic attitude, promote harmonious labor relations, set up a psychological counseling room, with dedicated personnel, which can make appointment through face-to-face consultation, telephone, SMS, Wechat, E-mail and other ways. The consultation content is only known by psychologists and consultants, to ensure the personal privacy of employees. The overall satisfaction of psychological counseling reaches 97%.

Questionnaire Title	Very satisfied	satisfied	General	Subtotal
Consultation environment	60%	25%	10%	95%
Degree of help	58%	24%	16%	98%
problem solved	63%	22%	12%	97%
Average satisfaction	63%	24%	13%	97%



Employee care

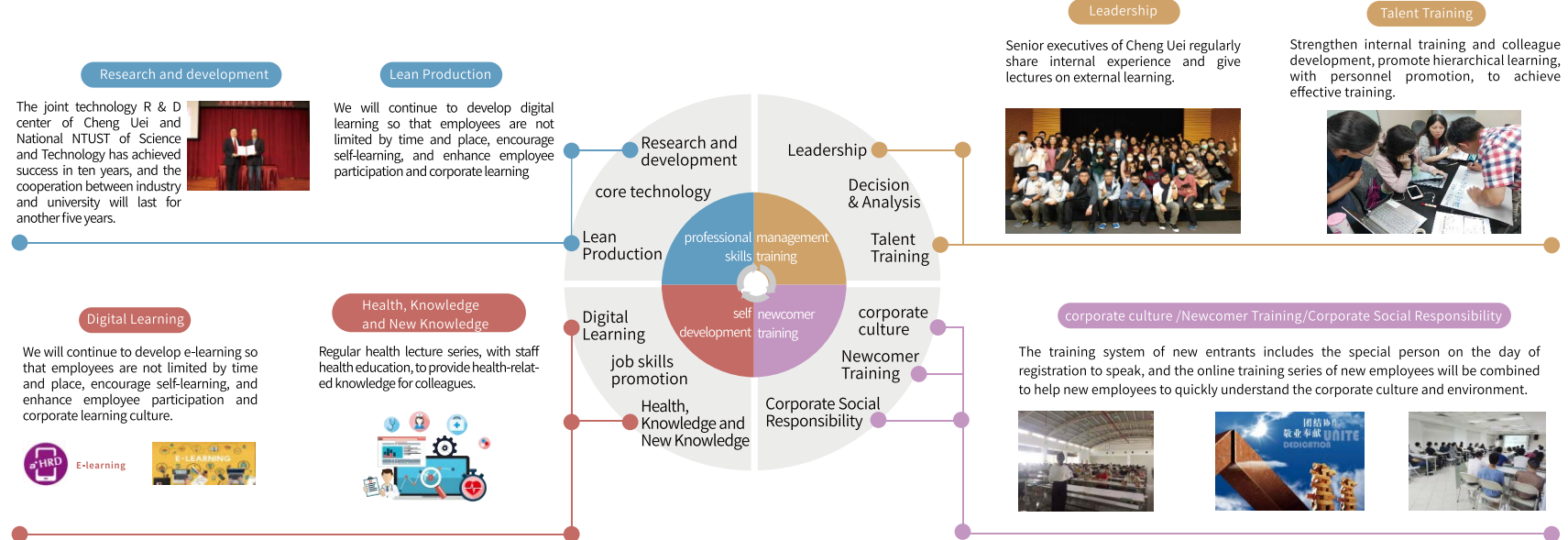
In case of work-related injury, serious illness and other accidents, the Company will provide relevant assistance, such as applying for insurance, hospitalization allowance, etc., so that employees can fully feel the Company's care and love.



Development, education and training

Cheng Uei Group attaches great importance to employees and is committed to talent cultivation. Through the positive training cycle mode, it plans diversified training courses to enhance the management and professional functions of employees, enhance organizational efficiency and personal functions, and achieve business operation and development.

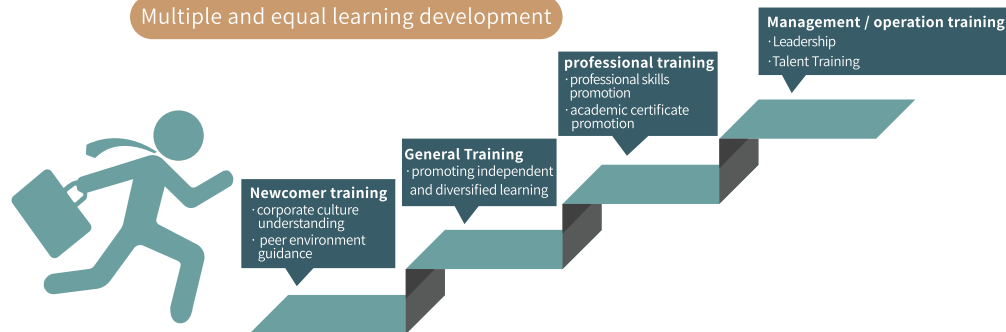
- The internal training focuses on the core or professional functions of employees to improve their working ability.
- External training to meet the needs of work, participate in external courses or seminars, and promote diversified knowledge learning.
- Provide employees with digital learning and use technology tools to improve efficiency.
- Provide advanced management and leadership courses for supervisors, and apply them in both theory and practice.



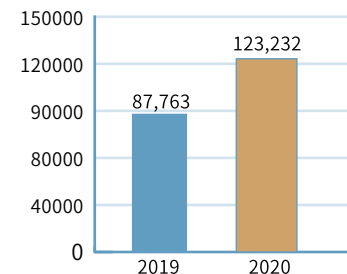
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Multiple and equal learning development



Annual total number of trainees



Cheng Uei training action learning platform

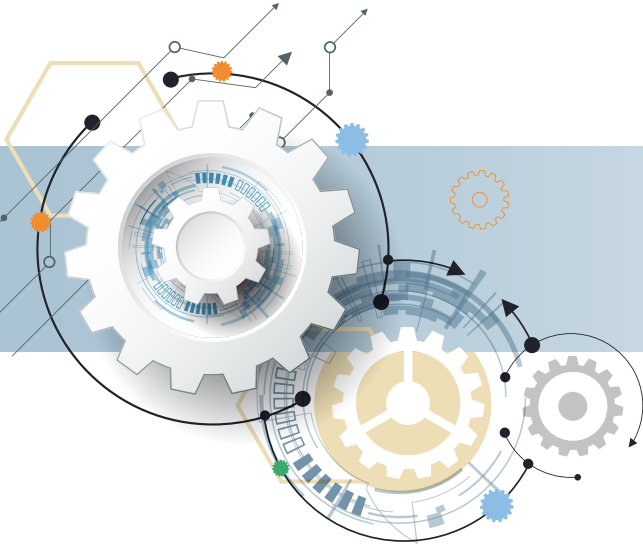
Course List



Development, education and training

Highlights of training courses





Health, safety and environmental-friendly

Occupational health and safety

Occupational health and safety policy

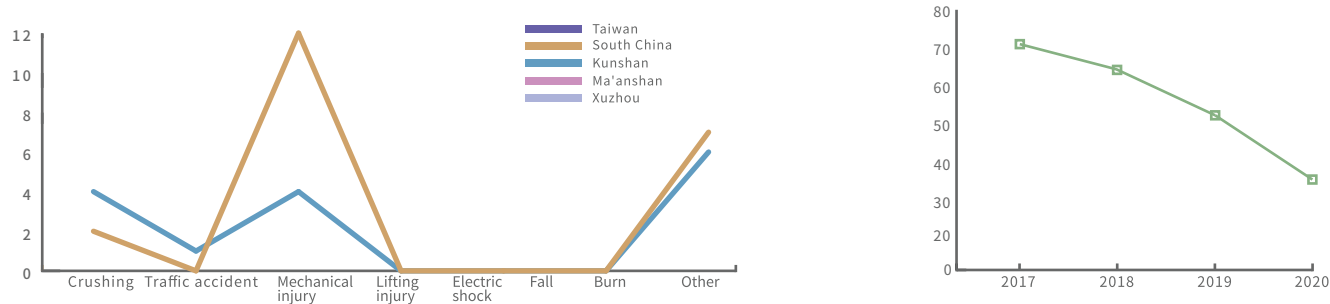
- ◆ Comply with laws and regulations, fulfill the Company's social responsibility of occupational health and safety
- ◆ Pay attention to the health and safety of employees and eliminate health and safety accidents
- ◆ Establish occupational health and safety management system and improve it continuously
- ◆ All staff participate in occupational health and safety education and training, and implement occupational safety activities

In line with the people-oriented principle and the safety production policy of "safety first and prevention first", implements the Company's occupational health and safety policies, implements applicable laws and regulations on occupational health and safety, better protects the health and safety and property rights and interests of employees, and actively conducts the investigation and treatment of safety patients, and takes the lead of the department of environmental safety to unblock the safety hazard reporting channels, encourage all staff to participate in, actively respond to and accept the supervision and audit of the government, customers and other relevant parties.

Health and safety accident management

In 2020, 37 minor industrial accidents occurred in 5 factories in the report category, without death and major accidents.

When there is an industrial injury or false alarm, the occupational safety team will quickly investigate and collect evidence of the relevant events, formulate corrective measures plan, and continue to follow up the improvement measures until the end of the event. To learn from the lessons, we will distribute safety warnings to all factories to ensure that corrective actions are in place to prevent similar incidents from happening again. The internal health and safety cases have been declining year by year.



Occupational health and safety

Statistics of employee work injury in 2020

Performance indicators	Taiwan	Mainland China			
		South China	Kunshan	Ma'anshan	Xuzhou
Disability loss /times	0	18	11	0	0
Disability loss /Total working hours	0	1,072	2,280	0	0
Disability injury frequencyworking hours	0	0.41	2.18	0	0
Severity rate of disability injury	0	24.92	56.61	0	0

(Frequency of Disability Injury) : total number of disabled persons per million total working hours

Total number of people who have lost their ability $\times (10^6)$ / total working hours

Disability injury: including death, permanent total disability, permanent partial disability and temporary total disability

Non disability injury: the number of damage days is less than one day.

(disability injury severity rate): total days of loss of energy per million total working hours

$= (\text{total days of work injury loss} \times (10^6)) / \text{total working hours}$

Numerical accuracy of calculation results: two digits shall be taken after the decimal point of the meter and discarded after the third place.

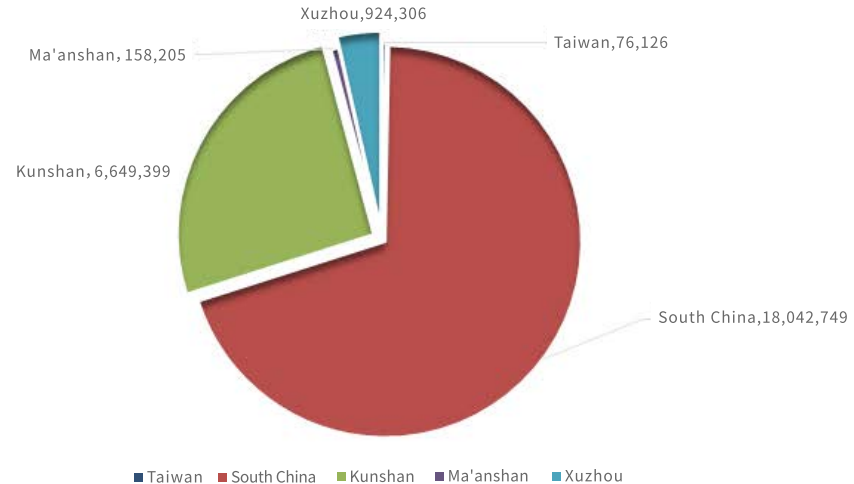
If the calculation result is 0.1357, it should be corrected to 0.13.

Occupational health and safety

Investment in occupational health and safety expenses

In order to improve the corporate image, strengthen the cohesion of the Company, reduce the occupational safety and health risks of the enterprise operation, achieve the sustainable operation of the enterprise, avoid the direct / indirect losses caused by occupational safety and health problems, and do good to the social responsibility of the enterprise.

The Company has the principle of "safety first, prevention first, full participation, strengthening supervision, comprehensive prevention and continuous improvement", and actively take various prevention and control measures in terms of occupational health and safety, such as occupational health monitoring, occupational hazard notification, occupational disease protection facilities, occupational disease risk factor detection and evaluation, personal protective articles, etc., and effectively control them in all aspects, to ensure the health rights and interests of each employee. In 2020, the total expenditure of Mainland factory is 25,774,659 yuan, and the total expenditure of Taiwan factory is NT \$76,126.



safety first, prevention first

full participation, strengthening supervision

comprehensive prevention and continuous improvement

Environmental-friendly

Environmental policy

The Group identifies and evaluates every year the factors that have a real or potential significant impact on the environment during the operation. We have set up parameters and monitoring measures for these important environmental factors and continuously track and report the performance related to these parameters. In the middle of the year, the environmental factors concerned will be set up with improvement objectives, considering the performance of their location in environmental parameters, environmental policies, legal provisions, customer requirements, stakeholder requirements and management guidance.

The Group has established a waste treatment mechanism to classify and manage the wastes generated in the manufacturing process, and provide the waste to qualified waste recyclers for treatment; The consumption index of water and electricity in manufacturing process is formulated, and the consumption of resources in manufacturing process is controlled to eliminate the waste of resources and reduce the discharge of waste; Make reasonable production plan and schedule, make full use of production equipment and infrastructure, and improve the efficiency of equipment and facilities.

The Group actively publicizes the environmental protection concept and builds energy-saving enterprises, publicizes the importance and necessity of energy conservation and environmental protection by face-to-face training for direct and indirect personnel, and tries to improve the environmental protection awareness of all employees and ensure the effective implementation of environmental management. In addition, the Group strengthened the supervision and management of the development of energy conservation projects in various departments. Taking the circulation and efficient utilization of resources as the core, the Group carried out energy conservation and emission reduction by purchasing energy-saving air conditioning, setting the minimum use temperature of air conditioning, and secondary utilization of paper, and advocating the staff to save every power and every drop of water.

Waste management

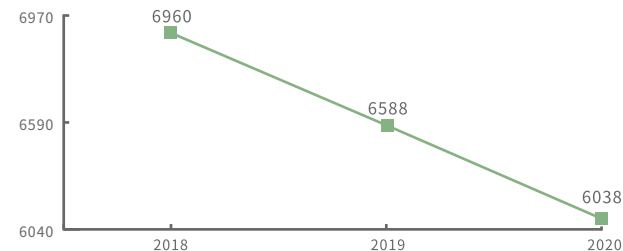
In terms of waste, each production base and local specialized agencies sign a hazardous waste treatment contract to ensure proper disposal of hazardous wastes. Meanwhile, the Group promotes the reduction of consumption of harmless wastes such as plastics and paper and the improvement of resource recovery rate. To carry out waste zero landfill project, classify and collect all wastes in the factory, and communicate with qualified waste disposal providers, and all wastes are recycled by incineration. In 2020, Dongguan production base and Kunshan production base have passed UL27999 platinum certification respectively.

According to ISO14001 management procedure, set up a special management unit to effectively master the output of waste sources, and adhere to the spirit of minimizing waste volume and maximizing the recycling and reuse rate of resources, and select qualified suppliers with effective waste disposal capacity to properly handle them to achieve the goal of effective management and waste reduction. The total waste volume in 2020 is 6,038 tons, 550 tons less than in 2019; Compared with the total waste in 2019, the total waste production is also decreased year by year.

Environmental-friendly

Waste management

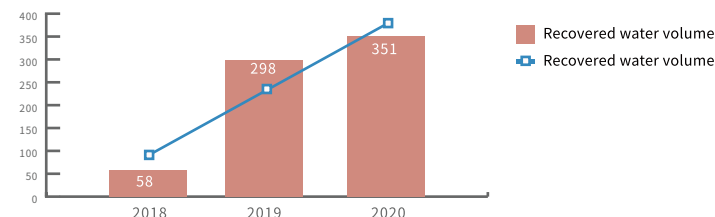
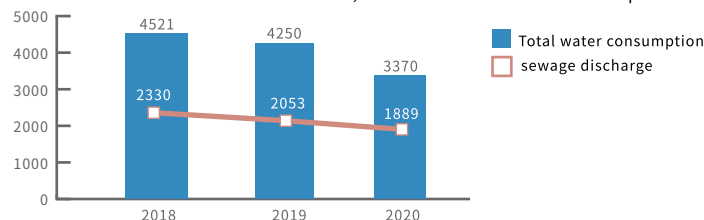
Year	Hazardous Waste	general waste (non recyclable)	resource waste (recyclable)	total waste
2018	2228	2355	2376	6960
2019	2151	2169	2268	6588
2020	1991	208	1960	6038



Water resource management

Through the immediate monitoring of central control, the Group controls water resource management of each major operating site, continuously promotes water resource saving measures, increases water resource recovery and reuse measures, and strengthens daily management of each factory, so as to reduce the use of circulating water and staff living water in infrastructure facilities, such as air conditioning and air pressure. The total water consumption in 2020 is 3,370km³, which is 800km³ lower than that in 2019;

The water supply of the operating sites of each factory of the Group is from municipal water (tap water), mainly used for the living of water system staff and equipment around the factory. The domestic sewage generated is discharged to the municipal sewage pipeline area for treatment according to the laws and regulations; The wastewater produced is treated by the sewage treatment facilities in the factory (such as natural settlement method and chemical coagulation method), and then discharged after it meets the requirements of discharge water quality of the competent authority in each factory. In order to implement the effective management and resource utilization of discharged wastewater, the recycling and reuse of air conditioning condensed water and RO concentrated water, and the recycling of pure water from workshop equipment, the total recovered water in 2020 will be 351km³, an increase of 6 times compared with 2018.

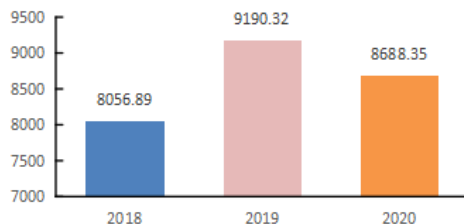


Environmental-friendly

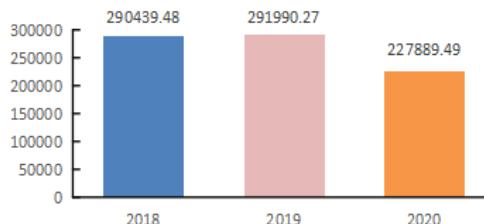
Greenhouse gas emissions

The issue of greenhouse gas emission reduction is not only strictly abide by the national and local greenhouse gas control policies, but also reflected in the continuous implementation of greenhouse gas emission reduction. In order to reduce the impact of greenhouse gas emissions on the environment, the Group has carried out carbon emission management in all directions, carried out energy conservation and emission reduction projects continuously, improved energy utilization efficiency and greatly reduced low-temperature gas emissions.

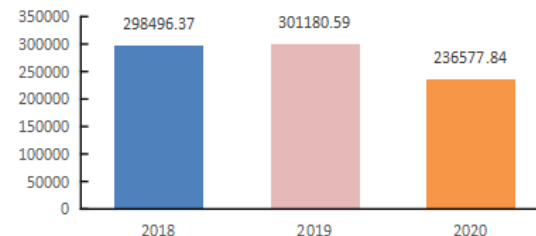
Each factory of the Group shall formulate the plan and target of greenhouse gas emission reduction according to the year, and conduct annual greenhouse gas inventory. Xuzhou factory, a new factory in Mainland China, will be put into operation and production in 2020, and the greenhouse gas emissions will be incorporated into control and governance.



Category II: direct carbon dioxide emissions (unit: ton)



Category II: indirect carbon dioxide emissions (unit: ton)



Carbon dioxide emissions (unit: ton)

Note: Category I refers to direct greenhouse gas emissions; Category II refers to indirect greenhouse gas emissions from energy.

Environmental-friendly

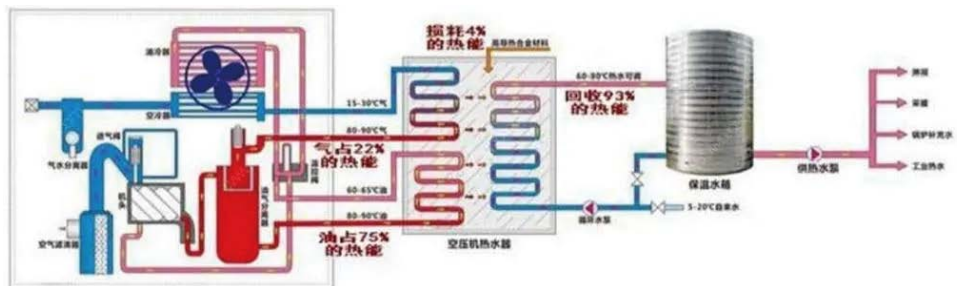
Energy resource management

The Group attaches great importance to the environmental performance of development, emphasizes the construction of management system, actively promotes green management, conscientiously implements various standards, and further implements energy conservation and resources and reduces consumption in the whole process of production and operation and service activities. To realize low-carbon development, make the environment and economic benefits of the enterprise perfectly combine, and make contributions to the society and benefit the employees.

The operation equipment and production equipment of each production base are energy consuming households. The Group invests funds every year to support the continuous excavation of equipment upgrading and transformation opportunities in each factory. Through the improvement of air compressor drainage valve, central air conditioning cooling system, SMT cooling system, lighting system and other operation equipment and production equipment, the green operation of each factory is continuously promoted.

Case: low carbon scheme provides sufficient hot water for living

Ensuring the staff's domestic hot water is an important part of the daily operation of the factory. Many production sites of the Group use the waste heat recovery machine to absorb the heat escaping from the air compressor system and the heating of air source heat pump to produce hot water, saving about 400000 liters of fuel per year.



Working principle diagram of direct heating air compressor water heater



Environmental-friendly

Case: promoting green energy

We should pay attention to green production and manufacturing, and seek clean operation through self built photovoltaic projects.

The photovoltaic power generation project in Ma'anshan and Kunshan factories of Mainland China has been completed and put into use, with an annual power generation of about 1 million kwh. The introduction and use of clean energy will continue to be expanded in the future.



Environmental-friendly

Improve performance of environmental safety and health

In order to effectively implement environmental protection, we deeply understand the ideological connotation of "environmental protection first, prevention first, comprehensive governance", correctly handle the relationship between environmental protection and economic development and social progress, implement protection in development, promote development in protection, adhere to safe development and clean development, and realize sustainable scientific development.

Protecting the earth environment and improving continuously is the most basic attitude of a responsible company. The Group takes the environmental, occupational health and safety expenditure as one of the important indicators for continuous improvement, and actively invests in it with an annual growth rate of no less than 10%. In 2020, the total investment of Mainland factory is about RMB 8,596,100, and the investment of Taiwan factory is about NTD395,765 for environmental and occupational health and safety governance and control, and the social responsibility of the Company's environmental, occupational health and safety will be fulfilled by actual actions.

VOC special rectification

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Environmental-friendly

Zero discharge project of electrophoresis wastewater

In 2020, the new electrophoresis process will be introduced. The factory will invest RMB 380,000 to build wastewater treatment facilities. According to local laws and regulations, the wastewater generated by the process can be reused for 0 discharge.



Green supply chain

Green quality

The green product development is a topic that stakeholders have been paying close attention to in recent years, especially green products are related to the issues of laws and regulations of product compliance, which is very important. Cheng Uei insists on "reducing use, environmental protection and health; The environmental protection policy of effective management and pollution prevention deeply integrates the concept of green environmental protection into the green product management system in Cheng Uei, in order to meet the requirements of customers' green products and international regulations, and make a contribution to the green environment protection.

Source- green supply chain management

In order to fulfill the environmental protection and social responsibilities of the Group, Cheng Uei Group has been working with suppliers to manufacture green products together. While doing its own management, Cheng Uei Group actively promotes the systematic management concept of green products in the supply chain, promotes suppliers to sign environmental protection contracts and improve their own green product management ability. For new suppliers, Cheng Uei Group has been strictly screened, only a healthy supply chain can provide the materials and products that the enterprise can operate continuously. In the green supply chain management system, ISO9001 certification is the prerequisite for entering the qualified supplier in Cheng Uei, so as to ensure the standardization of the manufacturer process. On this basis, gradually guide and improve the management ability of green products.

Supplier management criteria

The new supplier must be qualified after on-site evaluation, and cooperate with the submission of relevant environmental protection data and the system for approval before it can be included in the list of qualified suppliers for transaction.

Annual evaluation will be conducted for all qualified suppliers every year. Annual evaluation plan will be formulated at the beginning of each year. Professional personnel shall review their quality management system and hazardous material management system. According to the internal audit standards, the audit score shall be (≥ 85 points), otherwise, tracking improvement or even transaction stop.

Grade	RSC performance
A (≥ 85)	Good
B (75~85)	Improvement needed
C (60~69)	Unacceptable

Management criteria and impact of evaluation results

The supplier shall propose corrective measures within one week to improve the problems and prevent the recurrence of the problems in accordance with the deficiencies found in the audit, and submit the improvement report to the assessment team leader for confirmation. The evaluation team will track the improvement effect within one month and follow up the closure. Suppliers who do not cooperate with completion of improvement will stop trading.

Environmental related substances

Since 2007, Cheng Uei Group has formulated "green procurement procedure" according to IECQ QC 08000 standard and international regulations and customer requirements. For all products, suppliers are required to meet the requirements according to homogeneous materials, and are updated reasonably from time to time. At present, it has been updated to version B1, covering RoHS, REACH, California Law No. 65, Montreal Convention and other regulations. According to the latest specification of version B1, according to the use of limited substances used in materials (including battery materials), components, semi-finished products, finished products, production processes, auxiliary materials and packaging materials, the Company has identified 210 restricted substances, 5 categories of ozone-destroying substances and 211 kinds of SVHC in REACH regulation.

Source- green supply chain management

In order to achieve effective control, Cheng Uei has a green product laboratory. The test method is based on IEC 62321 and international inspection standards. According to laws and regulations and customer requirements, lead (PB), cadmium (CD), mercury (Hg), hexavalent chromium (Cr6+), PBBs, PBDEs, Cl and Cl are used. The test of harmful substances such as bromine and phthalate. Meanwhile, in recent years, new toxic and harmful substances detection has been continuously studied, such as the new project of SVHC regulated by reach, the establishment of professional team research and test methods, and the establishment of communication channels with third-party laboratories, and regular comparison tests to ensure the continuous compliance with new hazardous substances.

In terms of laboratory management, the laboratory passed the laboratory accreditation of China National Accreditation Commission for conformity assessment (CNAs) in March 2004, and managed the laboratory in accordance with the management standard of CNAS-CL01 testing laboratory, which reached the standardization of laboratory management and effectively controlled the products of Cheng Uei.



Sample collection area of chemical laboratory



Pretreatment Laboratory



Inorganic analysis room



Organic analysis room

Environmental related substances

Comply with international laws and regulations

The products produced by Cheng Uei conform to the laws and regulations of RoHS 2.0, REACH regulation and WEEE Directive of the European Union. Through the combination of the Company's internal green procurement standards, the products are checked and controlled from all levels throughout the life cycle of the product, and the product safety and quality control shall be well conducted from each link. Ensure that products and services meet the requirements of laws and regulations and customers are provided continuously.

Independent inspection, timely switching, in line with VOCs regulations of Mainland China

In order to coordinate with the "blue sky defense war of the Chinese government", a detailed material switching plan will be formulated in early 2020, which will be gradually promoted and the material substitution scheme involved will be successfully completed by the end of the year.



In early 2020, through the network platform, VOCs knowledge training will be conducted to improve awareness of all units, and the comprehensive inspection of used paint, glue, ink and cleaning agent will be started gradually, involving 208 materials in total. In early May, a unified questionnaire, inventory list, guarantee letter and VOCs control operation procedure were formulated to standardize the operation process and to comprehensively switch 208 materials under preliminary investigation. In September, China Survey and testing, a well-known third party organization, was invited to give a key explanation on the problems in the implementation of many factories of the Company, such as Kunshan factory, Fudong factory, Fuqiang factory, Xuzhou factory and Taiwan headquarters. Meanwhile, the Company's key control material suppliers were required to participate together. The total number of participants in this time was 120, and the total number of participants was over 200 in 2020.

In December, all related material number switching was completed, and the collection of test report, MSDS, TDS, classification certificate and warranty was completed. In 2020, the Company accepted the special audit of customers VOCs for 4 times, and all passed smoothly. Among them, Fuqiang factory scored 100 and was appreciated by the customer.

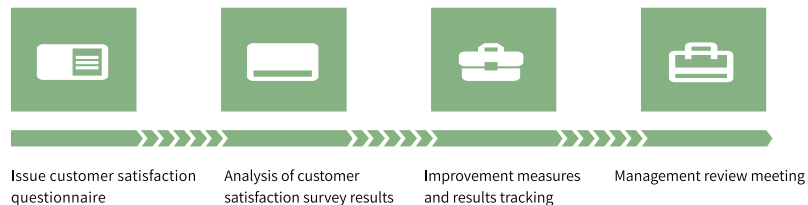
Customer satisfaction

Customer first is one of the tenets of quality policy of Cheng Uei. It has always been the focus of attention of Cheng Uei to see whether the products and services provided can meet the expectations of customers.

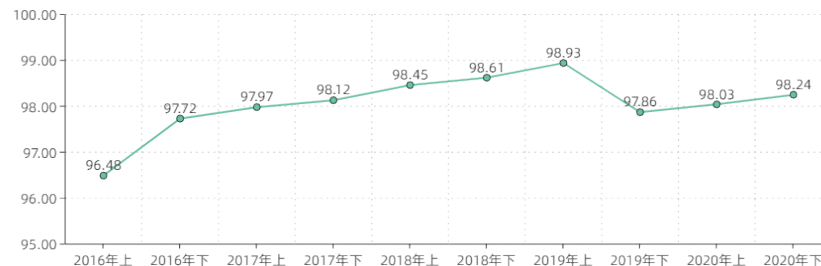
Cheng Uei will conduct two customer satisfaction surveys every year. The business departments send questionnaires to the corresponding customers to actively obtain the customer's opinions and make it the direction of continuous improvement.

The overall customer satisfaction rate in the second half of 2020 is 98.24%, and the "0" customer complaint on hazardous substances.

Customer satisfaction survey process



Customer satisfaction survey results



The content of customer satisfaction survey includes quality management and hazardous material management. During the on-site audit of the annual hazardous material management system of the customer, the customer has given positive and high evaluation to the management of hazardous substances in Cheng Uei. The results of 2020 survey showed that harmful substances kept the "0" customer complaint performance.

When there are any suggestions to be improved on the questionnaire items returned by the customer, Cheng Uei will immediately analyze the reasons and improve the Countermeasures for the customer's opinions. At the same time, the results of customer satisfaction survey of each division shall be included in the annual management review meeting, and the survey indicators shall be counted to identify the improvement direction, so as to serve as the reference basis for improving the quality system and setting the next annual objectives.

Responsible mineral procurement

In response to the Democratic Republic of the Congo and its surrounding areas, non-governmental military groups may become the source of funds for armed forces by armed control gold (AU), tantalum (TA), tungsten (W), tin (SN), cobalt (CO) (3TG), etc., which may become the source of funds of armed forces, or lead to human rights violations and environmental damage. Cheng Uei Group undertakes that the materials provided by itself and suppliers comply with the conflict free specification. In order to ensure that tantalum, tin, tungsten, gold and other minerals contained in the products produced by the Company, due diligence is conducted twice a year in accordance with the OECD guidelines for due diligence on mineral supply chain in conflict affected and high risk areas or the equivalent and recognized due diligence framework, to reasonably ensure that its source is not mined or obtained from conflict affected and high-risk areas.

The Group continuously improves the construction of conflict minerals system, standardizes the investigation through the conflict minerals control management procedure, and signs the commitment letter of non use of conflict minerals with the supplier, and communicates the conflict minerals knowledge and RBA and customer requirements in written or audited form. By 2020, more than 507 suppliers have signed a commitment to publicly state that conflict minerals are not used. For conflict minerals education and training, the Group holds training courses every year to consolidate the basic knowledge of personnel, and to be familiar with the roles and responsibilities required in its own work field. In 2020, the suppliers involved in metal category shall be guided and guided to make the conflict minerals report pass the customer approval smoothly.

Social responsibility management



According to the relevant international systems such as RBA Responsible Business Alliance code of conduct, SA8000, ISO14001 and ISO45001, Cheng Uei Group has formulated the supplier management operation evaluation procedure, standardized evaluation on supplier management, and conducts annual evaluation every year after the supplier first qualified evaluation; When the supplier has major quality problems, production in different places and changes in supplier organization, it will be re evaluated. Since 2012, the Company has asked suppliers to sign the supplier's commitment to social responsibility, which stipulates that the supplier shall improve the non-compliance. The public statement conforms to the content of the social responsibility specification.

New supplier evaluation is an important part of the management system. Through environmental and social risk assessment, sample recognition and supplier audit, we identify the production capacity of new suppliers and the enthusiasm of trading with the Company, establish a stable foundation for the development of long-term and efficient cooperation relations and implement the sustainable operation of the Group.

According to the internal procedure documents, the new supplier shall be evaluated on quality system, social and environmental aspects to ensure that it meets relevant requirements. In 2020, 15 new suppliers were evaluated for the first time. 26 non-conforming findings were found in social field, mainly labor category, and all of them have been improved through guidance. There are 18 non-conforming items in the environment. Meanwhile, the Company will check the supplier's environmental protection violation record through IPE in China's factories.

Social responsibility management

According to the different materials or services purchased, Cheng Uei Group conducts a supplier social responsibility risk assessment once a year, and the high-risk supplier shall be audited at least once a year, the audit of medium risk suppliers shall be twice and that of low-risk suppliers shall be once every three years. In 2020, 59 suppliers have been completed on-site audit. For the problems found in the audit, the Group will keep track of the improvement plans and measures within the time limit to improve the missing items of suppliers. Based on the supplier management operation evaluation procedure, the Group is committed to working closely with suppliers, paying attention to risks and performance in economic, environmental and social aspects, and continuously improving and promoting the sustainable development of supply chain.

Year	2017	2018	2019	2020
New supplier introduction	17	19	12	15
Supplier evaluation	54	131	119	44
Supplier CSR audit	54	131	119	59



COMMUNITY SHARING

Community sharing

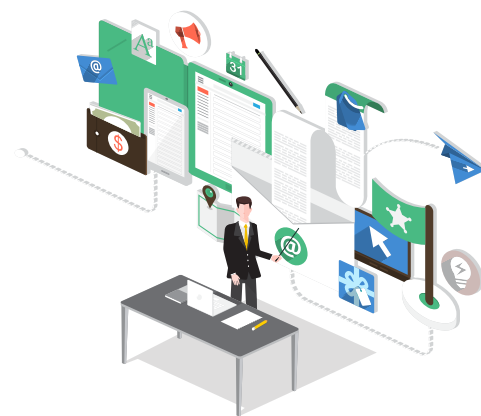


Social participation

Due diligence is the core idea of Cheng Uei Group's business philosophy. In 2020, it actively fulfill the corporate social responsibility by caring for the society and participating in green power projects, and persistently practicing the concept of environmental protection and public welfare charity.

Industry-academy cooperation

In 2010, Cheng Uei and National NTUST of Science and Technology formally established the R & D center of National NTUST of Science and Technology of Cheng Uei. Each phase invested 50 million R & D funds. In the past decade, it mainly focused on technical development and staff education and training cooperation. Both sides jointly completed 72 cooperation projects, including Internet of things 2.0 intelligent application service platform, infrared vein scanner technology development Battery module efficiency improvement and other projects. In 2020 [R & D center of Cheng Uei NTUST] will enter the third phase of the five-year cooperation plan. In the future, it will be the research core in the fields of energy, green environmental protection technology, mold, automation, Internet of things, machinery, electronics, acoustics, optics, etc., and provide internship opportunities for NTUST students to jointly cultivate technical talents. In the future, it is a highly competitive era. Cheng Uei and NTUST will continue to establish cooperation platform for production and learning cooperation, with a view to creating win-win results through sustainable development.



Public welfare action

In 2020, Cheng Uei took practical actions as a public welfare to inject care. Together with Mr. LV Bixian, the head of Zhuoxi Township, Hualian County, he helped the tribes of Lishan village directly purchase agricultural products in the partial countryside. Because of the purchase of the first batch of 13,750 kg sweet and juicy pomelos, the farmers do not need to carry and sell hard, and then use the technology network to help the original town establish marketing pipeline. Besides distributing the same share of employees, these pomelos will be allocated to the primary school and kindergarten nearby to share the festival fruits with children in surrounding communities.



Industry-academy cooperation

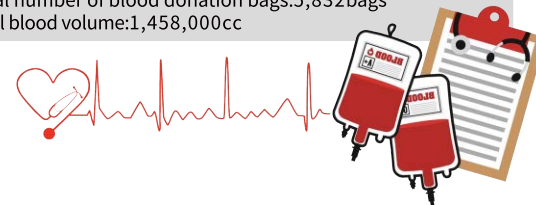
Cheng Uei Charities arranges three blood donation activities every year. Besides the warm participation of colleagues, it also invites colleagues, relatives and friends, visitors and community residents to participate in the public welfare donation activities nearby. Under the continuous call of the Group, 915 colleagues will respond and donate 228,750cc blood fluid in 2020, which will give full and full efforts for the blood bank under the epidemic.

Public welfare action

Industry-academy cooperation



No.	Date	Activities	Blood donation quantity
1	3/25	Group blood donation activity - 19th time; Taipei blood donation center	Blood donation: 298bags of blood, 74,500cc Total number of blood donation bags:5,215bags total blood volume: 1,303,750cc
2	7/22	Group blood donation activity - 20th time; Taipei blood donation center	Blood donation:322bags of blood, 80,500cc Total number of blood donation bags:5,537bags / total blood volume:1,384,250cc
3	10/21	Group blood donation activity - 21st time; Taipei blood donation center	Blood donation:295bags of blood, 73,750cc Total number of blood donation bags:5,832bags total blood volume:1,458,000cc



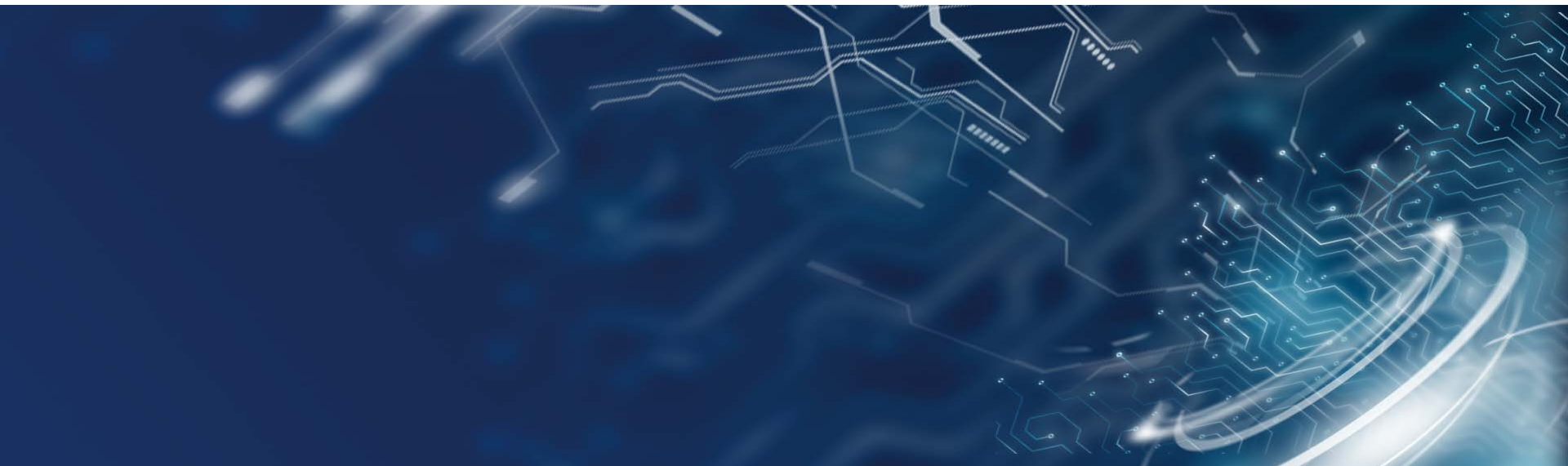
Sustainable green power

With sustainable and friendly coexistence with the environment, Cheng Uei Group joined the green energy voucher subscription in 2020 and participated in the first trade of energy trading platform promoted by the department of economy. Mr. Guo Taiqiang, chairman of the board of directors, deeply felt that renewable energy is also an important part of realizing corporate social responsibility. Besides throwing bricks and introducing jade to subscribe for green energy, and at the same time, investing in renewable energy industry responds to the trend and goal of global energy transformation, formulate the operation strategy of "light, wind, water, gas, and large platform". Under this framework, we will invest in the development of solar photoelectric, wind power generation, hydropower generation and LNG import and sales, develop energy saving ESCO, energy storage and other technologies, and provide comprehensive renewable energy services. Respond to the net beach activities to the employees in the interior,

Public welfare action

Sustainable green power





Appendix

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102-40	Stakeholder groups	Identification and communication of stakeholders	7
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