



GREAT PRODUCT COMPANY

股票代码：600745

WINGTEC
闻泰科技



2021 Social Responsibility Report

About This Report

This Report is the second social responsibility report (the "Report") released by Wingtech Technology Co., Ltd. ("the Company" or "Wingtech Technology").

The content of the Report covers Wingtech Technology and its subsidiaries. Unless otherwise specified, the time range of this Report is from January 1, 2021 to December 31, 2021.

Terms

The Group	refers to	Wingtech Technology Co., Ltd. and its subsidiaries
The Company, Company, we, us, Wingtech, Wingtech Technology	refer(s) to	Wingtech Technology Co., Ltd.
Wingtech Communications	refers to	Wingtech Mobile Communications Co., Ltd.
Nexperia Group, Nexperia Holding	refers to	Nexperia Holding B.V., which holds 100% of the shares of Nexperia B.V.
Nexperia Semiconductor, Nexperia	refers to	Nexperia B.V., an overseas operating entity under Nexperia Group
Delta	refers to	Guangzhou Delta Image Tech Co., Ltd. and Zhuhai Delta Image Tech Co., Ltd.

Reporting principles

The Report was developed with reference to the GRI Sustainability Reporting Standards (GRI Standards) released by the Global Sustainability Standards Board (GSSB), Guideline No. 1 Self-Regulatory Rules for Companies Listed on the Shanghai Stock Exchange - Regulated Operations released by the Shanghai Stock Exchange and Guidance on the Social Responsibility of the Information and Communication Technology Industry (SJ/T 16000-2016).

Currency

Unless otherwise specified, the currency used in the Report is RMB.

Release method

The Report is released on our official website (<http://www.wingtech.com/>) in electronic form. The Report is prepared in both Simplified Chinese and English. If there is any discrepancy between the two versions, the Simplified Chinese version shall prevail.

Contact information

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Chairman's Message



Zhang Xuezheng

Chairman and CEO of Wingtech
Chairman and CEO of Nexperia
Chairman and CEO of Delta

"Do the hard but right thing."

"Stick to the path of high-quality development."

"Break the boundary to see a broad picture and gradually become a world leader."

Wingtech Technology is the world's leading semiconductor, optical imaging and product integration company integrating research and development (R&D), design and manufacturing. Adhering to the mission of "motivating innovation, giving back to society, and changing the world", we actively take social responsibility and continuously create value for society while continuing to grow ourselves and boosting industrial innovation and development.

In the varying context of continuous pandemic havoc and international economic turbulences in 2021, we insisted on being innovation-driven. We fully exerted our core competitiveness in automobile semiconductors and smart terminals, actively furthered our efforts in technological innovation and new product development, increased investment in new clients and new markets, and laid a solid foundation for long-lasting, stable, and high-quality development. In 2021, the Company recorded an operating income of RMB 52.729 billion. The semiconductor business saw strong growth. It realized a main business income of RMB 13.803 billion with a year-on-year (YoY) increase of 39.54%, and a net profit of RMB 2.632 billion with a YoY increase of 166.31%. Nexperia Semiconductor has acquired 100% of the shares of Newport Wafer Fab and established the China Design Center in Shanghai. Nexperia also achieved smooth progress in the R&D of new products like gallium nitride (GaN) and silicon carbide (SiC). Confronting the complicated markups in the upstream accessories market, the product integration business stayed firm to its strategy. We maintained investment into R&D, achieved leap-frog progress in new products and new client expansion, and laid a solid foundation for high-speed and high-quality development. In terms of the optical imaging business, we actively facilitated client validation, started the high-volume supply of dual-camera products, and actively advanced and implemented the validation of new models. Additionally, we furthered the application of technologically advanced products in automotive optics, augmented reality (AR)/virtual reality (VR) optics, laptops, and other fields.

While boosting our innovative development, Wingtech Technology has always made social responsibility work our top priority. In terms of environmental protection, we know the earth is our common home and fully understand our environmental responsibilities. Therefore, we actively respond to China's medium and long-term goals and plans against climate change, including "carbon peak in 2030" and "carbon neutrality in 2060". We proactively developed our greenhouse gas emission goals, that are, by 2030, the product integration business sector will reduce greenhouse gas emission intensity by 30% than that of 2015, the semiconductor business will reduce greenhouse gas emissions by more than 20% than that of 2017, and the optical imaging business will reduce greenhouse gas emission intensity by 30% than that of 2016.

We have developed the Wingtech Technology Sustainable Development Policy, and continue to improve our environmental protection measures, upgrade facilities, and explore energy-saving technologies. In 2021, we installed a liquid nitrogen cooling capacity recovery system to recover gasified liquid nitrogen cooling capacity and use it on air conditioners. We introduced green energy and installed photovoltaic power generation equipment on the roof of plants to reduce the emission of greenhouse gases. Meanwhile, our factories distributed worldwide applied exhaust gas purification technology and equipment to reduce greenhouse gas emissions.

In addition, we fully exert our expertise to actively facilitate the research, development, and application of new clean technologies. We apply an advanced environmentally-friendly technology to replace paints containing volatile organic compounds (VOCs) in some products with environmentally-friendly low-VOC paints. Clients could switch to environmentally-friendly and water-soluble paints at any time on demand to improve the atmosphere quality and better protect the health of users. The power semiconductor products we developed containing third-generation compounds, including GaN and SiC, can effectively extend the battery life of automobiles, increase the charging rate, reduce the heat loss of integrated applications, reduce the use of materials, and effectively improve product efficiency. At present, the gallium nitride field-effect transistors (GaN FETs) have been certified and tested by the Automotive Electronics Council Qualification (AECQ) and started mass production. SiC diode product samples have been produced and insulated gate bipolar transistors (IGBTs) have been taped out and are in the validation and testing stage. Besides, our Ark Lab has started the R&D of high-efficiency server power supplies, which can significantly reduce the energy consumption and emissions for data centers.

In an effort to build up a green supply chain jointly with all suppliers and partners, Wingtech Technology fully exerts our resource advantages and industrial influence in various stages of a product's life cycle. We cover the procurement of raw materials, encapsulation, testing, and packaging of semiconductors, as well as research, development, and manufacturing of smart terminal products. On November 30, 2021, we successfully held the Wingtech Technology Global Elite Partner Conference. The event gathered more than 600 top-notch suppliers of semiconductor devices, materials, wafers, packaging and testing; optical suppliers of chips, equipment, and materials; and communication suppliers of various chips and components across the world. In the future, Wingtech Technology will work with global elite partners to achieve mutual benefits and jointly build the best supply chain in the industry.

In 2021, we continued to place our efforts on charitable causes, gave back to society with practical actions, and delivered our care and warmth to the public. Subsidiaries further implemented charitable donations and social assistance work. Wingtech Communications established a corporate-titled fund together with the Charity Federation of Nanhu District, Jiaying. Through the fund, we have donated RMB 500,000 each year to the federation for three consecutive years since its inception to support the charities of Nanhu District, Jiaying. Furthermore, we greatly supported education and gave hope to students. Kunming Wingtech Communications Co., Ltd. donated RMB one million to Luquan County, Kunming City, Yunnan Province. Nexperia Semiconductor provided technical courses to approximately 30 students through online platforms. Nexperia also donated radios and other equipment to a remote primary school in the Philippines, and purchased learning materials for more than 350 Afghan refugee children in the Netherlands.

In the past year of struggling through the pandemic, we stressed on pandemic control by setting up a pandemic security working team. Additionally, we took active measures to counter the pandemic, ensuring the safety and health of all employees and the normal operation of the Company. After winning the award "China's Best Employer of the Year" at the end of 2020, we also received other honors, including "Extraordinary Employer of the Year 2021" and "Employer Excellence of China 2021". In 2021, we never stopped upgrading our training system. We established an effective, precisely-classified, and clearly-layered stage wise training management system, thus offering a guarantee for cultivating more outstanding talents with morality and capability.

In the past year, we maintained stable growth in the unceasing pursuit of innovation, and received recognition from markets and clients. As we grow stronger, we will better contribute to society and bear more social responsibilities in alignment with our strengths. Striving is the only way to reach the distant goal of success. Wingtech Technology is always committed to becoming a globally socially responsible company. Looking forward, we will adhere to the core values of "Being positive, kind and warm" and continue to ensure product quality based on client demands, while being supported by technology and R&D innovation. We will continue promoting the development of the global semiconductor and communication industry to do our bit to create a smart world. We will also work with investors, clients, employees, and partners to create all-inclusive value in the economy, society, and environment. Breaking the boundary to see a broad picture, we are gradually becoming a great product company.

Chairman and CEO of Wingtech
Chairman and CEO of Nexperia
Chairman and CEO of Delta

Zhang Xuezheng



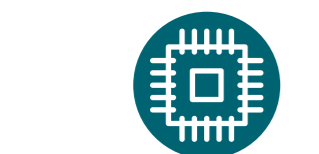
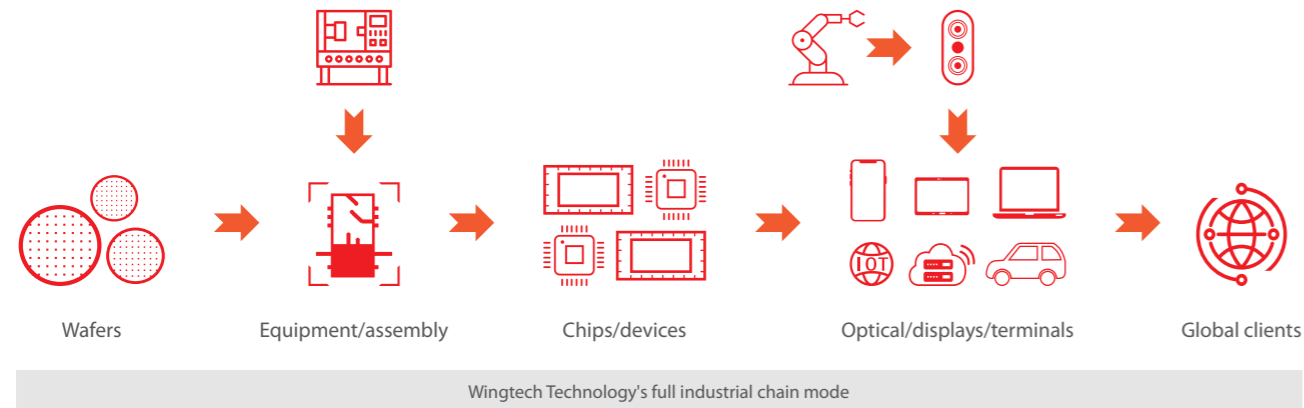
Wingtech Technology for Shared Interconnection

While adhering to the values of "being positive, kind and warm", Wingtech Technology strives to become one of the most competitive enterprises worldwide and give back to shareholders, clients, employees, and society.

Group Profile



Wingtech Technology is a globally leading enterprise of semiconductors, optical imaging, and communication product integration. We are an A-share listed company in China, with the stock code 600745. Upholding the great vision of "breaking the boundary to see a broad picture and gradually becoming a world leader", we continue expanding product applications. We have established a presence throughout the industrial chain, including semiconductor chip design, wafer manufacturing, packaging and testing, semiconductor devices, optical imaging, communication terminals, laptops, Internet of Things, servers, and the research, development, and manufacturing of automotive electronics.



Semiconductors

Nexperia

The world's leading manufacturer of analog, logic and power devices

Products: Diodes, bipolar transistors, logic chips, Electronic Static Discharge (ESD) protection devices, metal oxide semiconductor field-effect tube (MOSFET), GaN FETs, analog and logic ICs



Optical imaging

Delta

Mainstream optical imaging supplier for global core brands

Products: Camera modules



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Product integration

Wingtech Communications

Global leader in original design manufacturing (ODM) of communication products

Products: Mobile phones, tablets, laptops, Internet of Things (IoT), intelligent hardware, automobile electronics

Operating Condition

We keep innovating and boosting the accomplishment of our goals, and continue to increase our core competitiveness and sustainable profitability.

Operating status table of Wingtech Technology in 2021

The operating income was RMB 52.73 billion	The net profit attributable to shareholders was RMB 2.61 billion	The R&D investment was RMB 3.7 billion
up by 2.0%	up by 8.1% YoY	

Semiconductor business sector:

6 plants in operation

China's 1st largest discrete power device company; the world's 6th largest discrete power device and semiconductor company (based on the research data of ICWISE)

Product integration business sector:

5 plants in operation

Leading the global mobile phone ODM industry in terms of shipment for years

Optical imaging business sector:

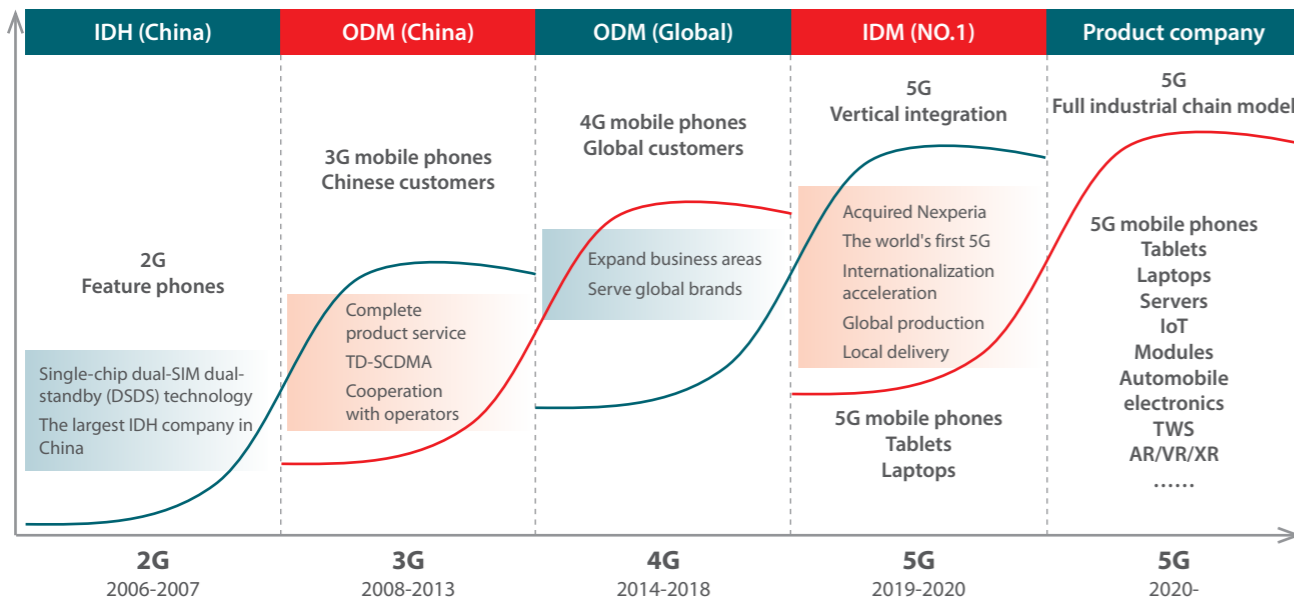
1 plants in operation

Applying the industry-leading flip-chip technology to enable more stable performance, better anti-interference performance, and a smaller footprint

Development History

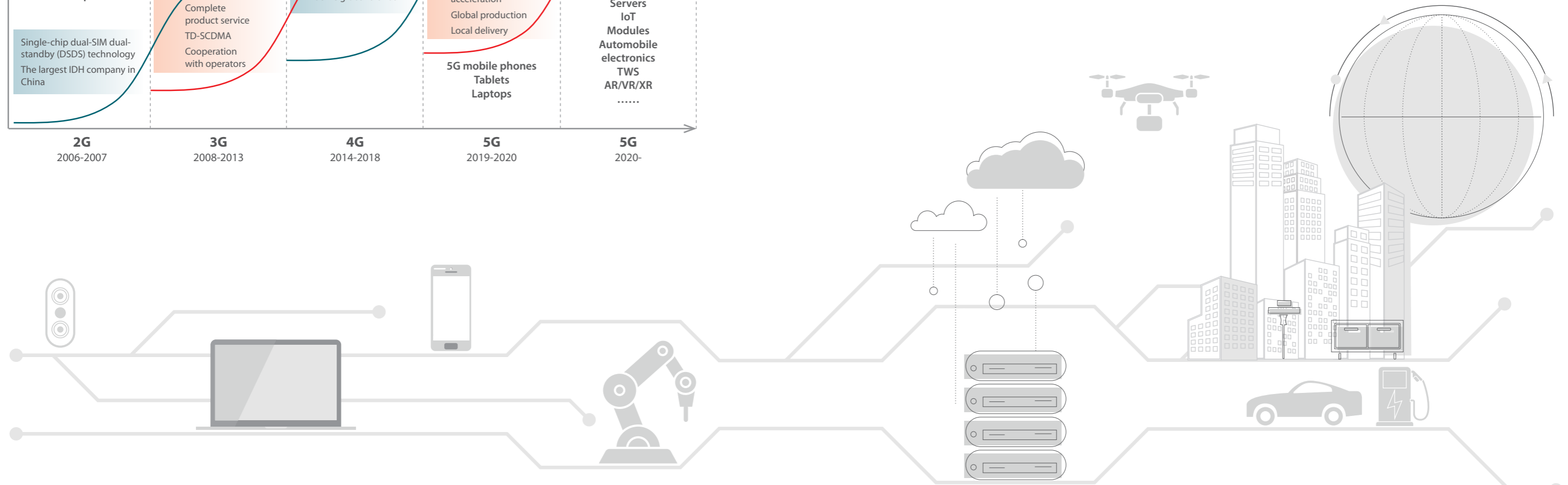
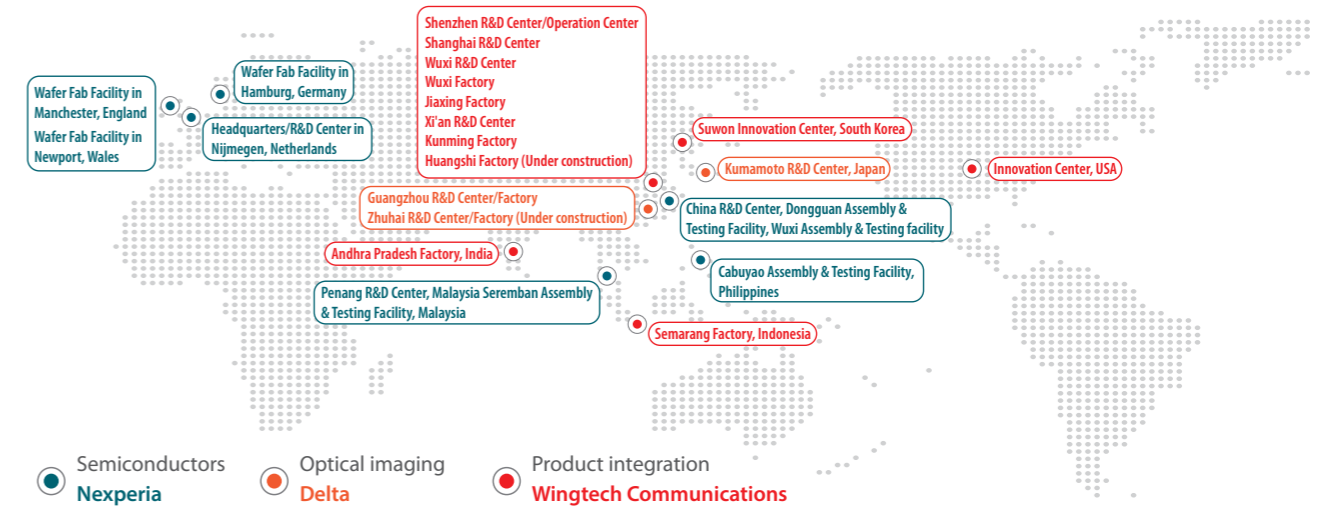
Wingtech Communications started to specialize in mobile phone solution design in 2006. Since then, we have been gradually transformed from an independent design house (IDH) to an ODM, integrating research, development, design, and manufacturing. We are now a world-leading mobile phone ODM. In 2019, we successfully acquired Nexperia Semiconductor to enter the fray of the semiconductor IDM field, connecting upstream suppliers with downstream clients, and became a global product company (GPC). In 2021, we further expanded our business landscape and successfully acquired 100% of the shares of Delta, an optical imaging company. By then, we had realized three leap-frog transformations, and established a presence throughout the industrial chain with "semiconductor devices at the upstream, camera modules at the midstream, terminal product integration at the downstream". We have become one of China's leading technology enterprises promoting integrated business and a global strategy.

Looking ahead, Wingtech Technology will accelerate vertical integration, increase investment and improve our innovation ability with semiconductors as the leading capability. We will also empower part and system integration, comprehensively improve the core competitiveness of complete products, provide clients with best-of-class products, and strengthen our competitive advantage.



Global Layout

Starting in China, Wingtech Technology goes global through endogenous development and international mergers and acquisitions.



Honorable Moments

International and state-level honors

Forbes Global 2000 2021: No. 1264	Forbes China's Most Creative Enterprises 2021: Top 50	Fortune China 500 2021: No. 226
China's Top 500 Most Valuable Listed Companies 2021: No. 171	"Sophisticated & Innovative" little giant enterprise of 2021 as rated by MIIT	National High-tech Enterprise 2021
China's Top 100 Leading Enterprises in Strategically Emerging Industries 2021: No. 38	China's Top 500 Enterprises 2021: No. 363	China's Top 500 Manufacturing Enterprises 2021: No. 170
China's Top 100 Most Competitive Electronic Information Enterprises 2021: No. 20	China's Top 500 Private Enterprises 2021: No. 173	China's Top 500 Private Manufacturing Enterprises 2021: No. 91
China's Top 500 Private Enterprises with Most R&D Investment 2021: No. 66	China's Top 500 Private Enterprises with Most Invention Patents 2021: No. 238	Dedication Medal 2021 granted by the Red Cross Society of China

Clients' recognition

- HMD Nokia - Best Delivery Award and Best Quality Award 2021
- Bosch - Global Supplier Award
- Lenovo - Mutually Beneficial Cooperation Award
- OPPO - Project Team Award

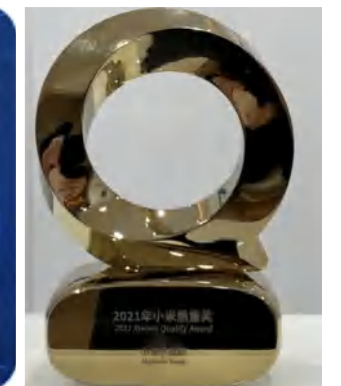
- Samsung - Provider Quality Award Excellence Winner
- Desay - Quality Assurance Award 2021
- Xiaomi - 2021 Quality Award



Samsung - Provider Quality Award Excellence Winner



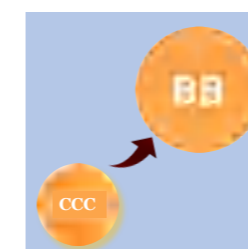
Desay Quality Assurance Award 2021



Xiaomi - 2021 Quality Award

Capital market recognition

We have been included in a number of mainstream indexes inside and outside China, including the FTSE Russell Flagship Index, MSCI Global Standard Index, SSE 50 Index, SSE 180 Index, and CSI 300 Index. Those honors fully demonstrate our market position as a blue-chip technology stock, and reflect our growing influence in the capital market.



In 2021, the MSCI ESG rating of Wingtech Technology was raised from CCC to BB, which further demonstrated our capability to resist risks and achieve long-term stable development.



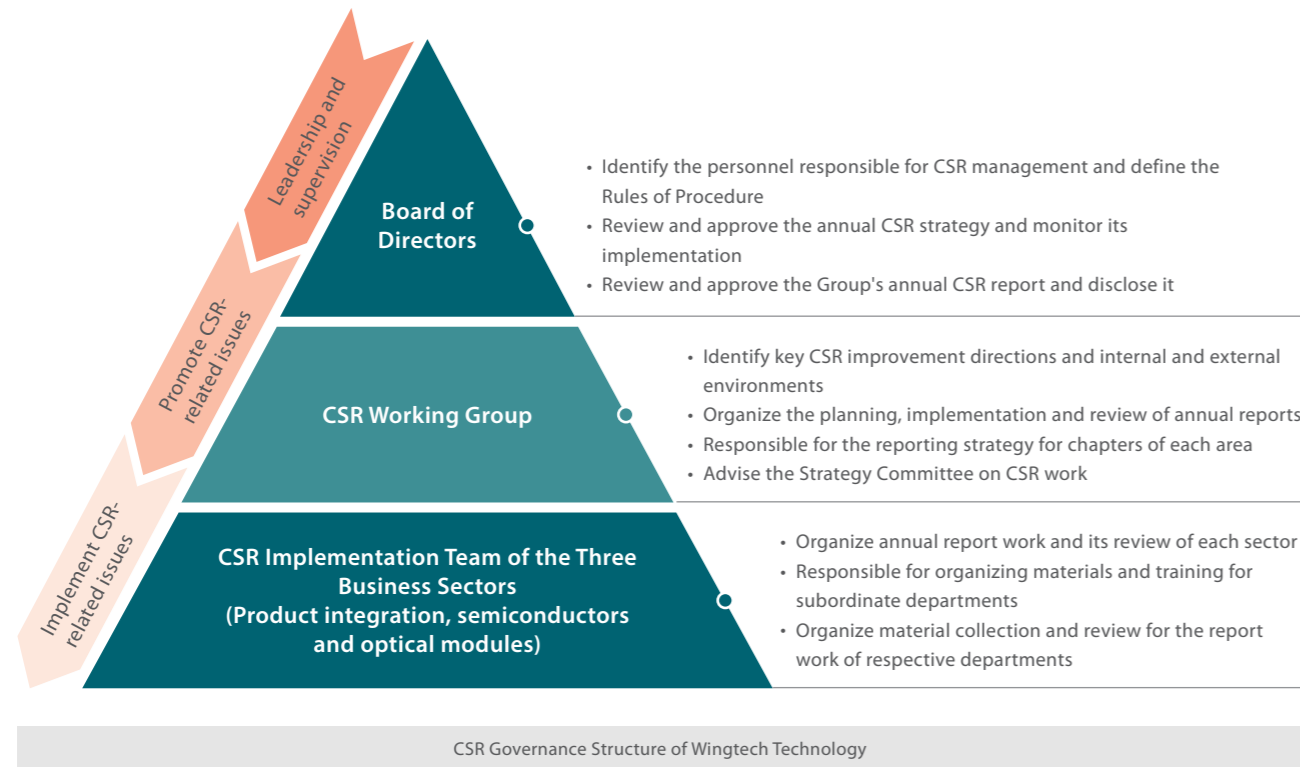
02

Responsibility Management and Sustainable Development

With an unshakable commitment to sustainability, Wingtech Technology is devoted to promoting the sustainability of the global electronic industry and even the entire society in the most ethical and sustainable way.

Sustainable Development Strategy and Management

To complete our corporate social responsibility (CSR) management system, we have built a three-level CSR governance structure. As the supreme CSR governance body, the board of directors bears the ultimate responsibility for CSR management. The CSR Working Team, consisting of the Strategic Planning Department, the Quality System Department, the Manufacturing Center, and other departments, directly reports CSR management work to the board of directors. The CSR Implementation Team, consisting of responsible persons of CSR from the three major business sectors, organizes each sector to perform CSR work and report the results to the CSR Working Team.



Meanwhile, we have compiled the Social Responsibility Management Manual with reference to the Responsible Business Alliance (RBA) Code of Conduct to guide our work of social responsibility management. Nexperia became a member of RBA in 2017, making a commitment to RBA's vision and goals. In addition, we have been certified by Social Accountability 8000, and comply with the International Labor Organization (ILO) Conventions, the Convention on the Rights of the Child, and the Universal Declaration of Human Rights (UDHR).



Stakeholder Communication

Communication with key stakeholders is an important basis of our CSR work. Therefore, we have systematically classified stakeholders to timely learn about their expectations and requirements on Wingtech Technology via diversified communication and exchanges, and give them prompt replies to promote cooperation for win-win results.

Stakeholder	Expectation and requirement	Our response	Communication channel
Government and regulatory agencies	<ul style="list-style-type: none"> Comply with laws and regulations Environmental compliance Pay tax according to law Promote employment Support local development 	<ul style="list-style-type: none"> Strictly comply with laws and regulations Devote to green operation Actively provide job opportunities Participate in community construction 	<ul style="list-style-type: none"> Exchanges on conferences Daily regulatory communication Supervision and examination Policy consultation Regulatory information feed News reports
Shareholders and investors	<ul style="list-style-type: none"> Protect the rights and interests of shareholders Gain investment returns Disclose material information 	<ul style="list-style-type: none"> Ensure the healthy development of the Company Hold annual general meetings and extraordinary general meetings Disclose material information 	<ul style="list-style-type: none"> Hold annual general meetings and extraordinary general meetings Periodic reports Investor meetings
Clients	<ul style="list-style-type: none"> Product R&D and technical innovation Product safety and quality management Information security and privacy protection 	<ul style="list-style-type: none"> Strictly control R&D, procurement, and production stages Respond rapidly to clients' needs Complete the quality management system Establish the information security system and set permissions 	<ul style="list-style-type: none"> Client satisfaction survey Exchanges in seminars
Suppliers	<ul style="list-style-type: none"> Supplier management and sustainable development Anti-corruption and anti-fraud 	<ul style="list-style-type: none"> Apply the supplier admission and delisting mechanism Provide supplier training and audit Sign a letter of commitment to the honest operation 	<ul style="list-style-type: none"> Annual supplier meetings Supplier training sessions Field audit against suppliers
Employees	<ul style="list-style-type: none"> Employee recruitment and team building Employee development and training Rights, interests and protection for employees Occupational health and safety 	<ul style="list-style-type: none"> Follow labor guidelines Improve the occupational development and training mechanism Establish labor union (union) to protect rights and interests Provide competitive salaries and benefits Implement the health and safety management system 	<ul style="list-style-type: none"> Congress of workers and employees Employee satisfaction survey "Wingtech Culture" WeChat Official Account Regular training
Community	<ul style="list-style-type: none"> Promote employment Support community construction 	<ul style="list-style-type: none"> Organize volunteer activities Participate in community construction 	<ul style="list-style-type: none"> Volunteer service Charitable donation

Materiality Assessment

We invited stakeholders to participate in the materiality assessment to determine issues that are important to our business and stakeholders, and disclose them more in the Report:

Identify topics

Considering industrial features, stakeholders' expectations, sustainability reporting standards, and concerns of external sustainability rating, we selected 24 CSR topics in close connection with the Company based on our operation and strategic direction.

Research analysis

We invited stakeholders to rate the importance of CSR topics through online questionnaires, analyzed from the perspectives of "impact on the Company's business" and "impact on stakeholders" based on the survey results, prepared a materiality assessment matrix, and prioritized CSR topics.

Confirmation of evaluation results

We submitted the materiality assessment results to our senior management, discussed the assessment with considering the opinions of external experts, and eventually determined the materiality assessment results suitable for us and the prioritization of CSR topics.



Response to United Nations Sustainable Development Goals

As an enterprise holding a strong sense of social responsibility, we take active action to respond to the United Nations Sustainable Development Goals (UN SDGs), and commit ourselves to take action to solve a series of social and environmental issues .

UN SDGs	Chapters	Our responses
3 GOOD HEALTH AND WELL-BEING	• Advance together and develop talents - implement safety management to ensure the health of employees	• Carry our health and safety training, implement various health and safety measures to protect the physical and mental health of employees
7 AFFORDABLE AND CLEAN ENERGY	• Green driven and clean production - advocate energy conservation and carbon reduction and combat climate change	• Facilitate green production and take energy-saving measures
8 DECENT WORK AND ECONOMIC GROWTH	• Advance together and develop talents - protect employees' rights and interests and create a blissful workplace	• Establish a sophisticated employee rights and interest protection system • Prohibit the use of child labor and forced labor
9 INDUSTRY INNOVATION AND INFRASTRUCTURE	• Innovation empowerment and quality service - boost product innovation and lead technological advancement; develop clean technologies and promote green products	• Promote research driven and innovation empowered development, and actively facilitate the research, development, and application of clean technologies
10 REDUCED INEQUALITIES	• Advance together and develop talents - protect employees' rights and interests and create a blissful workplace	• Protect employees' human rights and avoid inequalities
11 SUSTAINABLE CITIES AND COMMUNITIES	• Practice public welfare activities to contribute to society	• Engage in volunteer services, social assistance, education assistance and other charitable activities to offer help to poverty-stricken and vulnerable populations
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Innovation empowerment and quality service - develop clean technologies and promote green products	• Realize responsible production by facilitating the research, development, and application of clean technologies
13 CLIMATE ACTION	• Green driven and clean production - advocate energy conservation and carbon reduction and combat climate change	• Establish action plans to reduce carbon emissions, and take measures to reduce energy consumption and achieve carbon reduction goals
17 PARTNERSHIPS FOR THE GOALS	• Green Procurement and Mutually Beneficial Cooperation - standardize procurement management and improve supply quality	• Build a responsible supply chain and boost cooperation and mutual benefits along the entire industrial chain

Practice Business Ethics

Adhering to the concept of honest operation, Wingtech Technology stands firmly for "zero tolerance" to corruption. We strictly abide by local laws and regulations, including but not limited to the Company Law of the People's Republic of China and the Anti-unfair Competition Law of the People's Republic of China. In June 2021, Wingtech Technology officially joined China Enterprise Anti-Fraud Alliance, which further shows our high priority to establish a clean work style, transparent procurement, and honest cooperation atmosphere.

Click to learn more:

[Wingtech Technology Employee Code of Conduct](#)

[Nexperia Semiconductor Code of Conduct](#)



Improve Integrity Policies and Implement Integrity Management

We have formulated regulations, including the Supervision Regulations of Wingtech Technology Co., Ltd., the Employee Reward and Discipline Regulations, and the Employee Code of Conduct. We have also established an integrity management system to prevent corrupt behaviors and promote business ethics. We send our integrity statements to all direct and indirect stakeholders, to indicate our attitude and reporting channels. Regarding suppliers, we require them to sign letters of commitment to integrity, formulate official business ethics policies, and receive our assessments and audits. We also communicate anti-corruption information to suppliers through supplier meetings and other channels. We require them to deliver our integrity requirements to their suppliers and ensure they know about and abide by our requirements and accept relevant audits.

According to the Employee Reward and Discipline Regulations and other institutional documents, we classify violation acts, and discipline violating employees based on the severity. Those violating criminal laws will be handed over to the judicial organ and dealt with according to law. Meanwhile, we hold managers accountable. If an employee is investigated and disciplined for severe violations, their superiors will also be held responsible.



Wingtech Technology has established a supervisory committee for internal activities. Supervision results are directly reported to the chairman of the board to realize vertical management of supervisory activities. Meanwhile, each department designates a director or a higher-level person to act as the supervisory liaison officer of the department who performs supervisory work as assigned by the supervisory committee. The semiconductor business sector has also established an ethics committee composed of the chief operating officer, the human resource director, and other managers to manage business ethics and anti-competition work. We regularly supervise and inspect the business activities of all departments and subsidiaries, and continuously monitor the compliance with laws, regulations, and our normative documents. In 2021, we checked the integrity records of the employees to be promoted, commended, and to receive salary increase, thereby providing a fair and just environment for promotion and salary increase. We also checked suppliers' compliance with business ethics, established the "information registration system for supplier visits", and filed the information on suppliers' compliance with business ethics.

Add More Reporting Channels and Protect Whistleblowers

Wingtech Technology has established multiple reporting channels and a well-developed handling procedure to encourage employees and outsiders to report suspicious behaviors:

- Reporting email: wingtech_jc@wingtech.com
- Reporting telephone: 0755-22905515-6013, 18922885225 (also the WeChat number)
- Officiate website of the Group and internal mailbox
- Letters and visits: Office of the Supervisory Committee, 3/F, Podium Building, Kingkey Oriental Metropolis Tower, No. 1003, Yanhe North Road, Luohu District, Shenzhen
- Reporting system: Nexperia has established a speak-up system that allows every employee and business partner to submit anonymous reporting information online.

We have established a whistleblower reward system and a whistleblower confidentiality system. Whistleblowers have the right to report anonymously or in real name. We will also appoint special persons to protect the data privacy of whistleblowers, the reported clues, and the reporting materials. Meanwhile, we clearly stipulate that anyone is prohibited from retaliating against the whistleblower in any form. If the whistleblower is retaliated against in any form and to any degree, we will timely initiate the intervention procedure to apply serious discipline on the retaliation. Anyone who violates national laws and regulations will be held legally responsible.

Intensify Integrity Education and Improve Integrity Awareness

Highly valuing the construction of a clean culture, we consolidate employees' awareness of business ethics by means of onboarding training, routine training, and publicity. We require every manager to take charge of the anti-corruption work for their own subordinates and within their business scope, and instill the awareness of anti-corruption in everyone's mind.

Cases: Anti-corruption training

In June 2021, Delta held on-the-job training on honesty and integrity for all departmental heads and personnel of higher ranks around the Supervision Regulations of Wingtech Technology Co., Ltd., the Company's redline management principles, and commonly seen duty-related crimes in enterprises. In October 2021, the Jiaying factory of Wingtech Communications held anti-corruption training for all managers. They presented anti-corruption reports, cases, and prevention measures to further strengthen the construction of integrity and improve employees' awareness of being upright and self-disciplined.

03

Innovation Empowerment and Quality Service

We promote research driven and innovation empowered development. With Nexperia Semiconductor and Delta as our innovation engines, Wingtech Technology empowers the product integration business and provides clients with ever-upgrading and innovative products.



Boost Product Innovation and Lead Technological Advancement

In 2021, with our innovation in semiconductors, optical imaging, and communication product integration, Wingtech Technology was ranked as one of "the 50 most innovative companies in China" released by Forbes.

Cases: Progress of R&D innovation

Product integration business sector

Wingtech Communications established the True Wireless Stereo (TWS) Earphone business unit in 2020. Since then, we have constantly increased investment and gradually formed a complete TWS development system and talent team. As the market witnessed stronger demands for system-in-package (SiP) technology, Wingtech Communications launched the first trial product of TWS SiP earphones in September 2021, which is more compact, lighter, and more reliable and stable than regular earphones.



The TWS technology and TWS SiP earphone product

Semiconductor business sector

• In 2021, Nexperia increased its global investment in manufacturing and R&D capabilities. In July, Nexperia acquired Newport Wafer Fab to improve its production capacity in automotive-grade MOSFETs, IGBTs, and analog and compound semiconductor products. In the same month, Nexperia officially established the China Design Center in Shanghai to provide more tailor-made and high-performance products for automobile, industrial electronics, consumer electronics, and new energy industries in China.

• In November 2021, Nexperia launched a 650V 10A SiC Schottky diode, marking its official entry into the high-power SiC diode market. The product is designed to achieve ultra-high performance, efficiency, and low loss for power conversion applications. Nexperia plans to continue expanding its SiC diode portfolio, and is expected to launch a total of 72 products working under voltages of 650V and 1200V and a current range of 6-20A.



SiC Schottky diodes

Optical imaging business sector

• The industry-leading flip-chip technology applied by Delta can provide stabler performance, stronger anti-interference capability, and smaller footprints than the previously-used wire-bond technology. Delta's optical module quality leads the entire world.

• In 2021, Delta was actively engaged in new product research, development, and validation in many fields. This further allowed its advanced technologies to be applied in automotive optics, VR/AR optics, laptops, and many other fields, and Delta discovered a whole-new growth potential in terms of the client pool and product portfolios.

• In 2021, Delta completed the renovation and upgrade of its Guangzhou factory and built the Zhuhai factory. Its production capacity was significantly increased, which helped secure its goal of revenue growth in the future.

Feature: Smart manufacturing

We are committed to constructing high-quality and personalized smart factories to conserve energy, improve production efficiency, and improve product quality.

In 2021, Nexperia installed the automatic volume switching (AVC) devices to further increase production efficiency with the automatic material docking function. Delta also developed the automatic strapping equipment, the full-process automatic packaging system, the appearance detection system, and the dispensing technology to further improve product quality and stability. Wingtech upgraded its smart quality management system and realized smart monitoring through its independently developed MES full-process quality management system. Also, Wingtech Communications digitalized workshop planning and improvement, production management, and other main activities to reduce resource consumption and operating costs while increasing production efficiency.



ARC workshop



Automatic strapping equipment



Automatic dual-station screen installation machine

Protecting intellectual property rights is to protect innovation. Wingtech Technology has compiled the Intellectual Property Reward and Discipline Regulations, the Intellectual Property Audit Procedure, and other managerial documents in accordance with the Enterprise Intellectual Property Management Regulations to continuously improve intellectual property protection and operation. In 2021, Wingtech Technology increased the budget for intellectual property, launched the Global Information Platform, a patent management system independently developed by it, and realized full-process online management of the intellectual property. Furthermore, we actively carried out patent talent development plans, organized training sessions about intellectual property law interpretation and patent retrieval skills, and enhanced the awareness of patents for personnel and researchers involved in intellectual property work in 2021.



2021 China Intellectual Property & Innovation Summit

We also took an active part in industrial exchanges. In October 2021, we attended the China Intellectual Property & Innovation Summit 2021 to remain updated on the latest intellectual property policies and legislation trends and grasp the latest development dynamics of the industry. As of December 31, 2021, we had owned 1,561 licensed patents in total.

1,561 licensed patents in total

Develop Clean Technologies and Promote Green Products

By fully exerting our expertise, we actively facilitate the research, development, and application of new clean technologies, and take the initiative to study and develop clean technologies by formulating the Three-Year Clean Technology Development Strategy in consideration of the national strategy of energy conservation and low carbon as well as our own needs for business development.

The power semiconductor products we developed contain third-generation compounds such as GaN and SiC. The products can extend the battery life of automobiles, increase the charging rate, reduce the heat loss of integrated applications, reduce the use of materials, and effectively improve product efficiency. We applied an advanced environmentally-friendly technology to replace paints containing VOCs in some products with environmentally-friendly and low-VOC paints. Clients could switch to environmentally-friendly and water-soluble paints at any time on demand to efficiently reduce the VOC emissions of the product, improve the atmosphere quality and better protect the health of users.

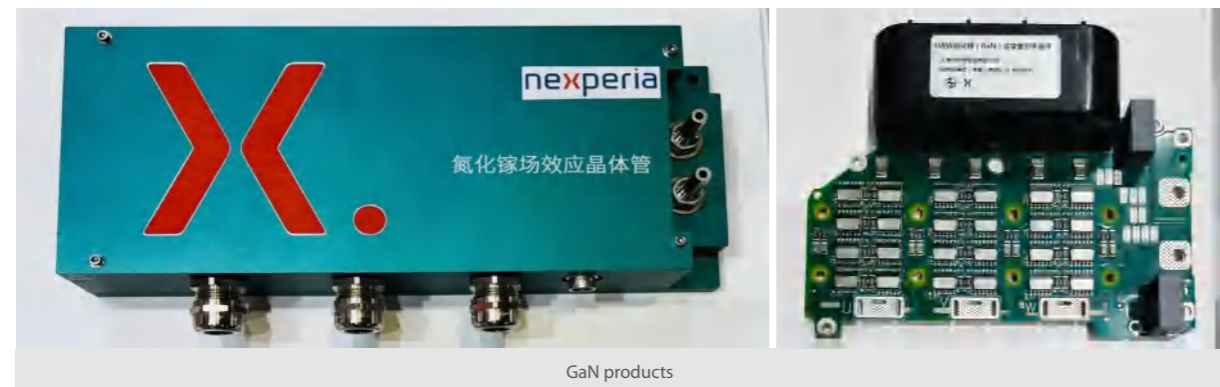
As of December 31, 2021,
Wingtech Communications owned **159**
valid patents related to clean technologies.
Among them, there were **64** patents
related to energy consumption in various
application scenarios,
53 related to the improvement of
charging efficiency,
and **42** related to the enhancement of
battery life.

Cases: Wingtech Technology helps with carbon neutrality

After the dual-carbon and emission reduction policy was enacted, local governments have successively proposed requirements for the power efficiency of data centers. High efficiency has become the most important development direction of server power supplies. Our Ark Lab has started the R&D of high-efficiency server power supplies, which can significantly reduce the energy consumption and emissions for data centers. Taking a data center with 10,000 servers as an example, our 98% efficient server power supply can reduce carbon emissions by more than 10,000 tons every four years compared with 96% efficient power supplies.

In terms of packaging technologies, our semiconductor business sector adopts a 100% copper-clip packaging technology. LFPAC packaging can achieve stronger electrical performance and current capability. The footprint of the chip packaging is 80% smaller than that of D2PAK, and it has lower thermal resistance and loss. The 16-pin DHXQFN package for standard logic ICs is 45% smaller than the industry-standard DQFN16 leadless ICs, saving 25% of the printed circuit board area.

In terms of power devices, our SiC and GaN semiconductors can achieve higher energy efficiency than traditional power electronics based on silicon, thereby effectively reducing carbon dioxide emissions. They are widely used in electric vehicles, charging stations, data centers, solar and wind power plants and other renewable energy fields. The motor controller for new energy automobiles using Nexperia's 35 kW GaN power components is jointly developed by Shanghai Auto Drive Co., Ltd. and Nexperia. It is China's first mass-produced GaN motor controller for new energy automobiles, and its peak efficiency can reach 99.34%, the maximum output power is 35 kW, and it has ultra-high power density. In addition, the 50 kW power system inverter for electric vehicles, the 3 kW GaN DCDC on-board charger, and the 4 kW GaN bridgeless totem pole PFC based on Nexperia's GaN technology also feature reliable product performance and environmental protection capability.

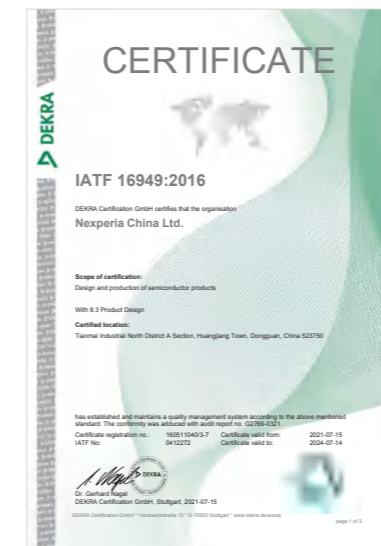


GaN products

Guarantee Product Quality and Strictly Control Hazardous Substances

Improve Management Systems and Strictly Control Product Quality

We strictly abide by relevant laws and regulations in and out of China, as well as international management systems in quality, environment, safety and other aspects. We also continuously strive to improve technology and product quality and have obtained several quality system certifications, such as ISO 9001 Quality Management Systems, IECQ QC 080000 Quality Assessment Systems for Electronic Components - Hazardous Substance Process Management, AEC-Q100 and Q101 American Automotive Electronics Council Standard Certification, etc.



IATF 16949 Quality Management System Certification for the Automotive Industry



ISO 9001 Quality Management System Certification



IECQ QC 080000 International Electrotechnical Commission Quality Assessment System for Electronic Components - Hazardous Substance Process Management System Certification



TL 9000 Quality Management System Certification for the Telecommunications Industry



AS 9100 Quality Management System Certification for the Aerospace and Defense Industry



ANSI/ESD S20.20 American National Standards Institute Electrostatic Discharge Association Standard Certification

Deepen Quality Management for Excellent Quality

Quality policy

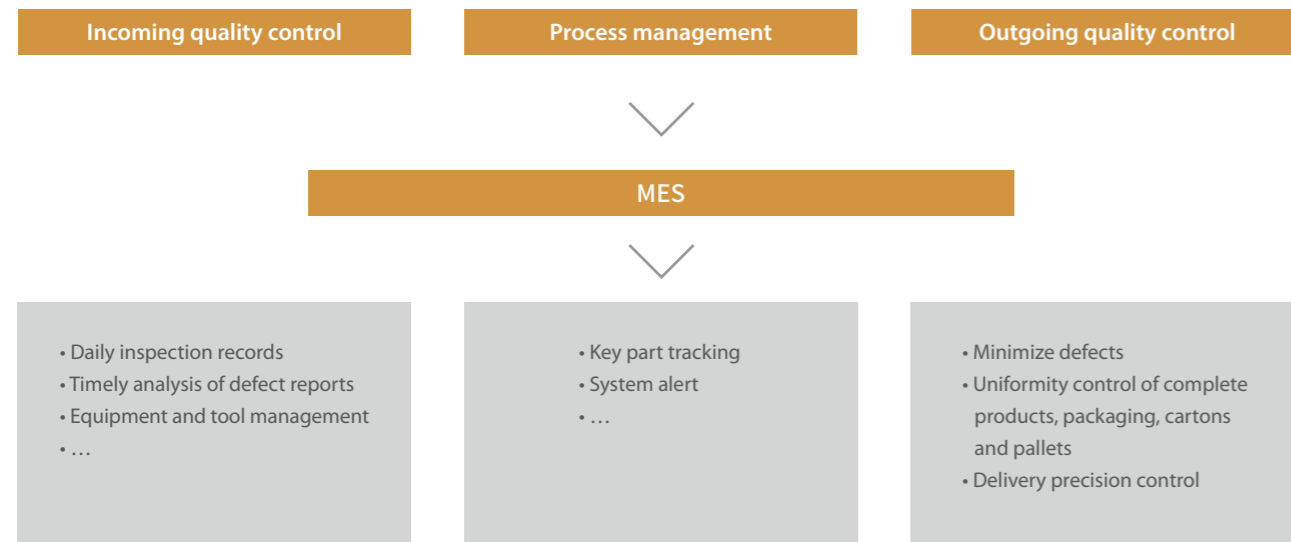
Quality is the lifeline of Wingtech and the cornerstone for excellent products;
 Build an industry-leading quality management system to align ourselves with the corporate development strategy of "pursuing excellence as an industrial leader";
 Promote quality-oriented values in Wingtech's industrial chain to jointly achieve high quality.

Organizational Structure

Top management is responsible for formulating quality policies and quality objectives, supporting other managers to play the leading role within their duties, and conducting annual management reviews of each management system. We appoint management representatives, client representatives, and safety affairs representatives to protect the interests of clients and employees. We collaborate with the Product Center, the Manufacturing Center, the Quality Center, the Supply Center, the Procurement Center and many other departments to jointly control product quality.

Process Management

We have established three procedures for incoming quality control, process management, and outgoing quality control to control product quality across the board.



In 2021, we carried out many quality improvement projects to further improve quality management. For example, Nexperia reduced the die chipping defects of Adat3 SMC from 3PPM to 1.5PPM through the die chipping improvement project, completed the optimization progress by 85%, and solved the adhesive peeling caused by adhesive feeding through the adhesive improvement project. Wingtech Communications completed 892 quality improvement items through special quality improvement and efficiency improvement plans. Delta confirmed the process capability (PC) parameters before the introduction of new projects to improve the accuracy of PC projects.

We established testing positions to test and monitor product quality at key production points. As for non-conforming products, we define the product processing procedures at each stage. We also ensure that reworked products meet our quality requirements by reviewing various documents. These documents include risk analysis reports and processing records of reworked and repaired products, as well as validation records of corrected non-conforming products. As for non-conforming products found in the process of picking-up, manufacturing, market circulation and all inspection stages, we require suppliers to rework them as soon as possible or take other effective measures to improve them. If the results still fail after the rework, the products will be returned.

Testing Laboratory

To ensure product quality, we have established various laboratories that can run a series of environmental and mechanical reliability tests, as well as tests for the electrical environment, radio frequency, sound quality, and environmental testing.



Environmental reliability testing laboratory



RoHS laboratory

Culture of quality

Under the leadership of our management, Wingtech Technology improves all employees' quality awareness. We create and implement a client-centric and ever-improving culture of quality by means of quality-oriented leadership construction, quality reward and discipline, quality publicity, quality tracking, and accountability.

Cases: Quality, Environmental Protection, and Safety Week

Nexperia delivers quality awareness and requirements to every employee by organizing the Quality, Environmental Protection, and Safety Week (the Week). In the Week 2021, Nexperia organized a line of activities such as quality knowledge quizzes, operation and quality skill contests, and business improvement contests. Outstanding employees were also recognized with the Service Excellent Award.



Activities in the Quality, Environmental Protection, and Safety Week

Cases: Wingtech Quality Month

In June 2021, we held the Wingtech Quality Month training to enhance the quality awareness of all employees. The training included management sharing, knowledge contests, training of five quality tools, and outstanding case commendation.



Activities in Wingtech Quality Month

Cases: Quality tool training

In 2021, Delta trained employees in the analytical process of new models, helping them better grasp and master the defect analysis process of new models. In the same year, Nexperia held a three-day industrial data analysis leadership course and a five-day Six Sigma Green Belt training session for engineers and managers of each department, helping 60 employees improve their skills in using quality tools.



Nexperia quality tool training

Strictly Control Hazardous Substances and Consolidate the Green Foundation

2007	• We completely eliminated the use of cadmium, lead, mercury, hexavalent chromium, Poly Brominated Diphenyl Ethers, and Poly Brominated Diphenyl Ethers
2008	• We established a RoHS laboratory and a self-monitoring system
2015	• We developed corporate standards for restricting the use of hazardous substances, besting the requirements of international regulations such as RoHS and REACH in terms of hazardous substance management • We initiated the environmental protection system review for all qualified suppliers, including regulatory compliance and process compliance
2016	• We initiated the RoHS 2.0 supply chain compliance investigation for 4 phthalates
2017	• We completed the switch to RoHS 2.0, and satisfied corresponding requirements before the deadline (July 22, 2019) of the switch to the EU RoHS 2.0
2020	• We implemented the Standardization Administration of China's requirements for VOCs released in 2020, and fully replaced non-conforming raw materials to ensure our compliance

Since our inception, we have taken active measures to control hazardous substances. We abide by many international regulations and client requirements, including the EU Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (RoHS), the Regulations Concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), and the Stockholm Convention on Persistent Organic Pollutants (POPs). We have also acquired certification for IECQ QC 080000 Quality Assessment Systems for Electronic Components - Hazardous Substance Process Management.

All business sectors of the Company have established organizational structures for hazardous substance management. Special personnel are designated to continuously follow up on the updates of laws, regulations, and client requirements for hazardous substance management. They also evaluate and confirm those requirements, transform them into internal management standards, timely identify key evaluation items, complete hazardous substance evaluation for factories, suppliers, and processing plants, and receive examinations by clients each year.

We have identified all chemicals to make sure they meet RoHS and REACH requirements. Wingtech Communications has formulated the Standards for Limited Use of Hazardous Substances. Nexperia has released the List of Restricted Processes and Chemicals and the Requirements for Testing Hazardous Substances in Products and Packages on the official website. It has also adopted a material and qualification certification procedure to make sure that its materials are free from prohibited hazardous substances. This procedure is validated each year by a third-party laboratory according to the Certificate of Analysis (CoA) requirements.

Target

We actively promote hazardous substance goal management. Among all our efforts, Nexperia Semiconductor plans to phase out the use of NMP (N-methyl pyrrolidone) in 2025. As an aprotic solvent used in the manufacture of batteries and semiconductors, NMP has been put into the list of restricted substances by REACH due to its carcinogenicity.

Process management

We manage the full process, covering supplier management, product design and development, incoming quality control, process control, and exception handling.

Product design and development	We develop action plans for hazardous substance control in accordance with laws, regulations, and client requirements. We also define testing requirements in the trial and mass production stages, and the environmental protection evaluation and management methods for "three new" materials in the material selection period.
Selection of suppliers	We perform "Hazardous Substance Free" (HSF) evaluation on new suppliers, including their environmental protection system management, R&D management, etc. Wingtech Communications sets a threshold that suppliers must obtain an HSF score of above 70 to be qualified for being its suppliers.
Management of suppliers	Qualified suppliers must sign environmental protection agreements and declare the substances controlled by Wingtech. Also, suppliers must establish a hazardous substance process management system according to the requirements of IECQ QC 080000. They must also run environmental protection tests on raw materials each year, and accept our evaluation and management. Furthermore, we require suppliers to declare substances of very high concern that they use on the SCIP database of ECHA. In 2021, we evaluated the environmental protection performance of 86 new suppliers of our product integration business sector, and sifted out seven suppliers that failed to meet our requirements for hazardous substances.
Material inspection	Incoming new materials are screened for hazardous substances according to our hazardous substance checklist. If suspicious hazardous substances are identified, the corresponding raw material supplier must provide the RoHS report, the halogen-free report and other third-party environmental reports. They must also provide the Material Safety Data Sheet, and evidential technical data to prove that the materials they supplied conform to our hazardous substance control requirements. If a supplier fails to meet our requirements, we will not use their materials. In addition, we run environmental protection tests on samples before they are admitted, which means satisfactory test results are a must for sample admission.
Process management	We design tools and fixtures according to hazardous substance requirements and run comprehensive examinations before production to make sure every process point has been cleaned, isolated, and labeled, and all relevant personnel have been properly trained.
Label management	We have clear regulations regarding the application scope, design, and dimension of environmental protection labels. These labels are indicated on products, user manuals, batteries, and accessories. Some of the labels include the Waste Electrical and Electronic Equipment (WEEE) label, the recyclable battery label, the RoHS label, the halogen-free label, and the lead-free label.
Full substance declaration	We have evaluated the full substance information management scheme of products and gradually realized the connection with third-party declaration systems and tools such as GDX and IPC-1752 to better declare substances and disclose hazardous substances. Nexperia Semiconductor also releases the chemical compositions of its product portfolios. Clients can retrieve detailed chemical compositions from the general product database.

Education and training

Oriented by client demand, we carry out training activities related to hazardous substances to effectively facilitate the management of hazardous substances. Training activities include onboarding training, targeted training in key fields, and supplier training.

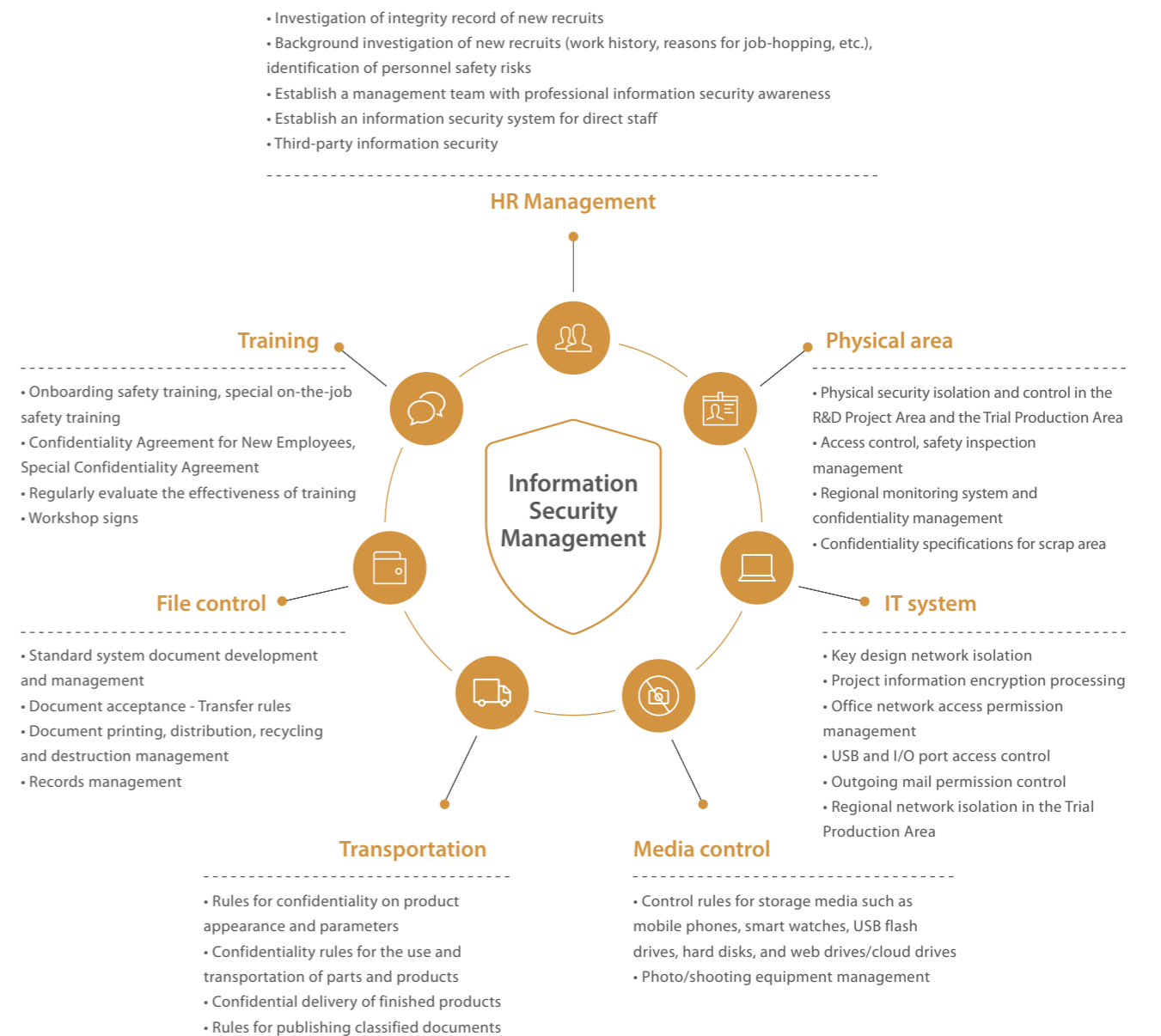
In 2021, Wingtech Communications started the system enhancement training camp to help employees obtain the internal auditor certificates of IECQ QC 080000 Quality Assessment System for Electronic Components - Hazardous Substance Process Management. In September of the same year, Wingtech Communications provided training to new employees to deepen their understanding of hazardous substance management.



QC 080000 internal auditor training

Improve Safety Control and Protect Clients' Privacy

Adhering to the principle of information security featuring "prevention-based fast response; responsibility of information security for everyone", we established the Data Compliance Sub-committee. The sub-committee falls under the Compliance Management Committee, which is on the same level as the Information Security Management Committee. It was established to jointly handle the data privacy and data security compliance affairs of Wingtech Technology. As for the semiconductor business sector, we have developed the Information Security Policy with reference to the Cyber Security Framework (CSF) of the National Institute of Standards and Technology (NIST) of the USA. The communication and optical imaging business sectors are also provided with the Information Security Confidentiality System for Factories, the Delta Administrative Regulations for Business Standard Intelligence Systems, and many other institutional documents to standardize our information security management. Our subsidiaries have obtained certification for ISO 27001 Information Security Management.





We strictly prohibit anyone from illegally accessing, leaking, tampering, destroying, or selling the personal data and information of other people, especially that of clients. Anyone is strictly prohibited from accessing clients' systems and equipment without authorization, or collecting, holding, processing, and modifying data and information in clients' networks and devices. We mark out physical isolation areas and confidential areas where clients' confidential information may be involved. Besides, we effectively manage information security via routine inspections, audits, and rewards for reporting. In 2021, Wingtech Communications established the T&T Confidential Material Tracking System to track and control every piece of confidential material with functions such as mandatory inventory checking and alarms. The face recognition permission verification system further improves its security capability.

Furthermore, we regularly send emails and organize on-site training sessions to improve employees' awareness of information security.

Cases: Information security training

In March 2021, Nexperia organized the annual information security awareness training for all employees to make sure they know about Nexperia's information security policies and procedures. In June 2021, Delta organized an information security training for all employees in four aspects of institutional document overview, information classification management, permission control & application, and mailbox usage management. The purpose was to make sure employees familiarize themselves with these information technology regulations and further reduce the risk of information disclosure. In November 2021, Wingtech Communications held special training activities to publicize information security management regulations and requirements among employees. The training activities clarified the Company's security strategies for new products and projects, and further enhanced employees' awareness of information security and protection.

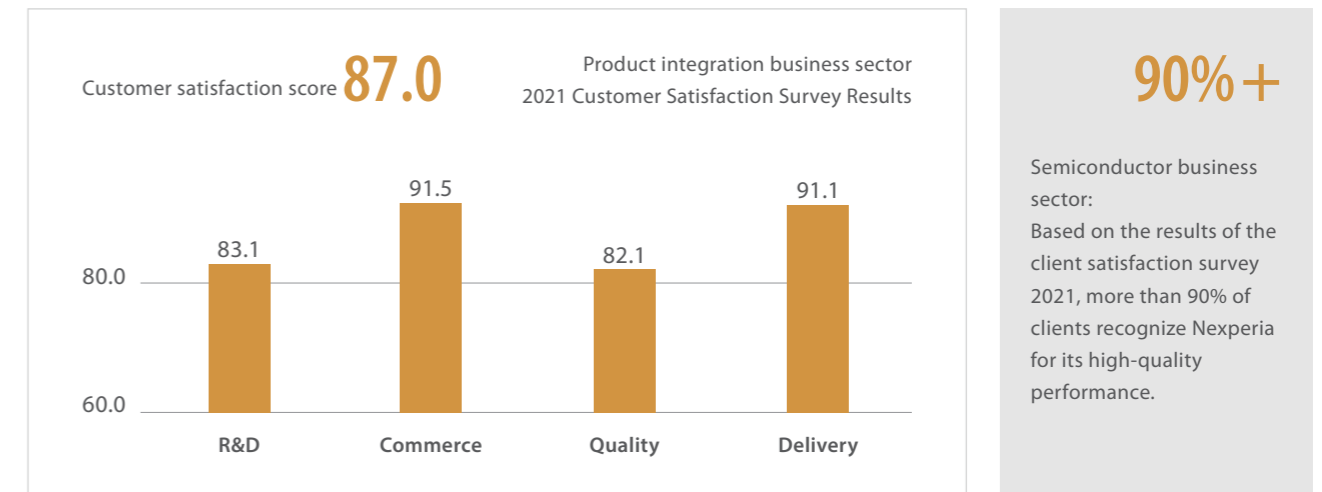


Delta's information security training

Focus on Premium Services and Improve Client Satisfaction

We fully take the initiative to improve and complete the full-life cycle customer service system and win reputation in the industry. Applying the Integrated Product Development (IPD) methodology, we serve our clients across the board throughout the product evaluation, product development, validation, and release stages. For every project, Wingtech Communications assigns contact people from different fields to communicate with clients. The contact people include representatives from R&D, sales, products, manufacturing, quality, procurement, supply, and finance. These representatives respond to clients' requests and serve them through inter-departmental teamwork. We also timely respond to clients' demands in accordance with the Business Guidelines for Client Satisfaction Control, the Business Guidelines for Response to Clients' Complaints, and other administrative documents. We have established a standardized rework and analysis procedure for defective products to facilitate continuous improvement of products.

In addition, we pay regular visits to clients and collect their opinions on our products and services via client satisfaction surveys. We require corresponding departments to analyze the cause of deficiencies and rectify them, thus ensuring premium services for clients. In 2021, our semiconductor business sector was highly praised by clients in terms of cooperative relationships, product performance, and responsiveness of sales representatives. Based on 1,000 client feedback forms we received, more than 90% of clients recognized Nexperia for its high-quality performance in the past few years. The product integration business sector conducted client satisfaction surveys in R&D, commerce, quality, and delivery, with a score up to 87.0.





04

Green Procurement and Mutually Beneficial Cooperation

Upholding the idea of mutually beneficial cooperation, Wingtech Technology actively cooperates with upstream and downstream partners to construct a healthy, secure, green, and sustainable supply chain.



Standardize Procurement Management and Improve Supply Quality

We have developed a sophisticated procurement system and supplier management system to strictly control the introduction, routine management, and performance assessment of suppliers, thereby ensuring premium and stable supplies. Wingtech Communications has established a procurement committee, which is responsible for the procurement strategies of all categories and the evaluation and decision-making of suppliers when they are admitted and selected. The committee also works with other departments to improve and complete the supplier system.

By the end of 2021, we had had 5,694 suppliers, of which 2,473 were located in Mainland China, Hong Kong, Macao, and Taiwan.

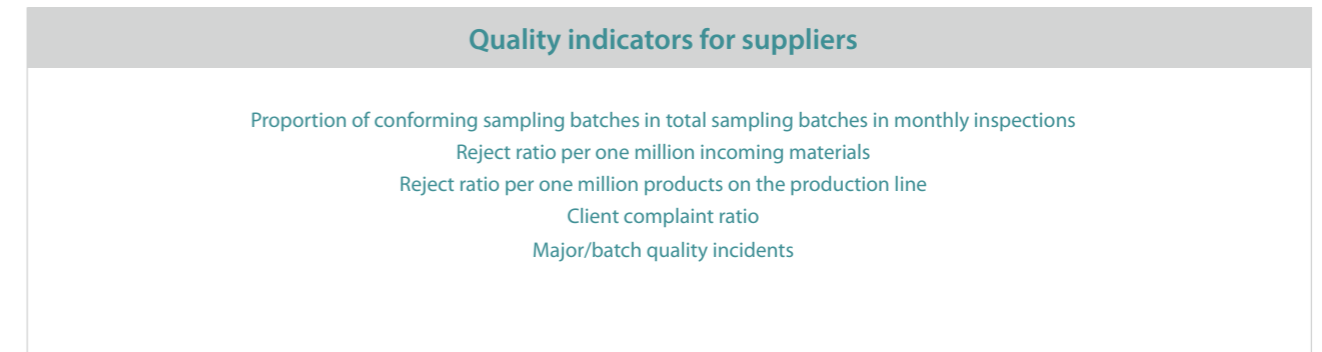


Admission of suppliers

We apply the new supplier selection and certification procedure to select appropriate suppliers and ensure their capability of delivering satisfactory products.



Quality assurance



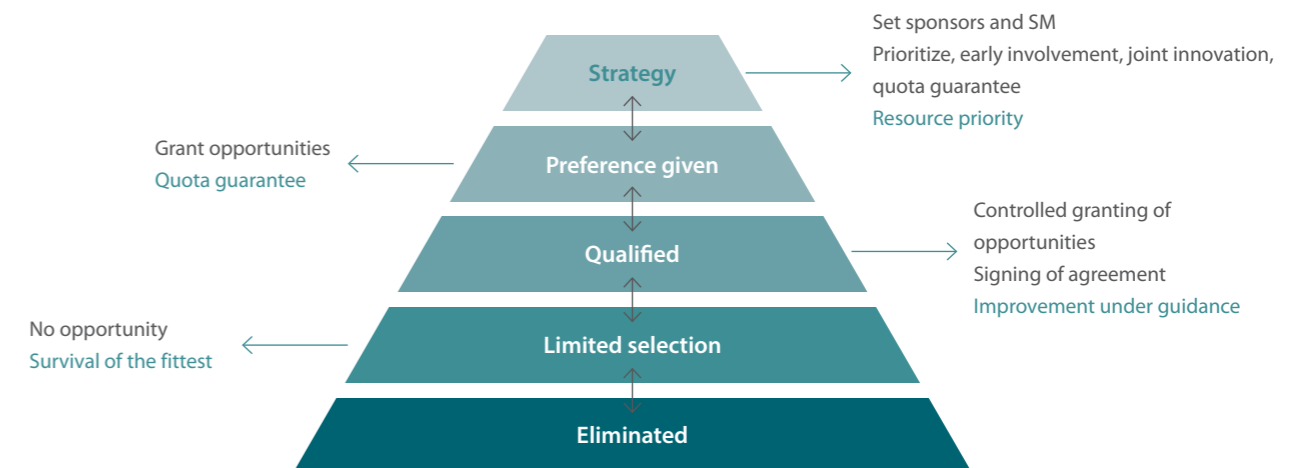
To ensure satisfactory materials, we design quality indicators for suppliers and hold quality communication meetings with the senior managers of those suppliers that participate in key projects or that are not meeting our quality requirements. Together we identify quality risks and develop preventive measures. In necessary circumstances, the Quality Department assigns personnel to the site of suppliers to monitor their processes. Suppliers that fail to meet quality indicators must hold quality review meetings, and have their top quality managers report their quality improvement efforts to us. If no improvement is made, we will reduce their supply proportion, downgrade them, or disqualify them, and we also have the right to ask them to bear corresponding losses. In 2021, we held the supplier commitment conference, in which we clearly explained to them the importance of product quality and guided them to improve the product quality management system together with us.



The supplier commitment conference

Supplier performance management

We use the SAP system to enable the layered management of suppliers, and the quarterly performance evaluation and annual appraisal to rate suppliers in multiple dimensions. We rate suppliers on their material quality, delivery capability, commercial service, and R&D support capability, thus leading them to grow with Wingtech Technology.



Exchanges with suppliers

Based on close and mutually beneficial cooperation with global elite partners, Wingtech Technology is committed to boosting industrial exchanges and empowerment, realizing all-win situations and the coordinated development of the industry.

Cases: Wingtech Technology Global Elite Partner Conference 2021

In November 2021, we held the Wingtech Technology Global Elite Partner Conference that gathered more than 600 suppliers in the semiconductors, optical imaging, and communication fields. During the event, we granted multiple prizes to excellent suppliers to recognize their strategic cooperation and outstanding partnership, extending our gratitude for their long-term support to us. Our board chairman Zhang Xuezheng also shared Wingtech Technology's latest development achievements and future strategic plans in detail. He also expressed his wish to continue joining hands with partners for a brighter future and a healthier, safer, greener, and more sustainable industrial chain.

600+
More than 600 suppliers gathered together



Wingtech Technology Global Elite Partner Conference 2021

Strictly Control Risks and Build A Sustainable Supply Chain

We require suppliers to abide by their local laws and regulations, timely control environmental and social risks, and build a sustainable supply chain. We also reward suppliers that adopt environmentally-friendly materials and technologies, treat stakeholders fairly and honestly, and support and respect human rights.

Having formulated the Code of Conduct for Suppliers and other administrative documents, we ask suppliers to sign the Commitment to Social Responsibilities and other relevant agreements when signing procurement agreements with us. Thus, we make sure that they follow our CSR management requirements. In addition, we include CSR evaluation in the new supplier evaluation, quarterly performance evaluation of suppliers, and annual appraisal of suppliers. The special CSR appraisal allows us to rate suppliers' social responsibility performance.

Click to learn more:

[Wingtech Code of Conduct for Suppliers](#)

[Nexperia Code of Conduct for Suppliers](#)



Regarding environmental risk management by suppliers, we require suppliers to abide by our environmental requirements and preferentially use pollution-free or low-pollution production technologies and equipment as well as environmentally-friendly materials. Only suppliers satisfying our environmental requirements can be qualified as our suppliers. Suppliers failing to satisfy our environmental requirements will be vetoed at once. In order to effectively evaluate key environmental risks, we apply annual environmental appraisals and routine appraisals to suppliers. The appraisals include the examinations of their waste emission

permits and other documents required by law, environmental impact assessment reports, conforming processing of exhaust gas/wastewater/solid waste and relevant records. We also reduce environmental impact by calculating and monitoring the usage of various resources and the emission volume of greenhouse gases. We monitor the commercial water and wastewater of suppliers, actively review the water footprint of products from key clients, as well as identify and manage water risks during the manufacturing process. Additionally, we work with suppliers and other stakeholders to reduce water footprints, thereby lowering the water consumption per unit of product and heightening the recycling of water resources. We also provide training for suppliers around environmental protection. We require suppliers to formulate and implement an environmental protection training system for employees, continuously improve their environmental protection awareness and management competence, and deeply practice the concept of sustainable development.

Regarding social risk management by suppliers, we require suppliers to make every effort to provide a list of diversified candidates for every position regardless of their race, gender, age, or other factors irrelevant to their performance at the position. Suppliers must not use forced, debt-enslaved, or indentured labor; involuntary prisoners, enslaved or trafficked labor, or child labor. They are prohibited from harassing, abusing, or discriminating against any employee, including but not limited to temporary workers, interns, contract workers, and direct employees. The wages and benefits of suppliers' employees must comply with all applicable laws and regulations, and employees must have the freedom of association and the right to collective bargaining. They must be allowed to openly communicate and share their thoughts and concerns regarding working conditions and management practices.



Control Conflict Minerals and Fulfill Social Responsibilities

Policies of conflict minerals

- We do not support nor use conflict minerals.
- We require all suppliers to comply with regulations on conflict-free minerals.
- We conduct due diligence on suppliers whose products contain conflict minerals and identify the source of those metals.
- We monitor and ensure suppliers sign agreements for not supporting or using conflict minerals.

400+

By the end of 2021, we had completed conflict mineral investigations of more than 400 suppliers, and found no supplier involved in conflict minerals.

We have established a complete conflict minerals management system, including the Management Measures of Conflict Minerals and other institutional documents. We also openly disclose the Statement on Policies for Purchasing Conflict-free Minerals to avoid using conflict minerals obtained from illegal operations. In addition, we have a clear organizational structure to manage conflict minerals and specially designated personnel to collect, sort out, and evaluate standards and client requirements related to conflict minerals and cobalt. We transform the standards and requirements into our internal management measures of conflict minerals, and deliver them to our suppliers as soon as possible to facilitate agreement signing and due diligence.

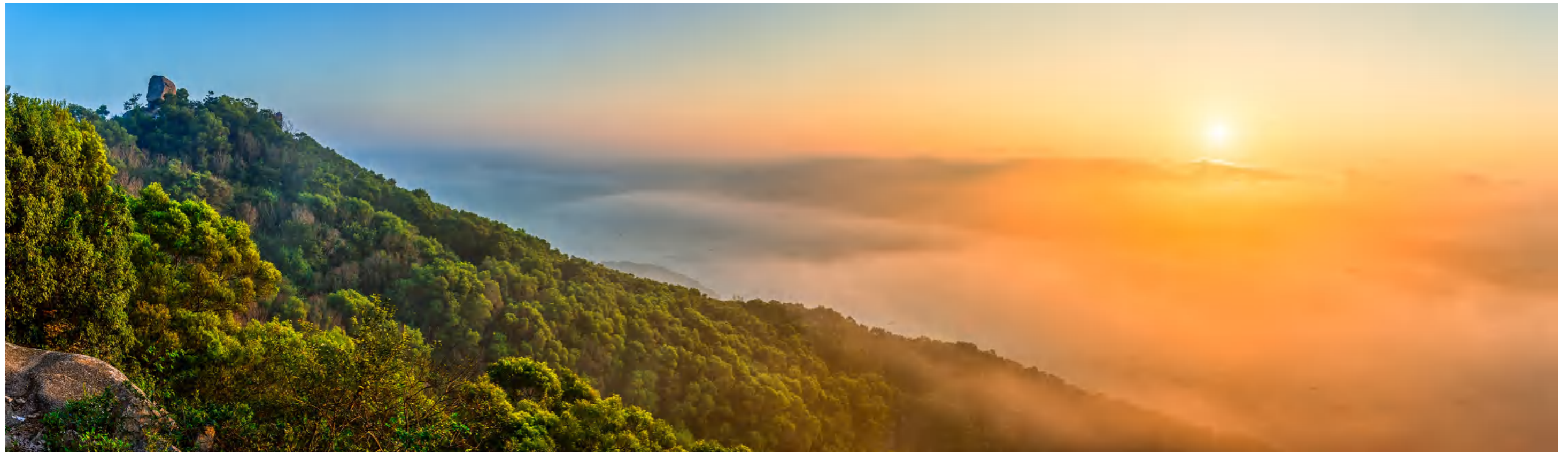
We require suppliers to develop conflict mineral management policies and make statements according to the Conflict Mineral Reporting Template (CMRT) and the Cobalt Reporting Template (CRT) issued by the Responsible Mineral Initiative (RMI). Nexperia also reviews the CMRT statements of suppliers through the Responsible Mineral Review Procedure. If RMI updates the Smelters & Refiners Lists or a supplier's CMRT statement has expired for more than a year, Nexperia will begin the evaluation to determine supply chain risks.

Cases: CMRT training

We offer regular training and information on conflict minerals to ensure employees and partners have a better and more complete understanding of the conflict mineral issue. In August 2021, Delta organized training on CMRT to allow key position holders to understand CMRT knowledge better and familiarize themselves with relevant policies and guidelines.



Delta CMRT training





05

Green Driven and Clean Production

Environment represents fortune. Wingtech Technology actively responds to the government's call for an ecological civilization, and reliably fulfills its responsibilities for environmental protection. We are committed to applying the concept of green development in every stage of production and operation to realize joint development of economy and environment.



Environmental protection policies

Facilitate energy conservation and emission reduction and continuously improve environmental protection capabilities in compliance with laws and regulations.
Satisfy global clients' requirements for environmental protection in products and production.

Click to learn more:

[Wingtech Technology Sustainable Development Policy](#)

[Nexperia Semiconductor Sustainable Development Policy](#)



Strengthen Environmental Management and Facilitate Green Production

We strictly abide by the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, the Water Pollution Prevention and Control Law of the People's Republic of China, and other laws and regulations. We have established a complete environmental management system with reference to ISO 14001 and obtained the certification, as well as organized some employees to receive training on ISO 14001 to obtain the internal auditor certificate. Nexperia also has obtained ISO 50001 energy management system certification.

Wingtech Communications is titled the "Green Factory of Jiaxing" of 2021



ISO 14001 Environmental Management System Certification

We have established a complete organizational management structure to further ensure the effective operation of our environmental management system. Nexperia has assigned a global environment, health, and safety (EHS) manager to execute the global EHS management system and coordinate social responsibility management work. Furthermore, Nexperia has assigned the VP of Front End Operations, Global Real Estate and Facilities Management to be responsible for the effectiveness of the EHS management system and social responsibilities. Wingtech Communications has established the Safety Production Committee to supervise the safety and environmental protection management efforts at all levels. The EHS implementation of each department is in the charge of the Safety and Environment Department and their own safety officer.

By virtue of environmental knowledge training and promotion, we work with employees to boost green production. During the reporting period, Nexperia organized training on hazardous substance management, clearly defined the categories of hazardous substances, and evaluated and improved the areas suffering potential risks of hazardous substances. Wingtech Communications held training activities on warehousing management of hazardous substances and interpretation of environmental protection laws and regulations. The training activities helped production and management personnel master knowledge and skills related to environmental management. Besides, we organized various kinds of environmental protection activities to enhance the environmental protection awareness of all employees, including zero-waste jogging and biodiversity activities.



Wingtech Communications Interpretation of environmental protection laws and regulations



Wingtech Communications Trainings on the warehousing management of hazardous substances



Nexperia Zero-waste jogging



Delta Biodiversity activities

Advocate Energy Conservation and Carbon Reduction and Combat Climate Change

Preliminary referring to the disclosure suggestions of the Task Force on Climate-related Financial Disclosures (TCFD) established by the Financial Stability Board (FSB), Wingtech Technology disclosed the work and progress in relation to the combat against climate change risks in four terms, namely governance, strategies, risk management, and indicator and goals.



Governance

In addition to having established a complete EHS management system, we have also assigned the top manager responsible for carbon emission reduction and established the carbon emission reduction project team. Additionally, we have formulated a series of institutional and guiding documents, including the Carbon Emission Reduction Management Specifications, the Greenhouse Gas Checklist, and the Carbon Emission Reduction Statistics Table, to promote the implementation of greenhouse gas emission verification and various carbon emission reduction projects.

Strategies and risk management

We have established the action plan for carbon emission reduction:



Sign the "Eagle Navigation" Low-carbon Action Proposal

As a leader of corporate responsibility fulfillment, we actively responded to the arrangement of the central government and the Zhejiang provincial party committee and government, and signed the "Eagle Navigation" Low-carbon Action Proposal. We promise and advocate:

Thinking in one mind and taking actions to implement new development concepts.

Helping with technological innovation and breakthroughs to seek more solutions for carbon reduction.

Shouldering leading and exemplary roles to lead the green development of the supply chain.

We have evaluated the risks brought by climate change, and have a mature emergency management mechanism to respond to climate change risks caused by typhoons, floods, and other extreme weathers. We regularly conduct natural disaster emergency drills to ensure our ability to take timely measures when environmental emergencies occur and minimize the losses of personnel and properties in accidents.

Indicators and goals

Having designed greenhouse gas emission goals, we calculate greenhouse gas emission every year and review the progress of goal attainment, to help achieve the "dual-carbon" vision.

Business sector	Greenhouse gas emission goal
Product integration business sector	By 2030, reduce greenhouse gas emission intensity by 30% compared with that of 2015
Semiconductor business sector	By 2030, reduce greenhouse gas emission by more than 20% compared with that of 2017
Optical imaging business sector	By 2030, reduce greenhouse gas emission intensity by 30% compared with that of 2016

Energy-saving measures

Green electricity

Two Nexperia factories have already used 100% green electricity. Their total usage of green electricity in 2021 was 87.728 million kWh. Wingtech Communications also installed photovoltaic power generation equipment on the roofs of plants, with an annual power generating capacity of 1.8 million kWh.



Energy recovery

In 2021, Nexperia reduced the use of steam by means of waste heat recovery, saving more than 193,000 kWh of energy. Wingtech Communications installed recovery devices to recover liquid nitrogen evaporation cold energy for air conditioning, recovering a cooling capacity of 1.68 million kW per year, equivalent to 420,000 kW of electricity.



Equipment modification

In 2021, Nexperia installed heat regeneration dryers to replace the heatless dryers, saving approximately 2.126 million kWh of energy every year. Wingtech Communications replaced a 160 kW air compressor with a 75 kW air compressor, saving approximately 628,000 kWh of energy every year. Wingtech Communications also installed inverters on fans, and installed inverter control motors on fresh air systems, which can respectively save 824,000 kWh and 540,000 kWh of energy each year.

Optimization of lighting and exhaust equipment

In 2021, Wingtech Communications installed intelligent control systems for lighting, exhaust and other equipment and facilities in some areas. This helped realize remote control and timing to reduce consumption without affecting production, and save energy by at least 13,000 kWh per month.

In 2021, due to the expansion in production capacity of the Company, the data of energy usage and greenhouse gas emissions in 2021 increased by a certain percentage compared with those of 2020. The specific figures are shown in the following table:

Indicator	2021 ¹	2020
Natural gas (10,000 cubic meters) ⁵	2,032.0	1,479.5
Steam (GJ) ²	/	2,331.0
Gasoline (L) ³	85,847.7	66,590.1
Diesel (L) ³	207,919.2	248,542.0
Liquefied petroleum gas (L) ⁴	73,892.0	/
Purchased electricity (10,000 kWh)	48,395.3	41,727.4
Direct GHG emissions (Scope 1) (tCO ₂ e) ⁵	113,278.2	32,145.1
Indirect GHG emissions from energy (Scope 2) (tCO ₂ e)	257,450.7	277,652.1
Total GHG emissions (tCO ₂ e)	370,728.9	309,797.1
- GHG emissions intensity of product integration business sector (tCO ₂ e / RMB Million of Revenue)	2.2	2.0
- GHG emissions intensity of semiconductor business sector (tCO ₂ e / RMB Million of Revenue)	21.0	23.5

Notes:

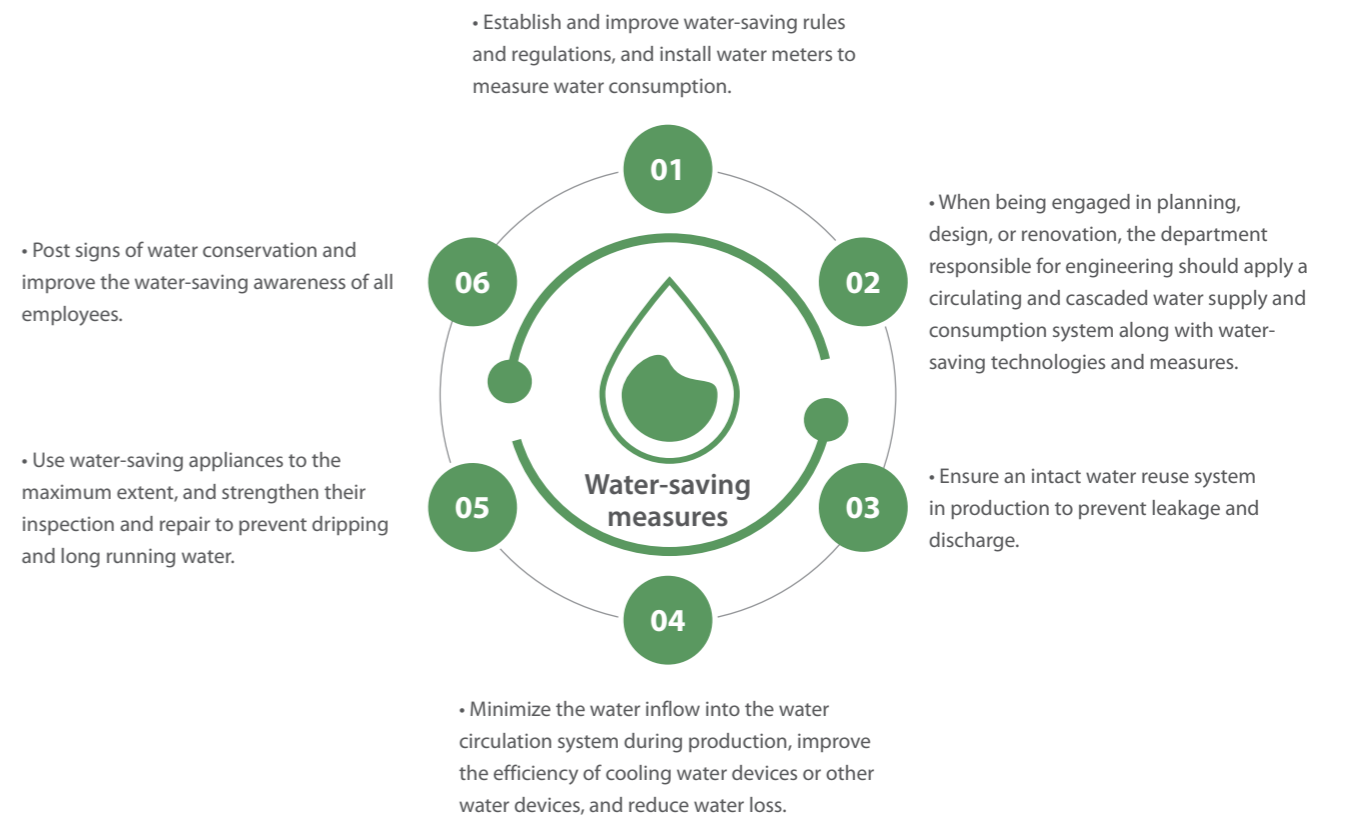
- In 2021, our data of energy consumption and greenhouse gas emission only cover the product integration and semiconductor business sectors and do not include the optical imaging business sector.
- Due to the shutdown of the steam heating system by Wingtech Communications, there is no steam usage data in 2021.
- The usage data of gasoline and diesel in 2020 has been updated.
- In 2021, the Company added the statistics and disclosure of liquefied petroleum gas of semiconductor business sector.
- The increase in natural gas use and direct GHG emissions in 2021 compared to 2020 is mainly due to the expansion of production capacity in the semiconductor business sector and the newly added energy consumption data of Newport Wafer Fab in 2021.

Strengthen Resource Management and Fulfill Environmental Protection Responsibilities

Wingtech Technology actively develops water-saving goals and promotes water-saving measures in all factories, office areas, and living areas.

Business sector	Water-saving goal	Goal attainment
Product integration business sector	Annual water consumption reduced by 2% YOY	Water consumption reduced by 37% in 2021 compared with that of 2020
Semiconductor business sector	All factories developed their own annual water-saving goals. For example, the goal of the Manchester factory in 2021 is to reduce water consumption by 43.6 m ³ /m ²	Water consumption reduced by 36% in 2021 compared with that of 2020

During operation, we mainly consume water for production and living. The product integration business sector consumes less water than other business sectors and all wastewater produced during production is recycled instead of being discharged. The wastewater produced in other business sectors is discharged in compliance with local laws and regulations.



Case: Reclaimed water reuse improvement project

Nexperia's German factory saves 4,500 cubic meters of water each year by recycling and reusing the water used for rinsing. Nexperia's Malaysian factory recycled and reused 81,563 cubic meters of wastewater by optimizing the recycling system and improving the wastewater recycling rate in 2021.

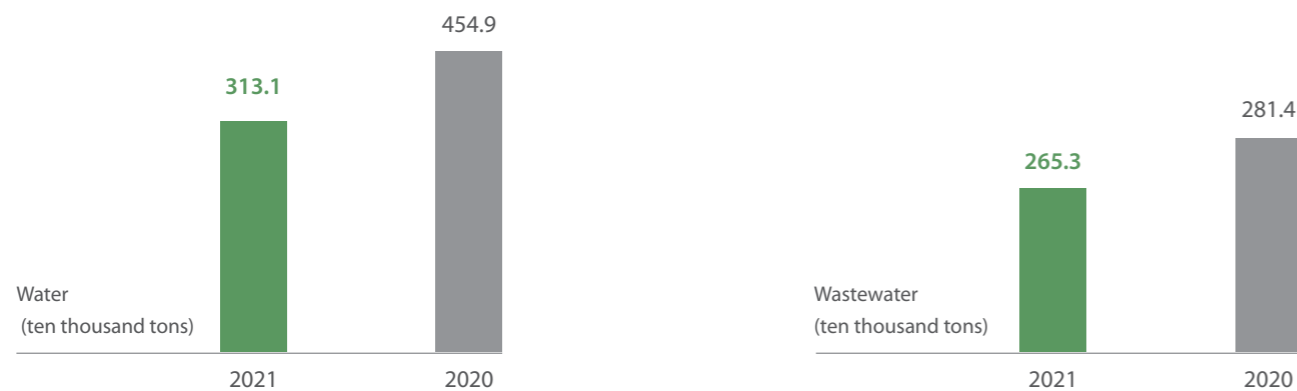
Delta optimized the production wastewater handling procedure and improved the water circulation and recycling rate by transforming the reclaimed water recovery pipeline, adding filters, and replacing water pumps. It can now save around 4,200 cubic meters of tap water per month.

Wingtech Communications adopted an approach of water curtain vortex filtration to intercept wastewater generated during production, added flocculant to precipitate waste residue, and entrusted qualified suppliers to handle wastewater. The wastewater processed by the above-mentioned technology can meet the standards for water curtains in terms of quality, and can be directly recycled and reused, thus effectively saving water in production and avoiding discharge of production wastewater.



Wastewater treatment pool

Our data on water use and wastewater discharge of 2021 are shown in the table below:



We also focus on the use of packaging materials in the production and operation process. We are committed to continuously improving packaging technologies from multiple perspectives, i.e., the selection of sustainable materials, the optimization of production processes, the recycling and reuse of packaging, and the extension of product life cycles, to improving the recycling rate of materials, saving the consumption of packaging materials and reducing the impact on the environment.

Adhere to Compliant Emission and Strengthen Risk Management

We use professional equipment and innovative technologies to properly handle various kinds of emissions produced during operation, and entrust qualified third parties to test those emissions to ensure the discharges are up to standards.

Waste gas emissions

The waste gas generated during operation mainly comes from a small amount of VOCs generated in the spraying process. We use an advanced environmental protection treatment technology to combust the waste gas, such as the latest ceramic regenerative catalytic combustion method with a waste gas treatment rate of up to 95%, which is higher than the nationally stipulated 90%. We also introduce the VOC online monitoring system to monitor the emission and treatment of waste gas and make sure they are up to standards. In addition, we collect gas in different areas and environments and apply photocatalysis along with activated carbon filtration to ensure compliant emissions in all production areas.



Waste gas treatment facilities

Case: Renovation of the oil fume purifier in the canteen of Jiaxing factory

During the reporting period, Wingtech Communications renovated the oil fume purifier in the canteen of Jiaxing factory. The factory heightened all the oil fume pipes to an elevation of more than 15 meters, and added a highly efficient oil fume purifier to ensure that the oil fume emissions of the canteen meet the standards.

Solid waste

The solid waste we generate includes hazardous waste, general industrial solid waste, and general waste. We continuously optimize the waste management system and classify solid waste in accordance with national laws and regulations. We have formulated a series of management procedures and measures such as the Management Operation Specifications for Wastewater, Waste Gas, and Solid Waste, the Waste Collection and Disposal Measures, and the Management Policy for Hazardous Waste. Additionally, we also entrust qualified third-party processors to process all the solid waste according to requirements and keep ledgers of various kinds to ensure compliant treatment of waste. In 2021, we recycled and reused a total of 13,103.0 tons of waste.

All factories of the Group have established waste management goals, such as a waste recycling rate of 80% in 2021 as set by Nexperia's Hamburg factory, and 100% compliant treatment of waste as set by the product integration and optical imaging business sectors. In order to reduce waste emissions, Nexperia's Philippine factory in Cabuyao recycles 240 tons of mold runners each year, and assigns third-party agencies to remake them into hollow concrete bricks for road pavement.

13,103.0 tons

Case: Activated carbon reduction project

During the reporting period, Wingtech Communications' Wuxi factory renovated the secondary activated carbon adsorption device on the dust removal facility. By installing the differential pressure gauge for pressure monitoring, we reduced the replacement frequency of activated carbon from 6 to 3 times per year and saved 16.5 tons of activated carbon and a total cost of RMB 315,000 for replacement and disposal every year.



Differential pressure gauge

saved **16.5** tons of activated carbon
and a total cost of RMB **315,000**
for replacement and disposal every year

In 2020, the coverage of our total hazardous waste and non-hazardous waste only covered the product integration business sector. In 2021, the Company expanded the scope of our data statistics. In addition to the product integration business sector, the data of waste also covered the semiconductor and optical imaging sectors. Therefore, the waste figures of 2021 increased by a certain percentage compared with those of 2020. Our waste emissions are shown in the table below:

Indicator ¹	2021	2020
Total hazardous waste (tons)	3,403.4	735.0
- Total hazardous waste in the product integration business sector (tons)	574.3	735.0
- Total hazardous waste in the semiconductor business sector (tons)	2,813.9	/
- Total hazardous waste in the optical imaging business sector (tons)	15.2	/
Total non-hazardous waste (tons)	16,423.1	8,984.8
- Total non-hazardous waste in the product integration business sector (tons)	10,125.9	8,984.8
- Total non-hazardous waste in the semiconductor business sector (tons)	6,116.2	/
- Total non-hazardous waste in the optical imaging business sector (tons)	181.0	/

Notes:

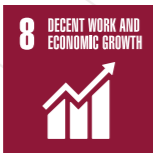
1. Our hazardous waste mainly includes waste degreasers, cleaning agents and paint grease generated in the production process. Non-hazardous waste mainly includes industrial solid waste generated in the production process and waste such as miscellaneous materials, plastic, paper, wood, kitchen waste, construction waste, etc.





Advance Together and Develop Talents

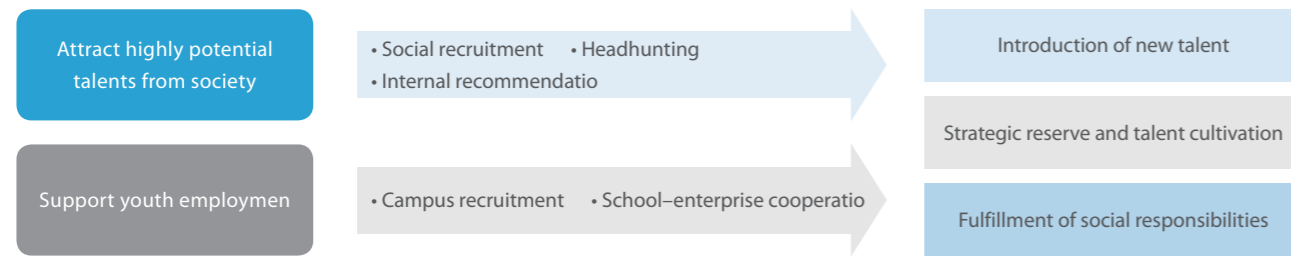
Cohesion makes us go further. Wingtech regards talents as our most valuable assets for corporate development. We recruit talents from extensive sources based on the people-oriented operation principle, join hands with talents to march forward, and boost the attainment of our dreams and goals for mutual benefits .



Protect Employees' Rights and Interests and Create a Blissful Workplace

Diverse Recruitment Channels

Wingtech Technology values talent planning and talent reserves, and is committed to creating a future-proof elite team that lays a solid foundation for our long-term development. Therefore, while adhering to the principle of "legal compliance" and "assignment of the right people to the right positions", we rapidly locate outstanding young talents with a diverse recruitment system and draw them to our Wingtech family, so as to provide strong impetus for our talent pool.



Campus recruitment

We cooperate with excellent colleges and universities and extensively publish recruitment information to reach outstanding talents through innovative methods, including major social platforms, "Wingtech Recruitment" WeChat Official Account, video platforms, online career talks, and live-streaming platforms, etc. We also target preeminent graduates by means of departmental symposiums, offline career talks, campus recruitment clubs, and the Company's Open Day. On the strength of a fine employer image, great corporate culture, and strong capability in talent cultivation, in 2021, we recruited and admitted nearly 1,500 graduates who graduate in 2021 and 2022.



Campus recruitment of 2021

School-enterprise cooperation

We join forces and efforts to build an outstanding employer brand by virtue of our well-accumulated experience in school-enterprise cooperation. In 2021, we kept expanding the school-enterprise integration platform to accomplish extensive school-enterprise cooperation via intern bases, scholarship programs, campus competitions, and co-construction of scientific research and technology capabilities. We also worked with Tsinghua University to establish the Joint Research Center of Industrial and Automotive-grade Semiconductor Chips. The center fully exerts the advantages of both parties to break the bottlenecks of key technologies in automotive-grade semiconductor chips, and boost the integration of industrial and academic resources as well as industrial development.



Inauguration ceremony of the Joint Research Center of Industrial and Automotive-grade Semiconductor Chips

Daily Management

Wingtech Technology actively protects the basic rights and interests of employees, cares about the health and life of employees, and grows together with employees. We comply with relevant laws and regulations in the countries and regions where we operate, such as the Labor Law of the People's Republic of China and the Labor Contract Law of the People's Republic of China. We also support international conventions and regulations such as the Universal Declaration of Human Rights (UDHR) and the Convention on the Rights of the Child. Furthermore, we have developed a series of policies to regulate recruitment, dismissal, working hours, leave application and other human resources-related procedures. These policies include the Recruitment Management Policy, the Employee Resignation Policy and the Employee Handbook. We strive to create a working environment that values mutual trust, tolerance and respect for others, as well as to protect the rights and interests of employees.

Diversity and anti-discrimination

Wingtech Technology adheres to the principles of inclusiveness, diversity and equal opportunity to establish a fair working environment that values mutual respect. Applicants and employees will not be treated differently or discriminated against in employment based on religious belief, gender, race, skin color, sexual orientation, seniority or other factors.

In order to protect the legitimate rights and interests of female employees, we have formulated the Measures on Labor Protection for Female Employees. This ensures we can fully implement labor protection for female employees in recruitment and employment, training and physical examination, promotion and working arrangement, and other special situations. Delta has developed the Protection Procedures for Female Workers (Pregnant Women), and conducts regular training for managers on anti-discrimination.

Baby Care Room

Wingtech Technology values and cares for employees in the nursing period. By setting up the Baby Care Room, we provide a well-equipped, warm, and relaxing harbor for nursing employees.



Baby Care Room

Strict prohibition of illegal employment

We strictly prohibit child labor, forced labor and other possible illegal employment. In the Labor Protection and Management Policies for Underage Workers and Child Laborers and other relevant policies, we strictly regulate the identity verification process for applicants and the remedial procedures for child labor. All applicants must present true and valid identity documents to prove that they meet the minimum age requirements. Delta has also established the Child Labor Preventive Procedures and the Child Labor Remedial Procedures, and carried out relevant training activities on prohibition of child labor.

We have formulated the Management Procedures for Prohibition of Forced Labor. We recruit employees on a voluntary basis, and strictly prohibit the use of forced, guaranteed, indentured or involuntary employees. We also public the procedures for reporting forced labor cases, and take serious action against the use of forced labor.

Protection of human rights

We respect every employee, and stipulate in the Handbook of Social Responsibility Management that we strictly prohibit any form of corporal punishment, threat of violence, or any other form of verbal, physical, psychological or sexual disciplinary measures, including any form of sexual harassment, sexual abuse, physical punishment, mental or physical oppression or verbal abuse.

We respect employees' rights to join or not join the union, seek representation, participate in workers' councils, and engage in collective bargaining and equal consultation. We do not interfere with or sanction employees who participate in negotiations. We encourage employees to elect their own representatives to directly reflect problems and difficulties in their work and life, so that they can communicate openly with management about working conditions without fear of retaliation, threats or harassment. Both the union membership rate and the collective agreement signing rate of the product integration business sector of the Company are 100%.



Communication with employees

We take the initiative to listen to the voices and opinions of employees, and make every effort to keep abreast of employees' difficulties in work and their optimization suggestions. We do this through tea parties, suggestion boxes, employee satisfaction surveys and employee face-to-face policy briefings, etc. For the matters reflected by employees, we reply within the time limit, and inform the employees and employee representatives of the resolution progress of relevant matters on a regular basis.

In addition, we conduct an annual employee satisfaction survey, and take the survey results and improvement suggestions as an important reference for future work plans. This year, the Company optimized and upgraded factory canteens, the accommodation environment and other aspects according to the feedback of employees.

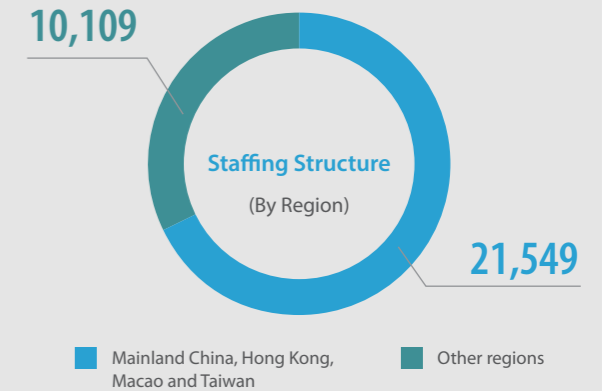
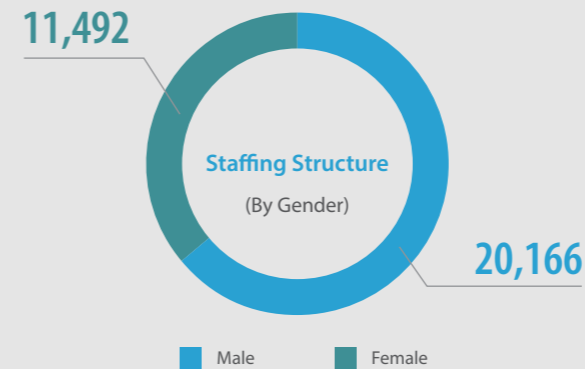
Case: Tea party

In 2021, we held a number of tea parties for employees to introduce the basic information of the Company and see how well the employees fit in, to solve their difficulties in work and life and further improve their satisfaction.



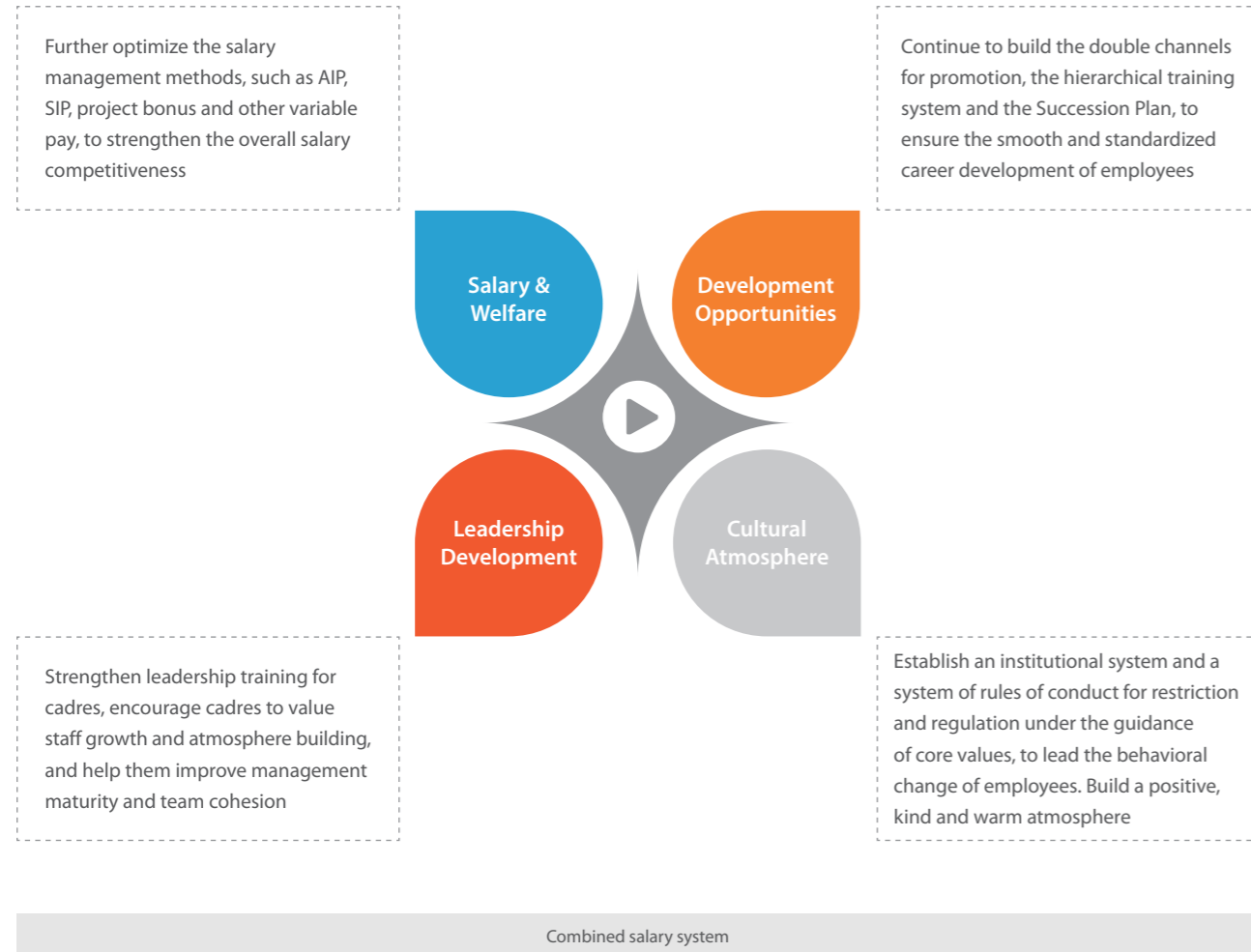
Tea party in 2021

Total Number of Employees **31,658**



Salary and Welfare

Following the principle of "fair, competitive, incentive, economic and legal", we make continuous efforts to optimize the salary system with reference to the market, so as to provide competitive salaries for employees. Meanwhile, adhering to the ideas of "pay for performance" and "strong correlation between performance and salary", we have established and optimized various policies. These include the Salary Management Policy, the Bonus Management Measures, the Administrative Measures for Salary Adjustment and other policies. Through scientific policies and mechanisms for determining salary, providing bonuses and adjusting salaries, we encourage the organization and employees to continue to pursue high performance. We also make every effort to ensure that employees receive fair compensation commensurate with their contributions, and meet the incentive needs of employees at different levels and positions. We have the well-established Company Welfare Management Policy, which standardizes welfare management, ensures harmonious labor relations, and encourages employees. We provide employees with mandated benefits such as pensions, unemployment insurance, medical insurance, work-related injury insurance, maternity insurance and housing provident funds in strict accordance with the laws and regulations of where we operate. In partial region, we also provide additional benefits such as supplementary provident funds and pension plans based on local conditions. In addition, we offer diversified care such as various welfare subsidies, congratulatory gifts, long service awards and emergency care for our employees.



Stock option incentive plan

To further improve its long-term incentive mechanism, attract and retain excellent talents, the Company implemented the "2020 Incentive Plans for Stock Options and Restricted Stocks". In 2021, we lifted restrictions on 2,763,724 restricted stock shares, and 3,888,893 stock options entered the exercisable period. As of December 31, 2021, the registration procedures for exercise of option and share transfer of 1,180,493 stock options had been completed. The Company's subsidiary, Nexperia Holding, has also developed long-term incentive plans including virtual shares and stock options. In 2021, the cash-settled share-based payment amount of Nexperia Holding totaled RMB 150 million.

Commercial insurance scheme

Wingtech strives to improve the humanistic care mechanism and show timely concern for employees, so as to further enhance the cohesion of the Group. We have launched a commercial insurance scheme to provide adequate and reliable health protection for our staff to eliminate their worries.



Visit and greetings to minority employees



Visit and greetings to workers in need



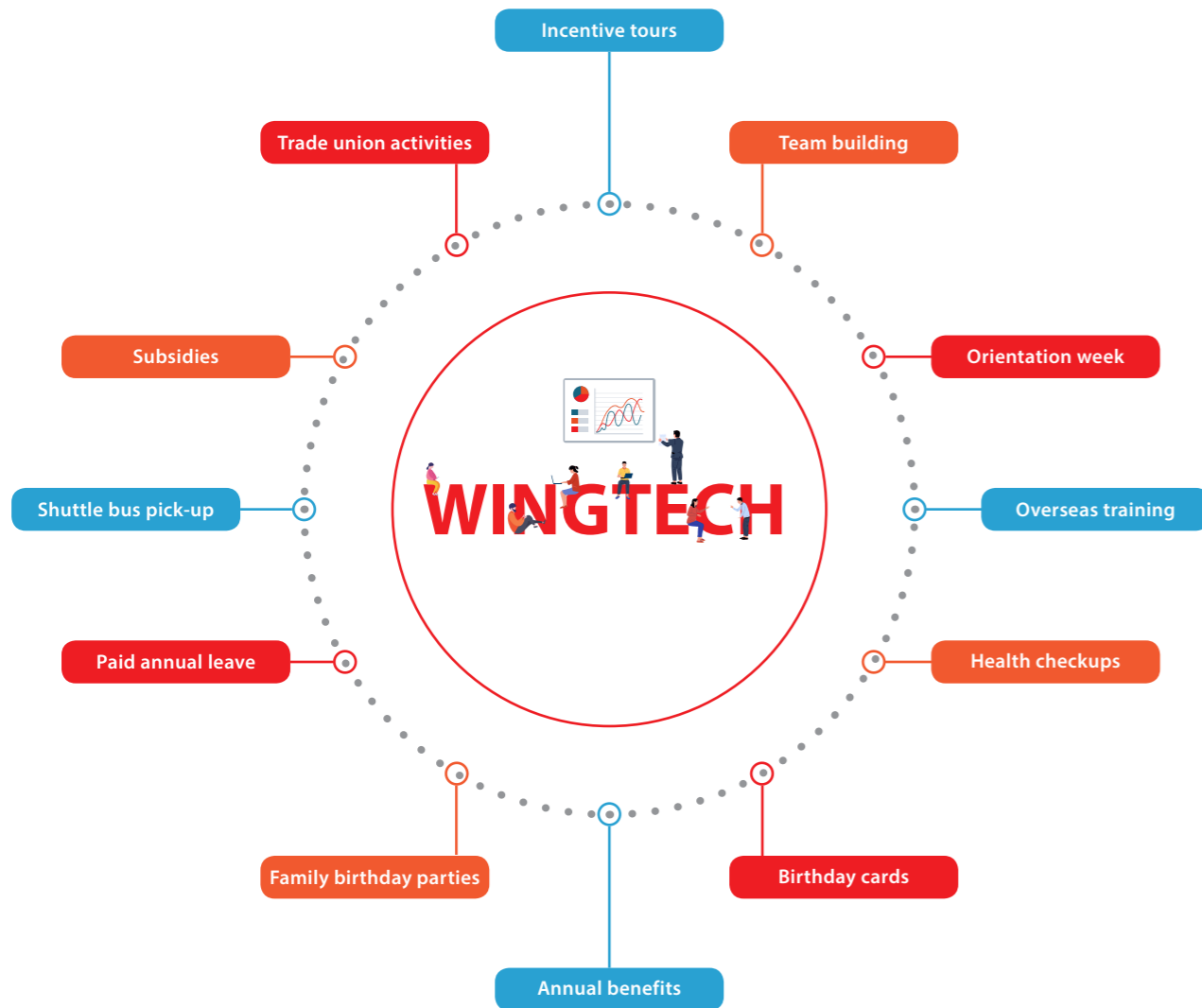
Visit and greetings to staff on duty during Spring Festival



Staff birthday party

Employee Interactions

We advocate humanized management and encourage employees to participate in various cultural, sports, and team development activities to achieve a balance between work and life. We have established associations for running, badminton, basketball, swimming and other sports, and held various featured cultural activities to enrich employees' lives, enhance their cohesion and sense of belonging, and create a fine image of a "loving and warm" employer.



Sports



Fitness running



Football game



Badminton match



Basketball league

Badminton match

In October 2021, the Company held the Group's First Badminton Match in Shanghai, Shenzhen, Xi 'an, Jiaxing and Wuxi. On the field, the players stuck together and fought hard, fully showing the strong will and spirit of Wingtech people for the common goal.



Badminton match of the Group

Special activities

Dragon Boat Festival celebration

On the occasion of the Dragon Boat Festival, Wingtech launched celebration activities in many places to thank employees for their enthusiasm and hard work, and to enhance communication among employees.



Family Open Day

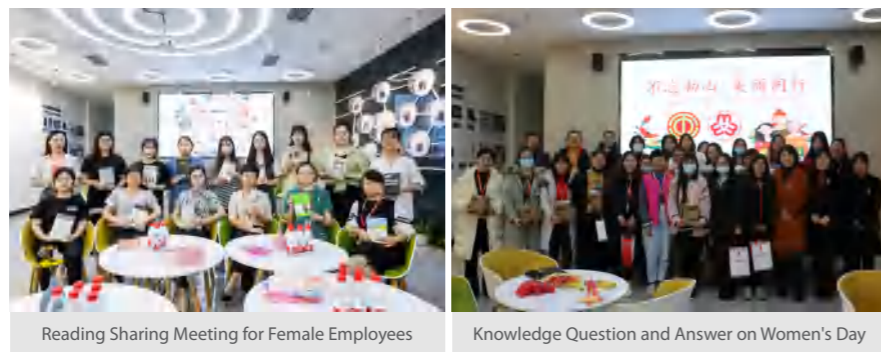
Nexperia and Wingtech Communications organized Family Open Day activities to encourage employees to interact with their children, and to let their families learn more about their work values and corporate culture.



Family Open Day activities

Women's activities

We value the physical and mental health of female employees and firmly safeguard their legitimate rights and special interests. In 2021, we launched a series of women's activities, including "Reading Sharing for Female Employees" and "Knowledge Question and Answer on Women's Day", to continuously enhance the sense of happiness and security of female employees.



Reading Sharing Meeting for Female Employees

Knowledge Question and Answer on Women's Day

Achievements and Awards

Adhering to the implementation of excellent and effective talent management and advocating the idea of diversified and integrated development, Wingtech Technology makes every effort to fulfill social responsibilities. This year, Wingtech Technology won wide recognition for excellent performance in talent recruitment and talent management, and received many awards, including "2021 Extraordinary Employer" and "Employer Excellence of China 2021".



① 2021 Extraordinary Employer

Award presented by: Liepin.com
Core dimensions: Working environment, cultural concept, training and promotion system

② Best Employer in 2022

Award presented by: Haitou.cc
Core dimensions: Corporate culture, governance and management, workplace environment and interpersonal atmosphere, training and growth, corporate responsibility, etc.

③ Employer Excellence of China 2021

Award presented by: 51job.com
Core dimensions: Human resource management level, cutting-edge technology, supply and demand dynamics of the talent market

④ 2021 Top Human Resource Management Award

Award presented by: 51job.com
Core dimensions: The practice of talent strategy, talent attraction, development, incentive, retention and care

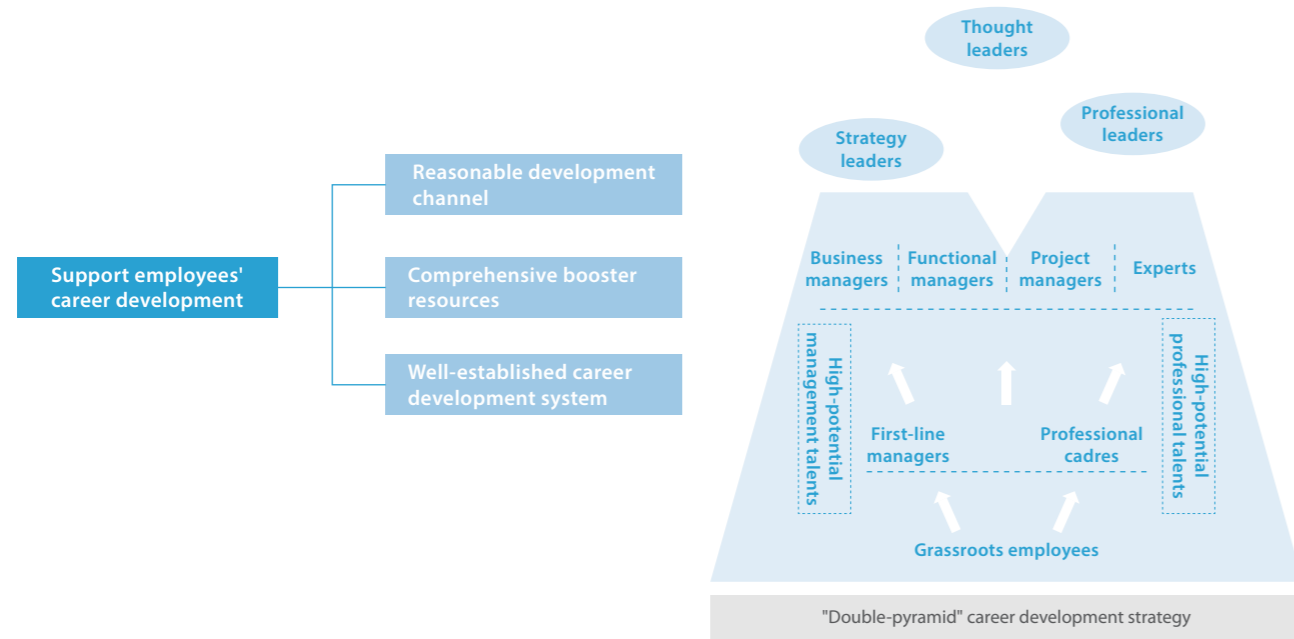
⑤ College Students' Favorite Employer in 2021

Award presented by: 51job.com
Core dimensions: Corporate culture, staff care, social responsibility, popularity among college students

Open Up Promotion Channels, Cultivate Outstanding Talents

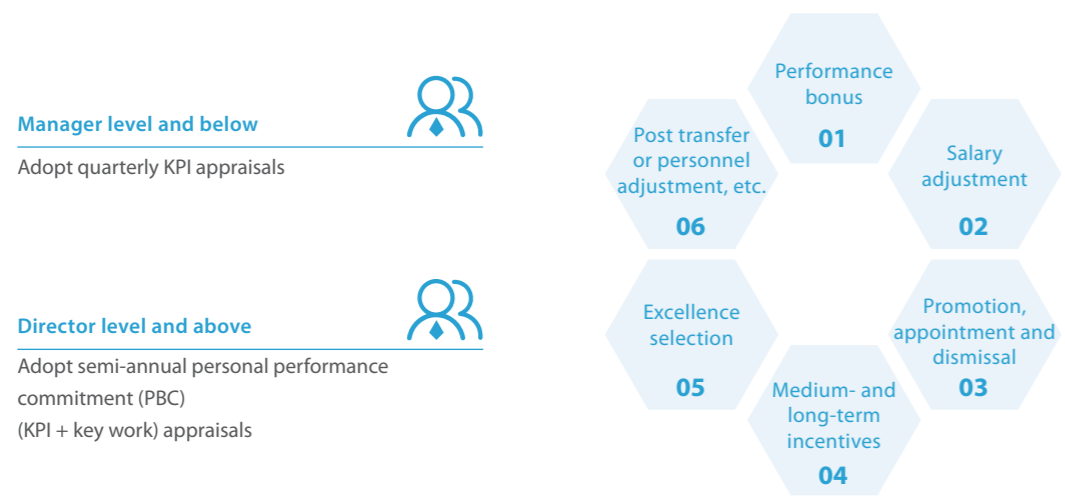
"Double-pyramid" Career Development Path

In order to meet the needs of the enterprise's rapid growth and staff career development, Wingtech Technology has introduced the "double-pyramid" position development system. The system gives consideration to both the management channel and the professional technology channel, with reference to the management practices of first-class enterprises both at home and abroad. The system covers 7 groups, 32 categories and 109 sub-categories of posts, to meet the needs of leading outstanding employees in different businesses, different regions and different fields to pursue excellence and make continuous progress, and ultimately achieve mutual benefits and win-win development between the Company and individual employees.



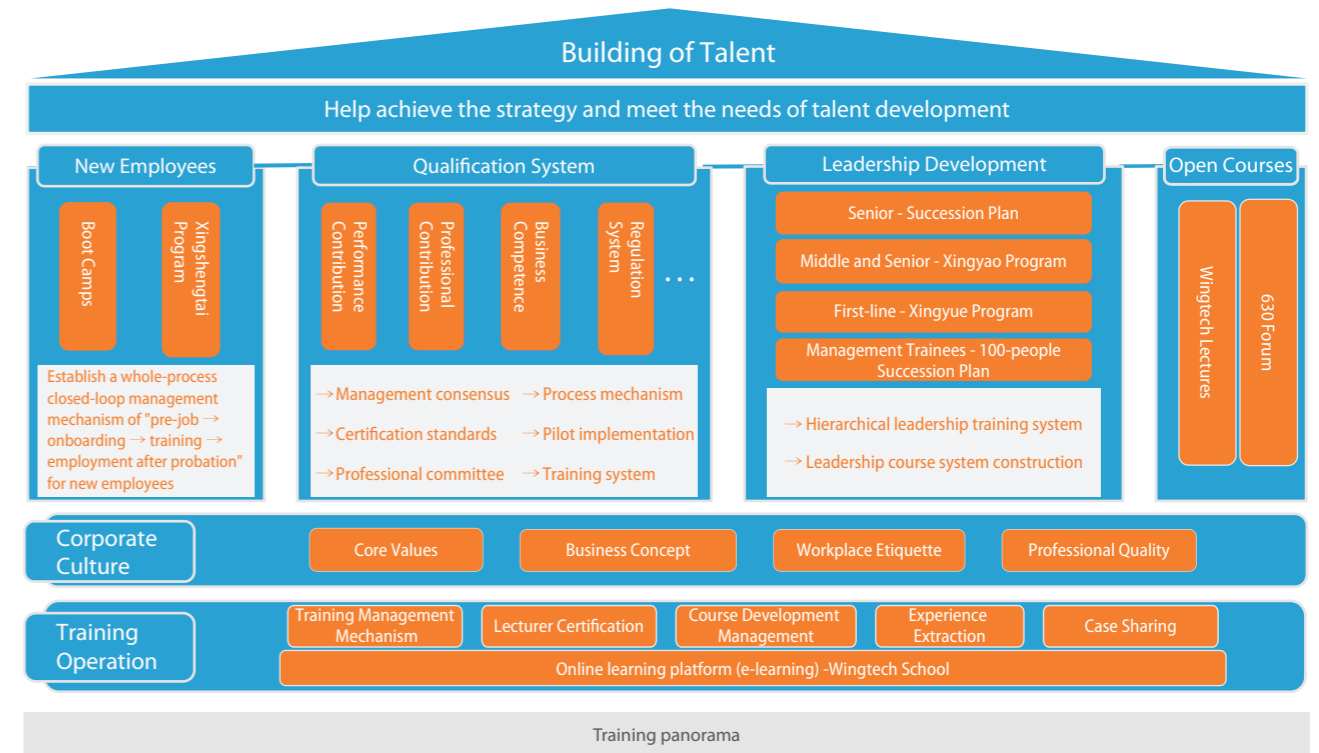
Performance Appraisal

According to job nature and business characteristics, we have divided the Company's medium and long-term goals into annual, quarterly and monthly indicators of employees. We also have established a performance appraisal and feedback mechanism, to continuously stimulate the potential of all staff, improve work efficiency, and help the Company achieve strategic goals.



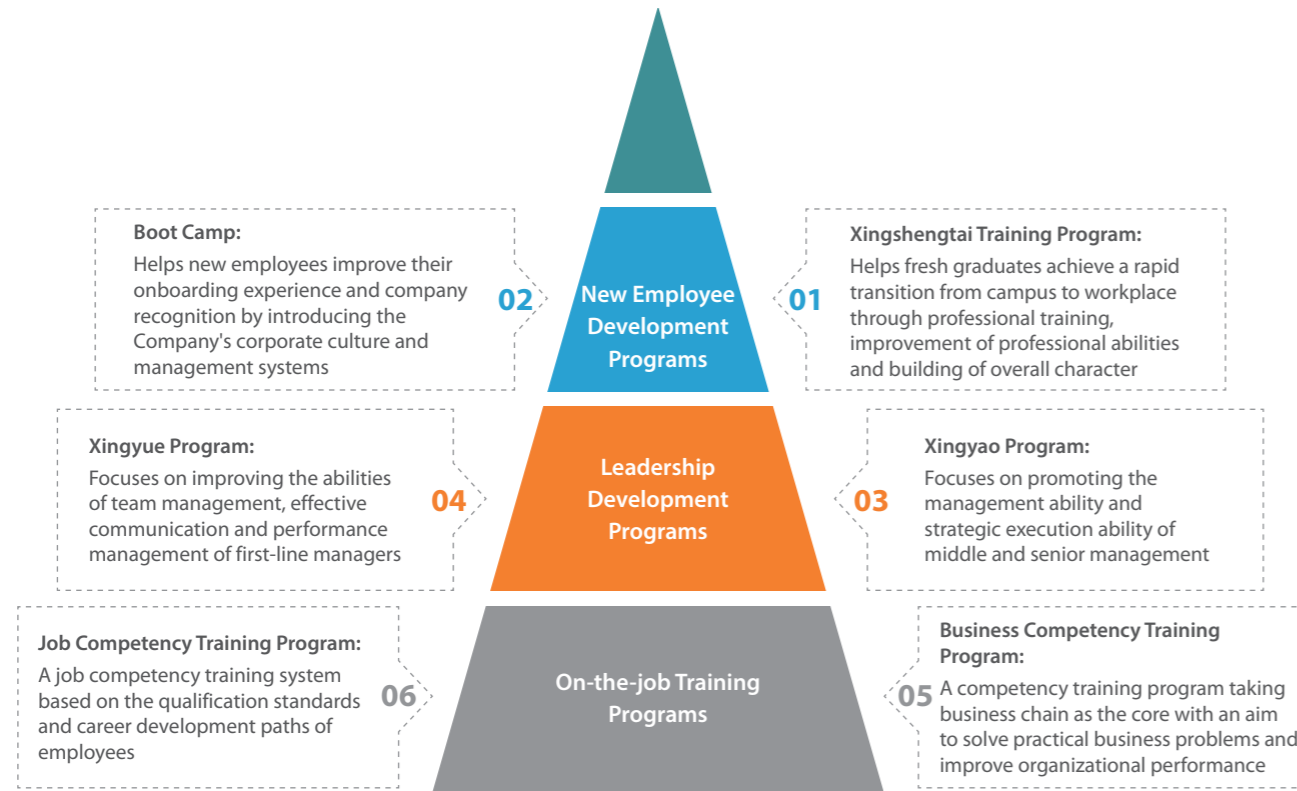
Talent Training System

Based on the people-oriented principle, Wingtech Technology continues to optimize the mechanism of "selection, employment, training and retention" of talents. We are committed to establishing a unified corporate culture, values and standards of behavior, creating a learning atmosphere for the organization, and maintaining the overall image and competitive advantage of our talents. For the purpose of implementing the corporate strategy and promoting staff development, we have designed differentiated and hierarchical training programs in the personnel training system. We are also gradually improving the content, lecturers, platforms, regulations and other aspects. Thus, we provide multi-level and multi-channel learning and development opportunities for employees, build the internal talent supply chain, and continuously enhance the competitiveness of the enterprise.



We have established clear training principles and management policies, including the Wingtech Training Management Policy and the Wingtech Grassroots Cadre Training Management Policy. At the same time, guided by strategy and business development needs, we have organized a variety of training programs. The training programs center on "leadership development", "professional strength building" and "new recruit training". We also continue to put forth new ideas, so that employees at different levels and in different fields can access corresponding training and learning opportunities.

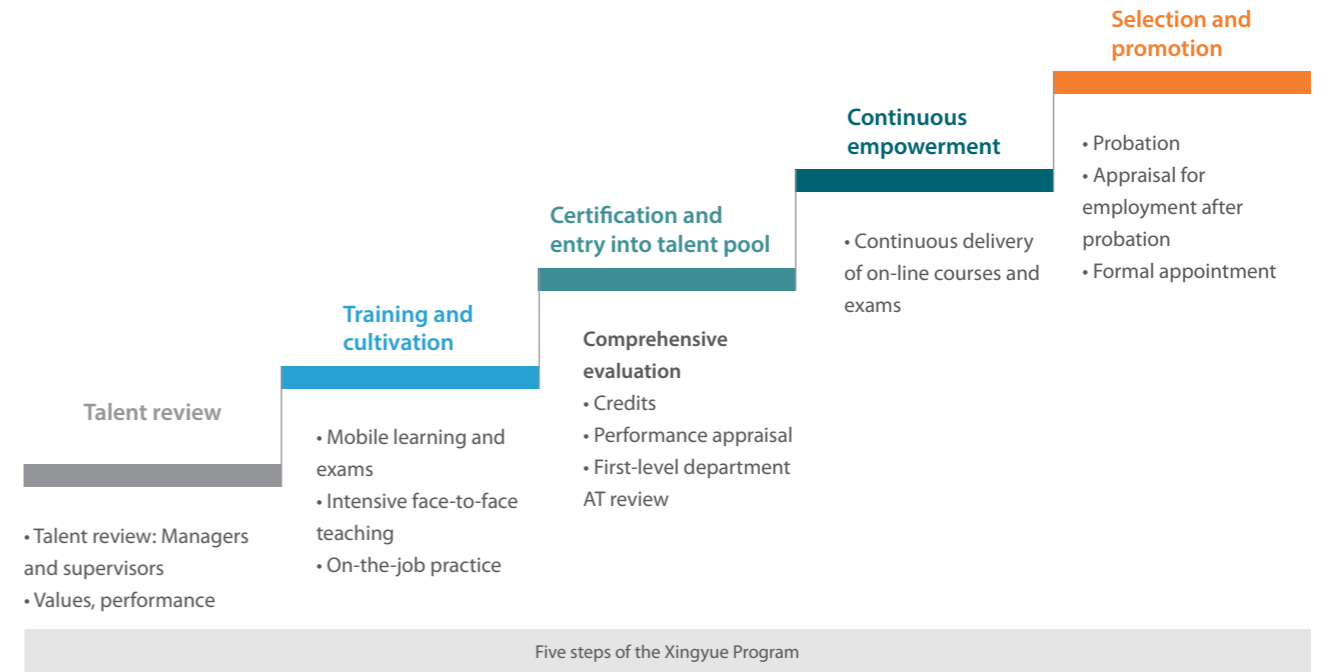




Introduction to featured programs

Grassroots leadership training program – Xingyue Program

First-line managers are the backbone of an enterprise, and the implementers of corporate strategy. Therefore, Wingtech has developed the Xingyue Program to drive the innovation and vitality of the whole Group by continuously empowering and stimulating their management capabilities and professional skills. Through the five steps of talent review - training - certification and entry into talent pool - continuous empowerment - selection and promotion, the program has greatly improved the team management ability, effective communication ability and performance management ability of first-line managers.



In 2021, we held a total of 17 Xingyue Program intensive face-to-face teaching activities, and completed the training of more than 800 first-line managers and excellent cadres. We have achieved fruitful results in the accumulation of organizational management experience, and created a positive, learning and sharing atmosphere within the organization.



• Xingshengtai Program

In order to explore high potential talents and build a solid talent base, we have launched a three-year “Xingshengtai” training program for employees from on-campus recruitment. Through “fast adaptation & professional training, ability improvement & value contribution, and rapid development & pattern breakthrough”, the program effectively enhances the sense of belonging and sense of achievement of fresh graduates.



2021 Xingshengtai Training



Implement Safety Management to Ensure the Health of Employees

Safe production is the biggest responsibility of an enterprise. We have always strictly followed relevant laws and regulations on safe production and occupational health. Additionally, we have established a management system in accordance with the highest safety standards, and obtained certification of ISO 45001 Occupational Health and Safety Management System. The Company has established a sound EHS management structure to supervise and implement the health and safety management of employees.

Occupational health and safety policy

Compliance to the law, safe production every second;
Continuous improvement, healthy production every day.

Safety First

We have earnestly implemented the Law of the People's Republic of China on Safe Production, the Law of the People's Republic of China on Prevention and Control of Occupational Diseases and other relevant laws and regulations. We have developed a number of safety management documents such as the Safety Operation Procedures and the Safety Management Policy for Special Operations, and put a responsibility chain into effect through the signing of the Safety Production Responsibility Agreement. These actions allow us to build strong safety measures across the board.

Safe production measures

Improve safety plan and operation requirements

1. Relevant parties must sign the Agreement on Safe Production Management of Outsourcing Units.
2. For special operations, the Special Operation Certificate shall be issued, and an internal audit must be completed.
3. Special equipment operators must be certified and strictly abide by the operation rules.
4. In engineering design and the operation stage, ergonomics, personnel safety and protective equipment requirements should be fully considered.
5. Formulate and improve relevant plans for preventing natural disasters, fires and sudden diseases.

Management of hazardous chemicals

1. Practitioners of hazardous chemicals must receive professional training; suppliers of hazardous chemicals must provide business licenses, MSDSs, inspection reports and other reports and certificates.
2. Establish requirements for transportation, as well as loading and unloading of hazardous chemicals. Drivers, loading and unloading management personnel and escorts must master safety knowledge on transportation of hazardous chemicals, be trained and qualified by relevant departments, and hold valid certificates to take up their posts.
3. Formulate relevant requirements and conditions for daily management, storage and distribution of hazardous chemicals.
4. Establish strict safe operation procedures for the use and disposal of hazardous chemicals.

Install protective facilities, provide protective equipment

1. Install physical protection devices, interlocks and barriers for all mechanical equipment, and perform regular maintenance.
2. Provide emergency medical supplies and emergency rescue protective equipment.
3. Distribute labor protection articles according to standard.

Carry out safe production inspections

Carry out regular safety inspections, such as monthly safety and environment inspections, fire services inspections, etc., and rectify problems in time.

Organize emergency drills

Organize and carry out internal special emergency drills, such as hazardous chemical leakage drills, poisoning and suffocation drills, etc., every year according to the Annual Drill Plan, and make sure all employees are involved.

Strengthen education on safe production

Conduct regular safety training at the first, second and third levels, fire control knowledge training and other training activities and appraise, to strengthen the awareness of safe production.

In 2021, with the active use of the Security Service Cloud Platform, the unified routing inspection service tool provided by the government department in charge of fire control, we completed the daily fire safety inspection work. We also conducted a number of special governance improvement projects. The projects were related to maintenance and management of lifting equipment, renovation of dangerous waste warehouses, noise reduction improvement of air compressor rooms, etc., which effectively enhanced our safety management level. At the same time, we carried out a series of activities for safety culture construction and education & training to further strengthen the safety awareness of employees.

Case: Safety training

In 2021, to strengthen the safety awareness of employees and promote safety culture, we actively carried out Safety Month and other safety activities. The activities included safety knowledge publicity and implementation, special safety training, a safety knowledge contest, emergency plan drills and identification of potential safety hazards.



Emergency drill



Equipment safety assessment

Case: Fire training

We attach great importance to fire safety, and hold regular fire safety seminars to clarify the main responsibilities for fire safety, and organize management to carry out identification and rectification of fire hazards. If any fire hazards are found, we will require relevant departments to make feasible rectification plans and organize rectification immediately. Meanwhile, the business sectors of the Company have conducted Fire Month and other kinds of fire training based on their own training plans. Thus, we comprehensively improve the fire safety awareness and professional skills of employees.



Fire safety training



Identification and rectification of fire hazards



Fire drill

Health Concerns

We are committed to creating a safe working environment for employees and protecting them from occupational hazards. We provide front-line employees with personal labor protection equipment, organize training on occupational health knowledge, and offer occupational health examinations for employees in positions with exposure to occupational hazards every year. In 2021, we worked to identify occupational health risk factors and the levels of potential risks, and took corrective measures in time to minimize losses.

Case: "3 + 1 Health Week"

To convey the concept of "happy work, healthy life", we held three events involving all staff in Shanghai, Xi'an and Shenzhen in one week. The events included energetic body-building exercises, running, and knowledge-sharing events, which effectively helped employees release pressure and adjust their physical and mental states.



3 + 1 Health Week event

Case: Mental health training

We not only pay attention to the occupational health of employees, but also take various measures to help them maintain a pleasant and relaxed mental state. Nexperia has launched an on-line learning platform to offer mini-courses on mental health centering on themes such as resilience, stress management, positive attitude and confidence enhancement. In addition, Nexperia also has an Employee Assistance Program (EAP) in place to ensure that every employee has access to professional and effective help and guidance when needed. Wingtech Communications offers regular courses on stress and emotion management for employees, and has been designated as a Demonstration Site for Staff Mental Health Services in Jiaxing by the Jiaxing Federation of Trade Unions.



Course on stress and emotion management of Wingtech Communications



Jiaxing Factory of Wingtech Communications is designated as a Demonstration Site for Staff Mental Health Services in Jiaxing



07

Practice Public Welfare Activities to Contribute to Society

With the mission of "contributing to society while realizing enterprise value", Wingtech Technology actively participates in various social welfare activities and gives positive social feedback.



The Company has carried out a series of voluntary activities and social assistance activities, such as blood donation, visits to the elderly, etc. We have also actively supported education and sports activities to promote the sustainable development of communities. In 2021, the Group donated a total of approximately RMB 916,743.0 to the public. We have also won a number of awards and honorary titles, which fully demonstrates the Group's commitment to social responsibility.



Gold Award of Jiaying Red Cross Philanthropic Meritorious Service Award



The title of "Enterprise Caring for the Disabled" granted by the Wuxi Xinwu District Federation of the Disabled

Volunteer service

In 2021, we played an active part in activities such as caring for children, visits to the elderly, blood donation and community donation, to carry forward the positive energy of Wingtech Technology with practical actions.

Case: Caring for children

In July 2021, Nexperia started an e-waste recycling campaign and donated the earnings of EUR 4,000 (equivalent to RMB 28,344) to the children's organization Freundeskreis Die Arche Hamburg e.V., to support socially disadvantaged children and adolescents in Germany.

Nexperia also launched a volunteering program that assigns 1,000 hours per year to allow employees to provide volunteer services for selected charities or community projects during working hours. In December 2021, Nexperia's employees participated in the Christmas Charity Activity, giving Christmas gifts to children up to the age of 14 from poor families to let them feel the festive atmosphere.



Case: Charitable contribution

In 2021, Wingtech Communications established a directed enterprise-named fund in joint efforts with the Jiaying Nanhu District Charity Federation to donate RMB 500,000 to the Nanhu District Charity Federation every year for three consecutive years since this year, to support the development of charity in the Nanhu District of Jiaying City. In addition, we participated in the "Nest Warming Action" in Nanhu District and donated RMB 60,000 to 12 families in need in Daqiao Town, Nanhu District.

RMB **500,000**



Donation ceremony of "Nest Warming Action"



Elderly care visit



Voluntary blood donation



Charitable donation to Jingning County by teenagers from Jiaying City



Donation of electric appliances to a home-based care center for the elderly

Social relief

The Group supports our communities through practical actions and helps people in need. In January 2021, floods in Negeri Sembilan, Malaysia, caused significant economic losses in many areas. Nexperia donated an amount of MYR 10,000 (equivalent to RMB 15,084) and ten laptops to the affected people in Negeri Sembilan to help ease the financial burden of the affected families and help rebuild their homes. In addition, Nexperia managed to raise MYR 22,020 (equivalent to RMB 33,215) through a donation to support our staff affected by the flash floods.



Donation ceremony for the floods in Negeri Sembilan



Support for education

Wingtech Technology believes that education is one of the biggest drivers of sustainable development. By carrying out various educational activities, the Company is committed to helping more children get equal educational opportunities and realize their ideals and values. In April 2021, Nexperia's staff introduced the main responsibilities of engineers and the technical principles of daily electric appliances to more than 30 children through the online platform. In July 2021, Nexperia launched workshops in schools across Wales to encourage students to study science, technology, engineering and mathematics. In addition, Nexperia also donated ten laptops to schools in Negeri Sembilan, Malaysia, to help students achieve distance learning, and bought learning materials for more than 350 Afghan refugee children in the Netherlands to create better learning conditions for them.



Donation of laptops to Negeri Sembilan, Malaysia

In September of the same year, Wingtech Communications participated in the "Knowledge-enriching Program" and donated RMB 1,000,000 as a grant to Luquan County of Kunming city, to provide funding for the improvement of infrastructure in poor schools and the schooling conditions of children in need in Luquan County.

RMB **1,000,000**



Donation ceremony of the Knowledge-enriching Program

Support for sports

In 2021, Wingtech Technology continued to promote the spirit of sports and advocate a green and healthy life by sponsoring and participating in sports activities such as marathons.



Appendix. GRI STANDARDS INDEX

GRI Standards	Disclosure Title	Section(s)
Organizational profile	102-1 Name of the organization	Group Profile
	102-2 Activities, brands, products, and services	Group Profile
	102-3 Location of headquarters	/
	102-4 Location of operations	Global Layout
	102-5 Ownership and legal form	Please refer to our annual report
	102-6 Markets served	Group Profile
	102-7 Scale of the organization	Operating Condition
	102-8 Information on employees and other workers	Protect Employees' Rights and Interests and Create a Blissful Workplace
	102-9 Supply chain	Standardize Procurement Management and Improve Supply Quality
	102-10 Significant changes to the organization and its supply chain	Please refer to our annual report
	102-11 Precautionary Principle or approach	/
	102-12 External initiatives	Response to United Nations Sustainable Development Goals Advocate Energy Conservation and Carbon Reduction and Combat Climate Change
	102-13 Membership of associations	Sustainable Development Strategy and Management
Strategy	102-14 Statement from senior decision-maker	Chairman's Message
	102-15 Key impacts, risks, and opportunities	Advocate Energy Conservation and Carbon Reduction and Combat Climate Change
Ethics and integrity	102-16 Values, principles, standards, and norms of behavior	Group Profile Sustainable Development Strategy and Management Practice Business Ethics
	102-17 Mechanisms for advice and concerns about ethics	Practice Business Ethics
Governance	102-18 Governance structure	Sustainable Development Strategy and Management
	102-19 Delegating authority	/
	102-20 Executive-level responsibility for economic, environmental, and social topics	/
	102-21 Consulting stakeholders on economic, environmental and social topics	Stakeholder Communication
	102-22 Composition of the highest governance body and its committees	Please refer to our annual report
	102-23 Chair of the highest governance body	Please refer to our annual report
	102-24 Nominating and selecting the highest governance body	Please refer to our annual report
	102-25 Conflicts of interest	Please refer to our annual report
	102-26 Role of highest governance body in setting purpose, values, and strategy	/
	102-27 Collective knowledge of highest governance body	/

GRI Standards	Disclosure Title	Section(s)
Governance	102-28 Evaluating the highest governance body's performance	Please refer to our annual report
	102-29 Identifying and managing economic, environmental, and social impacts	Stakeholder Communication
	102-30 Effectiveness of risk management processes	Please refer to our annual report
	102-31 Review of economic, environmental, and social topics	Materiality Assessment
	102-32 Highest governance body's role in sustainability reporting	/
	102-33 Communicating critical concerns	Stakeholder Communication
	102-34 Nature and total number of critical concerns	Materiality Assessment
	102-35 Remuneration policies	Please refer to our annual report
	102-36 Process for determining remuneration	/
	102-37 Stakeholders' involvement in remuneration	/
	102-38 Annual total compensation ratio	/
	102-39 Percentage increase in annual total compensation ratio	/
	Stakeholder engagement	102-40 List of stakeholder groups
102-41 Collective bargaining agreements		Protect Employees' Rights and Interests and Create a Blissful Workplace
102-42 Identifying and selecting stakeholders		Stakeholder Communication
102-43 Approach to stakeholder engagement		Stakeholder Communication
102-44 Key topics and concerns raised		Stakeholder Communication
Reporting practice	102-45 Entities included in the consolidated financial statements	About This Report
	102-46 Defining report content and topic boundaries	About This Report
	102-47 List of material topics	Materiality Assessment
	102-48 Restatements of information	No significant changes
	102-49 Changes in reporting	No significant changes
	102-50 Reporting Period	About This Report
	102-51 Date of most recent report	/
	102-52 Reporting cycle	About This Report
	102-53 Contact point for questions regarding the report	About This Report
	102-54 Claims of reporting in accordance with the GRI Standards	About This Report
Management Approach	102-55 GRI content index	Appendix. GRI STANDARDS INDEX
	102-56 External assurance	/
	103-1 Explanation of the material topic and its boundary	Materiality Assessment
	103-2 The management approach and its components	Materiality Assessment
	103-3 Evaluation of the management approach	Materiality Assessment

GRI Standards	Disclosure Title	Section(s)
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	Operating Condition
	201-2 Financial implications and other risks and opportunities due to climate change	Advocate Energy Conservation and Carbon Reduction and Combat Climate Change
	201-3 Defined benefit plan obligations and other retirement plans	/
	201-4 Financial assistance received from government	/
GRI 202: Market Presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	/
	202-2 Proportion of senior management hired from the local community	/
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported	Practice Public Welfare Activities to Contribute to Society
	203-2 Significant indirect economic impacts	Practice Public Welfare Activities to Contribute to Society
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	/
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	Practice Business Ethics
	205-2 Communication and training about anti-corruption policies and procedures	Practice Business Ethics
	205-3 Confirmed incidents of corruption and actions taken	Practice Business Ethics
GRI 206: Anti- competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	/
GRI 207: Tax	207-1 Approach to tax	/
	207-2 Tax governance, control, and risk management	/
	207-3 Stakeholder engagement and management of concerns related to tax	/
	207-4 Country-by-country reporting	/
GRI 301: Materials	301-1 Materials used by weight or volume	/
	301-2 Recycled input materials used	/
	301-3 Reclaimed products and their packaging materials	/
GRI 302: Energy	302-1 Energy consumption within the organization	Advocate Energy Conservation and Carbon Reduction and Combat Climate Change
	302-2 Energy consumption outside of the organization	/
	302-3 Energy intensity	Advocate Energy Conservation and Carbon Reduction and Combat Climate Change
	302-4 Reduction of energy consumption	Advocate Energy Conservation and Carbon Reduction and Combat Climate Change
	302-5 Reductions in energy requirements of products and services	Advocate Energy Conservation and Carbon Reduction and Combat Climate Change

GRI Standards	Disclosure Title	Section(s)
GRI 303: Water	303-1 Interactions with water as a shared resource	Strengthen Resource Management and Fulfill Environmental Protection Responsibilities
	303-2 Management of water discharge-related impacts	No such water source
	303-3 Water withdrawal	Strengthen Resource Management and Fulfill Environmental Protection Responsibilities
	303-4 Water discharge	Strengthen Resource Management and Fulfill Environmental Protection Responsibilities
	303-5 Water consumption	Strengthen Resource Management and Fulfill Environmental Protection Responsibilities
GRI 304: Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable
	304-2 Significant impacts of activities, products, and services on biodiversity	Not applicable
	304-3 Habitats protected or restored	Not applicable
	304-4 IUCN Red List species and national conservation list Species with habitats in areas affected by operations	Not applicable
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Advocate Energy Conservation and Carbon Reduction and Combat Climate Change
	305-2 Energy indirect (Scope 2) GHG emissions	Advocate Energy Conservation and Carbon Reduction and Combat Climate Change
	305-3 Other indirect (Scope 3) GHG emissions	/
	305-4 GHG emissions intensity	Advocate Energy Conservation and Carbon Reduction and Combat Climate Change
	305-5 Reduction of GHG emissions	Advocate Energy Conservation and Carbon Reduction and Combat Climate Change
	305-6 Emissions of ozone-depleting substances (ODS)	/
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Adhere to Compliant Emission and Strengthen Risk Management
GRI 306: Effluents and Waste:	306-1 Water discharge by quality and destination	Strengthen Resource Management and Fulfill Environmental Protection Responsibilities
	306-2 Waste by type and disposal method	Adhere to Compliant Emission and Strengthen Risk Management
	306-3 Significant spills	No major leakage incidents
	306-4 Transport of hazardous waste	Adhere to Compliant Emission and Strengthen Risk Management
	306-5 Water bodies affected by water discharges and/or runoff	No such affected water bodies
GRI 307: Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	/
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	Guarantee Product Quality and Strictly Control Hazardous Substances Strictly Control Risks and Build a Sustainable Supply Chain
	308-2 Negative environmental impacts in the supply chain and action taken	Guarantee Product Quality and Strictly Control Hazardous Substances Strictly Control Risks and Build a Sustainable Supply Chain

GRI Standards	Disclosure Title	Section(s)
GRI 401: Employment	401-1 New employee hires and employee turnover	/
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Protect Employees' Rights and Interests and Create a Blissful Workplace
	401-3 Parental leave	/
GRI 402: Labor/ Management Relations	402-1 Minimum notice periods regarding operational changes	Strictly comply with relevant laws and regulations in each country/region regulations
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	Implement Safety Management to Ensure the Health of Employees
	403-2 Hazard identification, risk assessment, and incident investigation	Implement Safety Management to Ensure the Health of Employees
	403-3 Occupational health services	Not applicable
	403-4 Worker participation, consultation, and communication on occupational health and safety	/
	403-5 Worker training on occupational health and safety	Implement Safety Management to Ensure the Health of Employees
	403-6 Promotion of worker health	Implement Safety Management to Ensure the Health of Employees
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Implement Safety Management to Ensure the Health of Employees
	403-8 Workers covered by an occupational health and safety management system	Implement Safety Management to Ensure the Health of Employees
	403-9 Work-related injuries	Implement Safety Management to Ensure the Health of Employees
	403-10 Work-related ill health	Implement Safety Management to Ensure the Health of Employees
GRI 404: Training and Education	404-1 Average hours of training per year per employee	Open Up Promotion Channels, Cultivate Outstanding Talents
	404-2 Programs for upgrading employee skills and transition assistance programs	Open Up Promotion Channels, Cultivate Outstanding Talents
	404-3 Percentage of employees receiving regular performance and career development reviews	Protect Employees' Rights and Interests and Create a Blissful Workplace
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Protect Employees' Rights and Interests and Create a Blissful Workplace
	405-2 Ratio of basic salary and remuneration of women to men	/
GRI 406: Non- discrimination	406-1 Incidents of discrimination and corrective actions taken	Protect Employees' Rights and Interests and Create a Blissful Workplace
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Protect Employees' Rights and Interests and Create a Blissful Workplace
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	Protect Employees' Rights and Interests and Create a Blissful Workplace

GRI Standards	Disclosure Title	Section(s)
GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Protect Employees' Rights and Interests and Create a Blissful Workplace
GRI 410: Security Practices	410-1 Security personnel trained in human rights policies or procedures	Not applicable
GRI 411: Rights of Indigenous Peoples	411-1 Incidents of violations involving rights of indigenous peoples	Not applicable
GRI 412: Human Rights Assessment	412-1 Operations that have been subject to human rights reviews or impact assessments	Protect Employees' Rights and Interests and Create a Blissful Workplace
	412-2 Employee training on human rights policies or procedures	Protect Employees' Rights and Interests and Create a Blissful Workplace
	412-3 Significant investment agreements and contracts that	Protect Employees' Rights and Interests and Create a Blissful Workplace
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	/
	413-2 Operations with significant actual and potential negative impacts on local communities	No such operation points
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	Strictly Control Risks and Build a Sustainable Supply Chain
	414-2 Negative social impacts in the supply chain and actions taken	Strictly Control Risks and Build a Sustainable Supply Chain Control Conflict Minerals and Fulfill Social Responsibilities
GRI 415: Public Policy	415-1 Political contributions	Not applicable
GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	Guarantee Product Quality and Strictly Control Hazardous Substances
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	/
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	Guarantee Product Quality and Strictly Control Hazardous Substances
	417-2 Incidents of non-compliance concerning product and service information and labeling	/
	417-3 Incidents of non-compliance concerning marketing communications	/
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Improve Safety Control and Protect Clients' Privacy
GRI 419: Socioeconomic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	/