2020 CORPORATE SOCIAL RESPONSIBILITY REPORT

ChipMOS 南茂科技

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About Our Reporting

102-1, 102-10, 102-45,102-48~102-54, 102-56

Welcome to the 2020 Corporate Social Responsibility Report (hereinafter "CSR Report" or "the Report) of ChipMOS TECHNOLOGIES Inc. (hereinafter "ChipMOS" or "the Company"). This is the 7th Report that ChipMOS has published, and attempts to describe ChipMOS's management practices, results, and performances in terms of economic, environmental a nd social aspects, and continues to demonstrate ChipMOS's commitment and determination to achieve sustainable development to all stakeholders.

Reporting Period

The information disclosed in this Report encompasses ChipMOS's sustainable business implementation results and performances from January 1, 2020 to December 31, 2020. ChipMOS regularly publishes the CSR Report in each year.

- Current issue: Published in June 2021
- Previous issue: Published in June 2020
- Following issue: Planned to be released in June 2022

Reporting Boundaries and Scope

The reporting boundaries of ChipMOS's consolidated financial statements include (1) ChipMOS; (2) 100% owned subsidiary ChipMOS U.S.A., Inc., (3) 100% owned subsidiary ChipMOS TECHNOLOGIES (BVI) LTD; and (4) 100% indirectly owned subsidiary ChipMOS TECHNOLOGIES (Shanghai) LTD. The reporting boundaries of this Report is mostly focused on ChipMOS and subsidiaries ChipMOS U.S.A., Inc., ChipMOS TECHNOLOGIES (BVI) LTD, and ChipMOS TECHNOLOGIES (Shanghai) LTD. are excluded from this Report. All sites mentioned in this Report include all ChipMOS operations in Taiwan, in which Tainan fab. also includes operations from Tainan fab. 2. Any adjustments to the data reporting scope will be described in the Report accordingly. Additionally, there has been no restatement from the information found in previous Reports, and compared with previous reporting periods, there has been no material change to the current material topics or reporting boundaries.

Reporting Principles

The Report has been prepared in accordance with the Sustainability Reporting Initiative's Global Reporting Initiative (GRI) Standards: Core Option, and the GRI Standards Content Index can be found in Appendix 1.

External Assurance

Reporting Quality

To ensure the quality of information disclosure, the Report has been verified by BSI Taiwan to meet high assurance level for GRI Standard Core Option and AA1000 AS vs Type 2, and a Statement of Assurance has been provided in the Appendix 3.

Financial Data

All financial data disclosed in the Report are based on the consolidated financial reports audited and certified by PwC Taiwan according to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRSs) approved by the Financial Supervisory Commission, R.O.C.

International Standard Management System

To enhance the reliability of the reporting quality, all relevant data in 2020 found in the Report have been verified by an objective third-party institution, and certifications for international standard management systems including ISO 9001, IATF 16949, ISO 26262, and ISO 50001 have been achieved. All fabs that have achieved third-party-verified international standardized systems have been included in the Appendix 4, and all data concerning estimates are described in notes to their respective chapters.

Contact Information and Feedback

ChipMOS sincerely hopes to receive continued guidance and support from everyone, and we will continue to fulfill our commitment to sustainable development for all readers. To protect the environment and reduce paper consumption, the Report will be announced on the Company's website in PDF format, and available for query and download for all readers and stakeholders. Thank you very much for your valuable comments and feedback.

CSR Committee, ChipMOS TECHNOLOGIES INC.

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Message from the Chairman

102-14

As COVID-19 raged on in 2020, ChipMOS' priority is to maintain business continuity and protect the safety and health of all employees and stakeholders. Therefore, we set up the most rigorous epidemic prevention measures based on the announcements from Taiwan Centers for Disease Control (CDC). Meanwhile, we have been enhanced to strengthen the Company's long-term operational resilience to facing more challenges in the future.

With the effects of the pandemic, the global economy has experienced transitions and there has been a dramatic increase in the market demand for remote working, the Internet of Things (IoT), and contactless technologies. ChipMOS actively grasps opportunities and focus on developing niche markets, thereby making a profit against all adversities in 2020 and revenue was the record high since 2008! ChipMOS continues to focus on digital transformation and actively introduces automation and smart factory. Because of pandemic, we have accelerated the execution of digitization plans to achieve comprehensive intelligentization in equipment, processes, and management.

Operational Resilience - Corporate Governance

Corporate governance is an important foundation forsustainable business development. We strive to improve corporate governance by implementing Board diversification, setting Corporate Governance Officer to assist the Board, formulating performance targets to strengthen the Board's operating effectiveness and evaluating the Board's performance. By keeping enhancing corporate governance, we can build solid foundations for ChipMOS development.

Operational Resilience - Risk Management

ChipMOS focuses on risk management and creates risk control strategies included economic, governance, information security, environmental, and supply chain risk aspects to respond to various situations. Nowadays, the world is plagued by climate change, pandemic, and cyberattacks, thus we further strengthen risk management through enhancing business continuity management, such as executing simulation exercises, and digital development applications and more to ensure that damages can be kept to be minimum.

Operational Resilience - Organizational Rejuvenation

Human capital is the most important cornerstone of sustainable development. Under providing friendly workplace, competitive compensation and benefits and talent development, we also strive to provide more career opportunities for employees through job rotation by incentive programs. In 2019, we initiated key talent development program to understand their potentials to facilitate the internal flow of talents to place the right people at the right positions. It's not only rejuvenating the organization but also keeping talent in the company.

While facing challenges, ChipMOS is constantly dedicated to sustainable responsibilities. We continue to care for disadvantaged and are friendly to the environment, and also help local industries during the pandemic. Sustainable development is one of our core strategies, and we will continue to uphold our missions in "Integrity, Environmental Friendliness, and Care for the Disadvantaged" and co-create a sustainable future with all stakeholders.

Chairman 鄭世杰

Special Report 01

NT$60 Million Epidemic Prevention Funds to Stabilize Operations and Safeguard Employee Health Revitalizing Local Industries to Overcome Hard Times

When COVID-19 began to rage throughout the world at the beginning of 2020, ChipMOS immediately began pre-emptive epidemic preventions while assisting in the revitalization of local industries throughout Taiwan to overcome these challenging times.

Highest-Ranking Command Center Epidemic Prevention Team

Mission

- Safeguard the health of employees and stakeholders
- Business Continuity: ✓ Implement epidemic prevention ✓ Operations planning and simulation in case the pandemic situation becomes more severe

Comprehensive Epidemic Prevention

Professional Medical Consultancy

- Professional physicians from Hsinchu MacKay Memorial Hospital and Chi Mei Medical Center are invted to serve as ChipMOS's consultants
- Thorough inspection throughout all sites

Rolling Adjustment Plan

- Screening mechanism for high-risk employees
- Provide a screening program for suppliers who need to access the company
- Establish alternate work arrangements for employees lived in hot zone

Total Preventive Measures

Epidemic Prevention Equipment is Immediately Purchased and Spatial Planning is Conducted to Prevent Cross-contamination

- 9 Infrared Temperature Sensors are set up and forehead and ear thermometers are prepared to monitor employees' body temperatures
- 17 container houses are set up for sales meetings and more
- 17 automatic sterilization units are set up
- Epidemic prevention partitions are set up at cafeterias and walkways to prevent clustering and cross-contamination
- Epidemic prevention and health management smartphone app is used for real-time monitoring on employees' physical conditions and contact history

Well-rounded Care

Explicit Preparation and Response Measures and Timing

Six major epidemic prevention measures will be implemented in five aspects based on the severity of the pandemic

- Five aspects: food, housing, transportation, recreation, work
- Six major response measures: Epidemic prevention meetings, quarantine, protection, epidemic prevention research, access control, and business continuity

Unrestricted Operations

Solid Planning and Digital Applications

- Draw up emergency backup programs for workplace environment and machinery and equipment
- Introduce remote connection to enable remote working
- Introduce smartphone and PC instant messaging platforms to achieve real-time communications and video conferences with customers and suppliers

Explanation Definition of High Risk : Group living employees or the work will be in contact with unspecified people inside or outside the company

Epidemic Prevention in All Aspects

Level of Epidemic Response Measures	Level 4	Level 3	Level 2	Level 1
Epidemic Prevention Meetings	Frequency of Meeting			
Quarantine Measures	Epidemic Prevention Preparation	Enhance Level of Preparation	• Reducing Impacts on Operations • Alternate Work Arrangements	Ensure Basic Business Continuity
Protection Measures	Personal Protection	Group Dining Protection	• Enhance Level of Protection (Reinforcing Disinfection) • Introduce Automatic Sterilization Units in All Fabs	
Access Control	Prohibit Non-crucial Visitors (Reduce Number of People Entering The Fabs)		• Set Quarantine Areas Outside of the Fabs • Monitor Crucial Visitors	Prohibit All Visitors
Epidemic Prevention Research	• Research on Personal Overseas Travel History • Health Monitoring > 37.5 Degrees • QRcode Registration	• Research on Personal Overseas Travel Plan • Research on Public Transportation History	• Monitor Employees with Domestic Business Travel History • Monitor the record of employees to the hot zone	Research on Personal Domestic Travel History
Business Continuity Measures	• 1. Sales, Procurement and Material Management will Keep in Touch with the Customers and Report the Status Regularly • 2. In Case of Special Condtions, the Business Continuity Plan will be Activated according to the Impact of the Halting Operations			

Food | Housing | Transportation | Recreation | Office work

Build Comprehensive Epidemic Prevention Measures and Support Taiwanese Industries

Internal **External**

Employee Protective Measures

- Regular disinfection of and placing hand sanitizers at common areas, elevators and restrooms
- All employees are required to wear face masks at work, and reimbursements for mask purchase are allocated
- Nursing staff at the Company advocated correct epidemic prevention methods to employees
- Increased the number of rented dormitories for foreign workers to reduce clustering and the risk of infection
- 2021/6 Because of rising epidemic, 17 automated disinfection units were installed at the entrances and exits to ensure a safe working environment for employees.
- Rolling adjustment to start the screening program for high-risk employees in response to the rising epidemic

Protective Measures for External Stakeholders

- Set up 17 container houses as temporary meeting venues
- Planned fixed routes within the fabs
- Required everyone to wear masks, take body temperatures, and record physical conditions and contact history online
- When the epidemic is serious, ChipMOS will pay for the necessary screening programs for suppliers/customers to enter the company.

Epidemic Prevention and Industry Revitalization

Benefited 2 local companies in Taiwan

Investments totaled NT$4,878,734

- Collaborated with local ceramics workshop to help traditional Taiwanese industry suffering from the pandemic
- Selected epidemic prevention products produced by local manufacturer to revitalize local industry (For more details, please refer to section of Social Engagement)
- Donation of 2 police patrol vehicles to help prevent epidemics for frontline police officers in 2021
- In 2021, we donated $1 million to the Hsinchu County government to purchase the necessary anti-epidemic supplies for home care workers

Strengthening Long-term Resilience

Long-term Strategic Planning

- Digital transformation
- Continue to focus on the niche market and smart mobile devices

Risk Management

- Comprehensive review of the breadth and depth of risk management; the level of risk management will be increased during severe disasters and other current issues
- Strengthen execution of business continuity management such as simulation drills and backup measures etc.

Corporate Governance

Strengthen the functions of the Board of Directors

- Set up Corporate Governance Officer to assist in the functions of the Board of Directors
- Conduct performance evaluation of the Board of irectors

Organizational Rejuvenation

- Encourage employees' internal transfer through incentive system
- Promote high-performing employees through a transparent promotional system
- Continue to implement key talent development plan

Special Report 02

ChipMOS Actively Cooperates with the Government's Water-saving Policy in Response to Drought

ChipMos cooperates with government policy and develops short-term response measure and long-term water resource management practices

Government's enterprise water-saving policy

Water inflow will be regulated for those who did not meet the water-saving ratio based on water consumption volume in August 2020

✓ Reduced water supply ratio has been implemented at Hsinchu, Miaoli, and Taichung since February 25, 2021, and the aforesaid ratio has been increased from 7% to 11%

ChipMOS plants affected by the reduced water supply
fabs in northern Taiwan

Major areas of consumption
air conditioning and residential water use

Evaluation
No observed effects in the short-term

✓ 7% water supply reduction will be implemented for industrial users at the Chiayi-Tainan Plain starting from February 25, 2021

ChipMOS plants affected by the reduced water supply
fabs in northern Taiwan

Major areas of consumption
air conditioning and residential water use

Evaluation
No observed effects in the short-term

Short-term Response Measures

- Understand tap water storage and initiate tiered response measures accordingly
- Collective water-saving efforts from all plants across regions and purpose of water consumption
- Practices
  * Decrease opening of water pipes for washing/cleaning by half
  * Adjust temperature of outflowing water from cooled chillers
  * Increase concentration multiple of cooling tower based on water storage conditions
- Self-initiated water savings at Tainan fab. has been maintained at 7% since October 2020
- Company-wide daily water saving is approximately 70CMD, with a 1.5% water-saving ratio

Long-term Response Measures

- Introduced new 2700CMD water recycling device in the third quarter (Q3) of 2020; device is expected to generate 837.2 megaliterss of water annually
- Cumulative water recycling over 13 years is equivalent to saving nearly 3,629 international swimming pools
- Continue to observe productivity and evaluate the possibility of adding relevant equipment

Special Report 03

Strengthening Information Security Protection Network to Achieve Early Prevention

Cyberattacks frequently occur throughout the world. In particular, ransomware attacks are cyberattacks that attempt to receive ransom through data-oriented attacks, leading to ineffective systems and affected company operations. ChipMOS prevents or minimizes the level of such impacts through adopting proactive preventive and control measures to ensure that organizational operations could be maintained, while business activities could also be rapidly recovered.

Invest in Information Security Equipment and Upgrade Software/Hardware Security Measures

The Company invested tens of millions of NTD to enhance the information security systems and defense throughout all fabs

Benefits

Increased Data Backup Capacity and Data Synchronization to Resume Operating Data in the Shortest Time Possible

Reinforce Data Backup and Recovery Mechanism

- Implementation period: Q1 2020 to Q4 2022
- Systematic upgrade throughout all plants, including database system (DB) and Office Area (OA)
- Progress:
  - Office Area (OA) has been established in 2020
  - Database system will be reinforced in 2021 and 2022

Benefits

Going From Partial Examinations to Comprehensive Identification of Information Security Risks and Vulnerabilities Throughout the Plants

Gradually Increasing Information Security Diagnostics

- Implementation period: It will be completed in stages between Q2 2021 to Q4 2022
- Utilize external information security tools to examine the existing information security system framework and level of defense
- Progress:

  Phase 1 - Monitoring and analysis of malicious traffic in both internal and external network gateways

  Phase 2 - Introduce endpoint analysis and honeypots

  Phase 3 - Analysis of attacks on the internal and external network with an emphasis on the boundaries of cyberattacks and blocking traffic from certain countries

  Phase 4 - Introduce encryption-decryption for network traffic to strengthen information security analysis of 60% of the unknown encrypted traffic

Active Inspection of the Company's Internal Information Security and Protection

Stay on Top of Current Trends and Actively Examine Internal Processes and Prevention in Dealing with the Risk of New Types of Cyberattacks

01 Pay Close Attention to Current Events

02 Consulting External Information Security Experts

03 Inspecting the Security Measures of Internal System Framework

04 **Short-Term** Immediate Control Measures **Long-Term** Build Preventive Mechanisms

For more details, please refer to chapter of Information Security Management.

2020 Sustainability Performance

Economy

NO.2

Ranks in No. 2 throughout the world for LCD driver IC assembly and testing capacity

NT$ 230.1 billion

2020 consolidated revenues reached new historical records since 2008

NT$ 3.26

Robust Earnings Per Share (EPS) growth for 7 consecutive years

Environment

NT$ 115.355 million

Total environmental protection expense in 2020

Monthly power consumption from 8,351 households

Cumulative solar power generation over 9 years

3,629 international swimming pools

Cumulative processing water recycling performance for 13 years

Society

More than NT$ 60 million

Invested toward epidemic prevention to maintain the safety and health of all employees and stakeholders

NT$ 14,341,672

Total social engagement costs in 2020

30%

Number of institutions that received direct benefits had increased from 49 to 64

2020 Awards and Recognition

Listed as a constituent stock for Taiwan RAFI. EMP 99 Index

Top Green Companies in Asia

Taiwan Corporate Sustainability Awards(TCSA) **Top 50 Sustainable Corporate Sustainability Awards**

Economy & Society

- TCSA - Top 50 Corporate Sustainability Report Awards, Platinum Award
- 7th Corporate Governance Evaluation: Ranks in the top 21-35%
- No. 1 in Annual Assessment from MXIC

Environment

- Special Contribution Award for Sponsoring Air Quality Purification Zone
- Excellent Enterprise for Air Quality Maintenance and Low-Carbon and Energy Conservation - Energy-Saving Benchmark Award
- Excellent Enterprise for Green Procurement
- Air Quality Purification Zones - Excellent Sponsor

ChipMOS's Sustainable Value

In terms of ChipMOS's sustainability management model, the Company invests resources toward six major capitals (financial, intellectual, manufacturing, natural, talent, and social), and continues value creation throughout ChipMOS's industry value chain and for all stakeholders and strikes a balance between economic development, environmental protection, and social activities, through the Company's core operations and basis of management.

ChipMOS's sustainable value management model

- Robust corporate governance to ensure shareholders'' rights and interests
- Industry leader in semiconductor assembly and testing services and technologies
- Formulating long-term partnerships with customers
- Realizing green production and green manufacturing processes
- Focusing on employee value & developing internal high-performing talents
- Targeted social welfare input & active partnership with local communities

[Input] Six Capitals

Financial Capital

Sound financial management is an essential basis for maintaining day-to-day organizational operations and provision of product manufacturing and services

ChipMOS's capital: NT$ **7.27** billion

Intellectual Capital

Continue to invest the Company's experiences and technological competencies in semiconductor assembly and testing toward innovation, R&D, and patent applications

R&D cost: NT$ **1.02** billion

Manufacturing Capital

Maintaining manufacturing equipment and fab-related setup to provide products and services that meet customer needs

Expenses for purchasing additional and maintaining operating sites and facilities NT$ **3,961,026** thousand

Natural Capital

Encompasses energy / resource consumption, and the Company mitigates the depletion of natural resources through source management and energy conservation and carbon reductions

Total environmental protection expenditure: NT$ **110** million

Talent Capital

Attract quality talent and reinforcing talent development for employees to become a key asset to the enterprise's core competitiveness

Employee compensation and benefits expense: NT$ **6.01** billion

Social Capital

ChipMOS maintains long-term partnership with stakeholders, and gives back to the society and achieves social influence through social engagement

Total social engagement investments: NT$ **14,341,672**

[Process] Core Operations and Management

Basis of Core Management

- ChipMOS's sustainability vision
- ChipMOS's core values
- High levels of participation from senior executives
- Risk management
- Core technical services
- International standardized management systems

CHIPMOS's Business Model

Value Chain

Upstream	ChipMOS's Product Manufacturing	Downstream
Raw Materials / Equipment / Service Supply / Social and Welfare Partnership	Display Driver IC, Memory, Mixed-signal IC	Product / Service Provision

Aspects of Concern

Upstream	ChipMOS's Product Manufacturing	Downstream
Regulatory Compliance and Ethical Management, risk management, product quality, RBA supply chain management, hazardous substances in products, occupational health and safety	Regulatory compliance, corporate governance, risk management, product quality, RBA supply chain management, Business Performance, information security and protection, ethics and integrity, customer satisfaction, hazardous substances in products, climate change and energy management, water resources and wastewater discharge management, waste management, labor relations, Compensation and Benefits, occupational health and safety	Customer Satisfaction, risk management, product quality, information security and protection, hazardous substances in products

Stakeholders

Shareholders · Customers · Employees · Suppliers · Governments · Community groups

[Output] Sustainability Performance

Financial Capital

- Consolidated revenues: NT$ **230.1** billion
- Consolidated after-tax profit: NT$**2.37** billion
- Return on equity: **11.7**%

Corresponding chapter: Business Performance

Intellectual Capital

- Effective patents: **687**
- R&D trademarks: **52**

Corresponding chapter: Major Products and Services

Manufacturing Capital

- Cumulative production volume/value:NT$**17,908,767** thousand

Corresponding chapter: Business Performance

Natural Capital

- GHG emissions: **239,405** t-CO2e
- Energy resource consumption: **1,688,695,885** million joules
- Water intake: **1,949.253** megaliterss

Corresponding chapter: Environmental Friendliness

Talent Capital

- Number of employees: **5,465**
- Employee turnover: **0.75**%
- Average employee training hour: **97.09** hours

Corresponding chapters: Talent Recruitment and Retention; Talent Development and Training

Social Capital

- Income tax expense: NT$**272,788** thousand
- Social influence:Benefited **64** organizations; directly benefited **664** individuals

Corresponding chapter: Social Engagement

[Influence] ChipMOS's value creation

Leading Brand

- Ranks in No. 2 throughout the world for LCD driver IC assembly and testing capacity
- Outstanding quality - comprehensive assembly and testing solutions

Customer-orientation

- Customer trust - No. 1 in annual evaluation
- Customer satisfaction - overall score reached 4.12 points (out of 5) and score has seen improvement over the years

Corporate Governance

- Functionalities of the Board of Directors - establish Corporate Governance Officer and conduct performance evaluation of the Board of Directors
- Transparency in information disclosure - published more than 99 public messages

Supply Chain Partners

- Support localized procurement - ratio of local procurement expense reached 62%
- Sustainable growth - drive suppliers to procure 100% conflict-free minerals

Environmental Sustainability

- Reusing water resources - cumulative water recycling and reuse over 13 years has saved nearly 3,629 international swimming pools
- Energy conservation and carbon reductions - cumulative carbon reduction from 20 energy-saving projects has conserved 2,404 t-CO_2e

Friendly Workplace Environment

- Protecting rights and interest of workers - 100% compliance to human rights standards and laws
- Compensation and benefits - continue to optimize overall compensations standards
- Employees can realize their potentials - average training hours per employee has reached 97.09 hours
- Healthy workplace - annual employee health examination is conducted; 80.7% of all employees are maintaining/improving their health conditions

Social Inclusiveness

- Partnering with schools/institutions - number of institutions receiving direct benefits has increased by 30.3%
- Extended influence - continue to execute environmental protection plans togethe with suppliers

Sustainable ChipMOS

Professional Packaging and Testing for Niche Products

Providing Turnkey services for Memory IC, Display Driver IC and Gold Bumping, Logic and Mixed-Signal IC products

Automated Smart Factory

ChipMOS continues to implement digital transformation to enhance organizational competitiveness and to become a Leading-edge Smart OSAT backend enterprise

Sustainability Policy

Approved and announced by the Board of Directors and serves as the highest guiding principles to Chipmos's sustainable development

Focusing on 10 SDGs

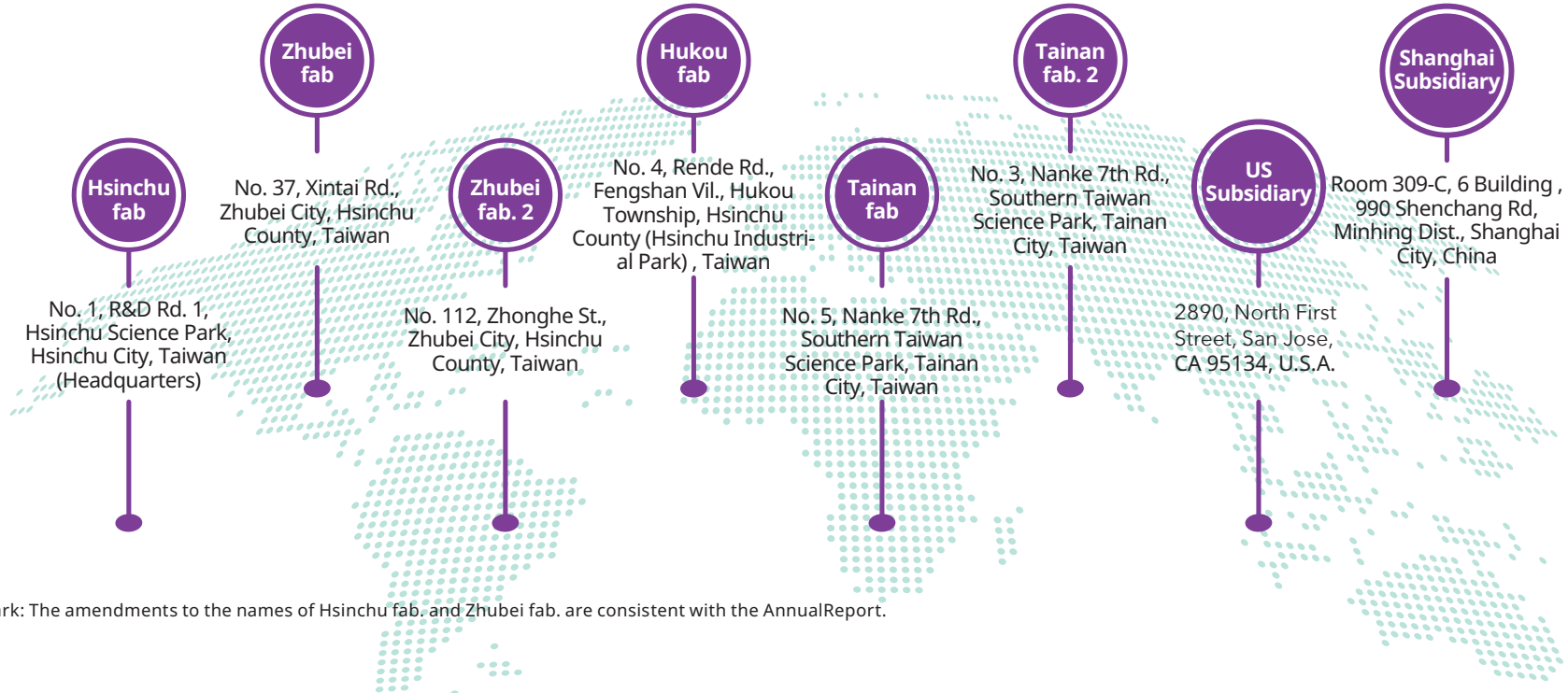
SDGs are included in operational strategies, formulate specific sustainability goals and action plans, and further develop SDGs

About ChipMos

102-3, 102-4, 102-5, 102-7

Founded on July 28, 1997, ChipMOS is an industry leader in semiconductor assembly and testing that has achieved Global No. 2 position in terms of LCD display driver IC assembly and testing capacity. Currently, ChipMOS's testing and assembly factories are mostly set up at the two major science parks in Taiwan: the operation at Hsinchu Science Park is focused on memory testing services, while the operation at Southern Taiwan Science Park is mostly concerned with memory assembly and driver IC assembly and testing services. Moreover, the fabs at Zhubei and Hukou provide wafer bumping and wafer testing services to achieve provisions of independent testing and assembly technical services at different areas, which also allow for resource integrations to provide comprehensive one-stop services. On top of semiconductor back-end processes, we also collaborate with global customers and partners to provide vertically integrated, quality assembly and testing solutions. As of December 31, 2020, the number of employees at ChipMOS's Taiwan-based operations has reached 5,465 people.

Operating Sites



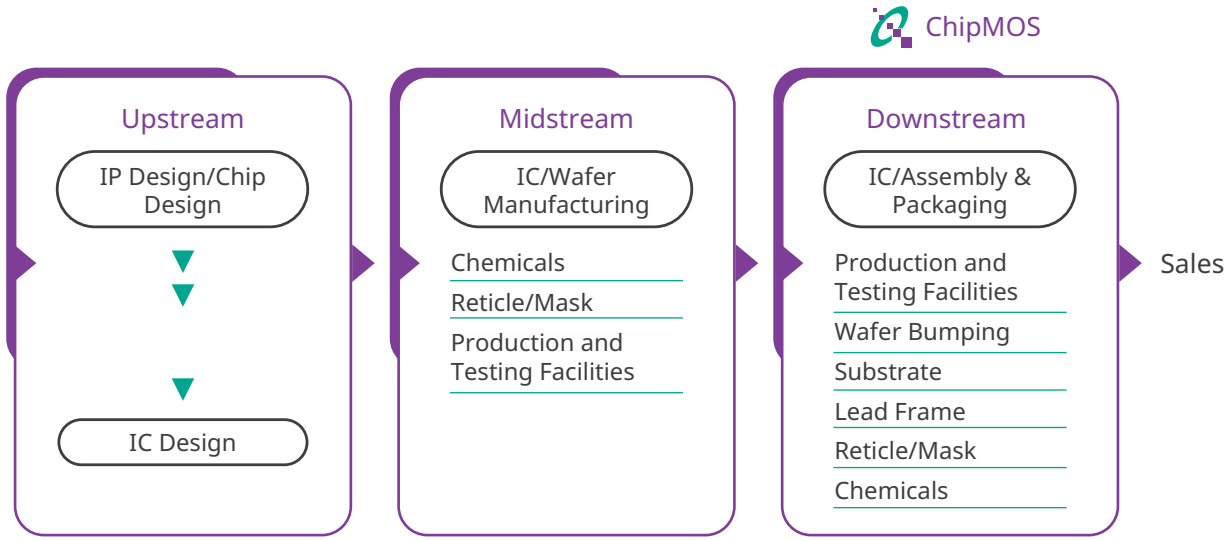
Remark: The amendments to the names of Hsinchu fab. and Zhubei fab. are consistent with the AnnualReport.

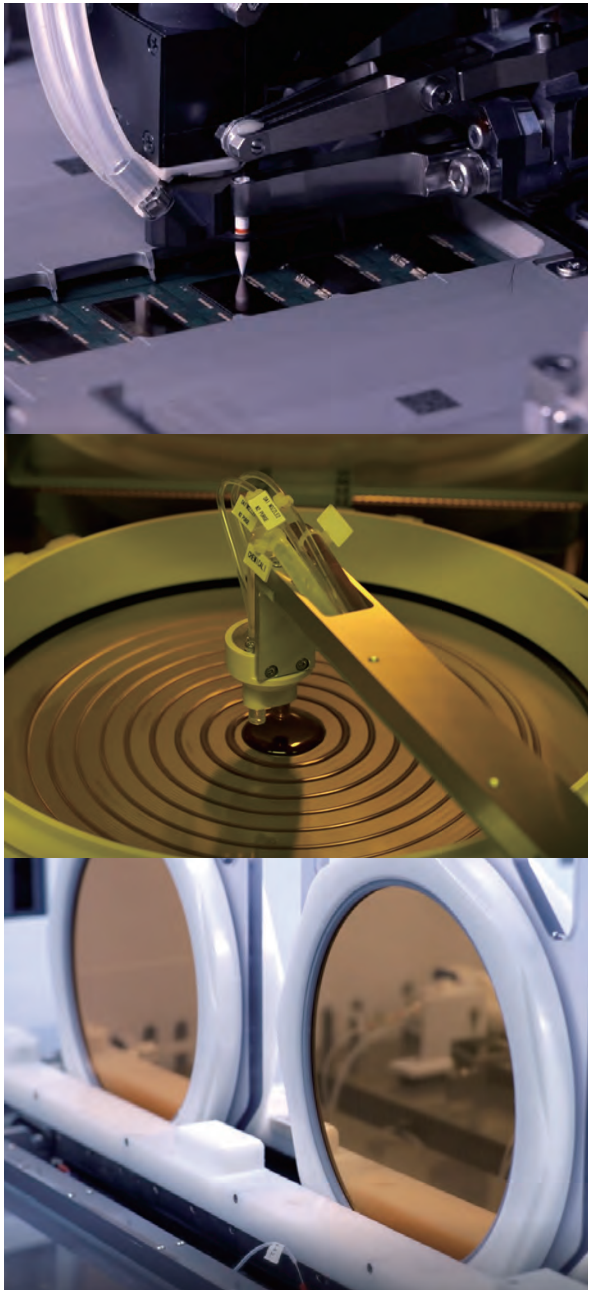
Major Products and Services

102-2, 102-6, 102-9

The vertical integration of semiconductor industry can be divided by manufacturing processes as upstream IC design, midstream IC wafer manufacturing, and downstream IC assembly and testing. Most of ChipMOS's business activities are concerned with provision of Liquid-Crystal Display (LCD) driver IC, memory IC, and logic/mixed-signal IC back-end services and bump services. ChipMOS is positioned as a downstream(Back end) vendor of the semiconductor industry.

Overview of Semiconductor Industry Chain





ChipMOS provides diverse back-end services for customers' memory IC, driver IC and mixed signal products, as well as diverse technical options and integrated technical services including lead frames and organic substrates.

Our major products are assembly and testing OEM and wafer bumping manufacturing including Thin Small Outline Package (TSOP), Fine-Pitch Ball Grid Array (FBGA), Tape Carrier Package (TCP), Chip on Film (COF), Chip on Glass (COG), and Wafer Level Chip Scale Packaging (WLCSP).

And we mostly serve semiconductor design companies, integrated component manufacturers and semiconductor wafer fabs, where most of our product applications are consumer electronics such as personal computers, automotive electronics, communication devices, office automations, and smartphones.

ChipMOS provides driver IC and memory assembly and testing as well as turnkey services for customers. A subsidiary, ChipMOS U.S.A., Inc. has also been set up in the United States to provide customer service, business support and collaborations for local customers. Additionally, ChipMOS's professional, National Laboratory Accreditation (CNLA) laboratory can drive future developments, and we are focusing on developments in three major areas: assembly materials (such as extending useful life and reducing material costs), machinery characteristics (strengthening external structure and reducing internal stress), and electronic characteristics (high-speed, high frequency/microwave RF). To meet the demand from continuous electronic product launches downstream, we continue to study and to enhance assembly technologies. ChipMOS patented 23 patents in 2020, and as of December 31, 2020, the Company has 687 effective patents and 52 trademarks. There are also 62 pending cases in 2021, which makes us a professional IC back-end service provider.

ChipMOS's top five customers are mostly located in the United States and Taiwan. Product revenues, costs, and margins are calculated by department, and ChipMOS and subsidiaries have divided the product lineup into five categories, including: assembly, product testing, driver IC, wafer bumping, and wafer testing.

Distribution of Revenues from Major Products

Year	Assembly	Product Testing	Driver IC	Wafer Bumping	Wafer Testing
2018	25.32%	15.65%	30.82%	17.94%	10.27%
2019	25.32%	12.80%	34.04%	19.71%	8.13%
2020	26.10%	12.90%	30.50%	21.70%	8.80%

Note: Ratio of revenue by customer location: Taiwan (79.7%); Japan (5.6%); Singapore (8.0%); China (4.8%) and others (1.9%).

Future Operating Growth and Development

Diversified Product Category

ChipMOS aggressively grasps market trends and focuses on niche market business opportunities. Correspondi ng product mixes have been generated in each product line to meet the continuous growth in end-user applications and products. In terms of future operational growth and business development, the following dimensions will be key to our three major product categories:

Driver IC:

We are optimistic of the popularization of 4K TV and the growth in 8K TV and OLED TV, which will continue to drive COF assembly and testing sales in the future. Additionally, driven by the bezel less panel smartphones and the new 18:9 panel, chip on film (COF) is used to instead of chip on glass (COG) package format. Moreover, the OLED panel assembly yield improved will adopt OLED panel using in new smartphones and also drive the other prodcut applications such as in-display fingerprint sensors. Meanwhile, OLED panel driver IC and TDDI of LCD panel take more longer test time compare to the traditional discrete driver ICs, these driver ICs significantly increase OSAT service ASP.

Memory IC:

Benefiting for post-pandemic trends, the emergence of personal computers, cloud-based servers, and mobile devices such as True Wireless Stereo (TWS), and updated specifications of smart watches, we also remain

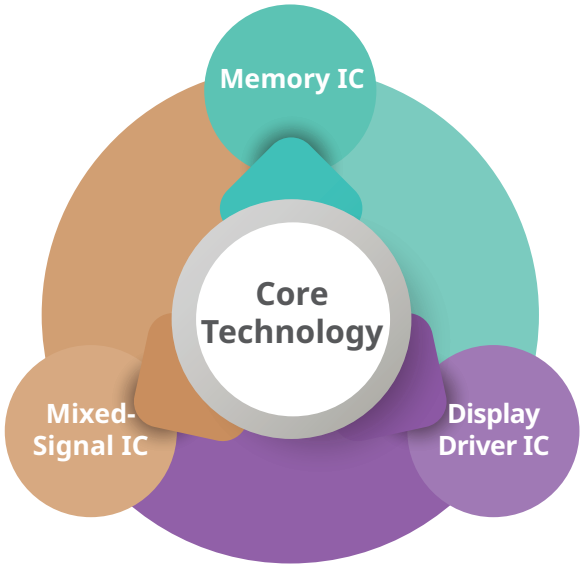
optimistic of the business developments for NOR Flash and niche DRAM. The evolution of NAND Flash wafer technologies has led to increased demand for NAND Flash Card/IC assembly and testing, which has in turn led to more revenues in Memory IC. Benefiting from stabilized technical quality, the market share for assembly of logic products containing wafer redistribution layer (RDL) memory has also been expanded along with customer growth.

Mixed Signal Products:

On top of existing timing controller (T-con IC) and digital TV controller IC, ChipMOS is also actively developing non-driver IC businesses including metal composite bumping and RDL to meet customers' end-user application developments such as fingerprint sensors and various Microelectromechanical Systems (MEMS) and biometric sensors. These demand for lighter and smaller IC have also driven the development and growth for WLCSP/Solder Plating assembly manufacturing and testing technologies.

Diversify Product Category by Core Technology

Niche DRAM / Commodity DRAM
NOR/NAND Flash



Microelectromechanical (MEMS) Sensor
Digital Set-Top Box
Power Management IC
Consumer Products

Au/MCB bump
CP/FT testing
COG/COF
TDDI/OLED/FOD

Intelligentization Generates Endless Possibilities

For rapid growth in 5G/AIoT, ChipMOS has been actively building automated smart factory and promoting smart manufacturing through data analytics and Artificial Intelligence (AI). For instance, we have launched an AI for Auto Optical Inspection; introduced Recipe Management System (RMS) and Fault Detection and Classification System (FDC) as well as automated transportation system in production line. By using AIoT to link the sensor modules at the machinery, we can achieve real-time monitoring for automatic warning. Moreover, to achieve high quality control level of manufacturing, combine engineering data analytic system and data collection for key parameter analysis of each machine.

Under the Company's long-term operating strategies, ChipMOS is continuing digital transformation to integrate digital technology with existing operational models. Digital information will be used to assist in decision-making from production, management, to the overall corporate culture, thereby achieving thorough intelligentization in equipment, processes, and management. This will help to enhance ChipMOS's competitiveness and help us to achieve a more intelligent future.

Sustainability Policy and Actions

Upholding the mission for ethical and integrity, environmental friendliness, and caring for disadvantaged groups, ChipMOS has formulated substantial implementation objectives for economic, environmental and social aspects ,and to actively create a sustainable future.

We have launched sustainable actions for all aspects during our business management, including: continuing to enhance corporate governance, complying with ethical managementand being committed to the R&D and innovation of core technologies to realize our commitment and responsibilities to employees; and actively invest in green production to reduce harmful effects on the environment during production processes and continuing to enhance resource utilization efficiency to protect the environment. Internally, we persist in the protection and care for employees' health and welfare while striving in employee development and assisting in their career development. And externally, we are deeply engaged in environmental sustainability and social welfare.

ChipMOS's Corporate Social Responsibility Principles and Sustainability Policy have been announced after approved by the Board of Directors, and the effectiveness of its implementation and continuous improvement will be reviewed regularly to ensure the implementation of CSR.

ChipMOS's Sustainability Policy

南茂科技股份有限公司
ChipMOS TECHNOLOGIES INC.

南茂科技股份有限公司
企業永續政策

南茂科技在半導體封裝測試領域具領先地位，除專注核心本業外，同時與股東、客戶、員工、供應商、社會等利害關係人建立良好互動；於營運中積極實踐永續行動，善盡企業公民之責，與社會環境共好。

永續願景
創造永續未來

永續使命
- 誠信正直
- 友善環境
- 創勢關懷

執行方針

企業承諾
- 精健公司治理，持續提升企業競爭力，追求企業永續發展
- 落實誠信經營，堅守法治，積極防範不誠信行為
- 提供卓越服務，專注核心技術研發與創新

環境保護
- 推動綠色生產，減緩氣候變遷，善盡環境保護之責
- 提升資源使用，積極低碳節能，持續改善，降低環境負荷
- 建立長期合作，攜手供應鏈共同成長與永續經營

員工與社會關懷
- 尊重勞僱人權，重視平等、多元包容及健康安全的產業職場
- 珍惜員工價值，策略性人才發展，致力提供員工完整職涯規劃
- 實踐社會責任，深耕環境永續、公益實踐

(本政策於 110 年 3 月 16 日經董事會通過訂定)

For more details about Sustainability Policy and CSR documents, please refer to CSR Section of ChipMOS Website.

CSR Committee

ChipMOS's CSR Committee (hereinafter "the Committee") is the highest-ranked sustainability management organization within the Company. It is chaired and directed by the Chairman and President, and regularly reports to the Board of Directors. The Committee is divided into four teams, namely, Corporate Governance and Economy, Environmental Protection, Green Products, and Social and Employee Care, based on professional division of labor and sustainability topics management. Members of the aforementioned teams are concurrently served by relevant business units, and the major team members are the highest-ranked managers within those units.

The purpose of the CSR Committee is to promote activities related to sustainability, including formulation of sustainability strategies, fostering awareness for sustainability in employees, preparing the ChipMOS CSR Report, and interactions with all stakeholders. While formulating annual policies, the objectives for relevant executions will include "corporate commitment", "environmental protection", and "social engagement". At the same time, to continuously fulfill ChipMOS's responsibilities as a corporate citizen, topics of stakeholders' concern are included into management actions and actively executed and promoted in economic, environmental, and social dimensions.

Development of CSR at ChipMOS

In-depth Development

2021
- Sustainability policy was approved and announced by the Board of Directors in March 2021
- Acquired more in-depth understanding to local needs and implemented environmental sustainability and social welfare actions with more breadth and depth
- Issued CSR Report in English

2020
- Amended Corporate Social Responsibility Best Practice Principles based on trends and the Company's current operations
- Strengthened quality of disclosure in CSR Report and enhanced assurance level of third-party assurance
- Received Top Green Companies in Asia from ACES Awards
- Received Taiwan Corporate Sustainability Awards (TCSA)

Setting Solid Foundations

2019
- Formulated action plans to fulfill ChipMOS's sustainability vision and support of the SDGs
- Utilized diverse communication methods (CSR video, CSR e-bulletin and more) to continuously foster an awareness for sustainability in employees
- Received Taiwan Corporate Sustainability Awards (TCSA) and Excellence in Corporate Social Responsibility Award from CommonWealth Magazine
- Continued to collaborate with suppliers and external organizations to extend the reach of our influence

2018
- Formulated ChipMOS's sustainability vision
- Reinforced social media platform management and made CSR video
- Issued the 4th CSR Report in accordance with the latest GRI standards
- Continued to receive Taiwan Corporate Sustainability Awards (TCSA)
- Received Excellence in Corporate Social Responsibility Award, Top 50 Large Enterprises, CommonWealth Magazine for the first time
- Organized 2 rounds of CSR Trends seminars

2017
- Received Taiwan Corporate Sustainability Awards (TCSA) for the first time
- Issued 3rd CSR Report
- Strengthened communications with stakeholders and actively developed diverse communication platforms
- Organized 36 hours of CSR training and updated the GRI standards in line with the version update of GRI G4

Building the Basics

2016
- Issued the 2nd CSR Report

2015
- Formed a Sustainable Development Team; voluntarily issued the first CSR Report and achieved third-party assurance

2014
- Set up a dedicated CSR unit

2013
- Corporate Social Responsibility Best Practice Principles was approved by the Board of Directors

ChipMOS's Highest-Ranked Organization in Sustainability Management

Highest-ranked decision-maker
Board of Directors

Chairperson
Chairman and President, S.J. Cheng

Major Committee Members
heads of each business unit

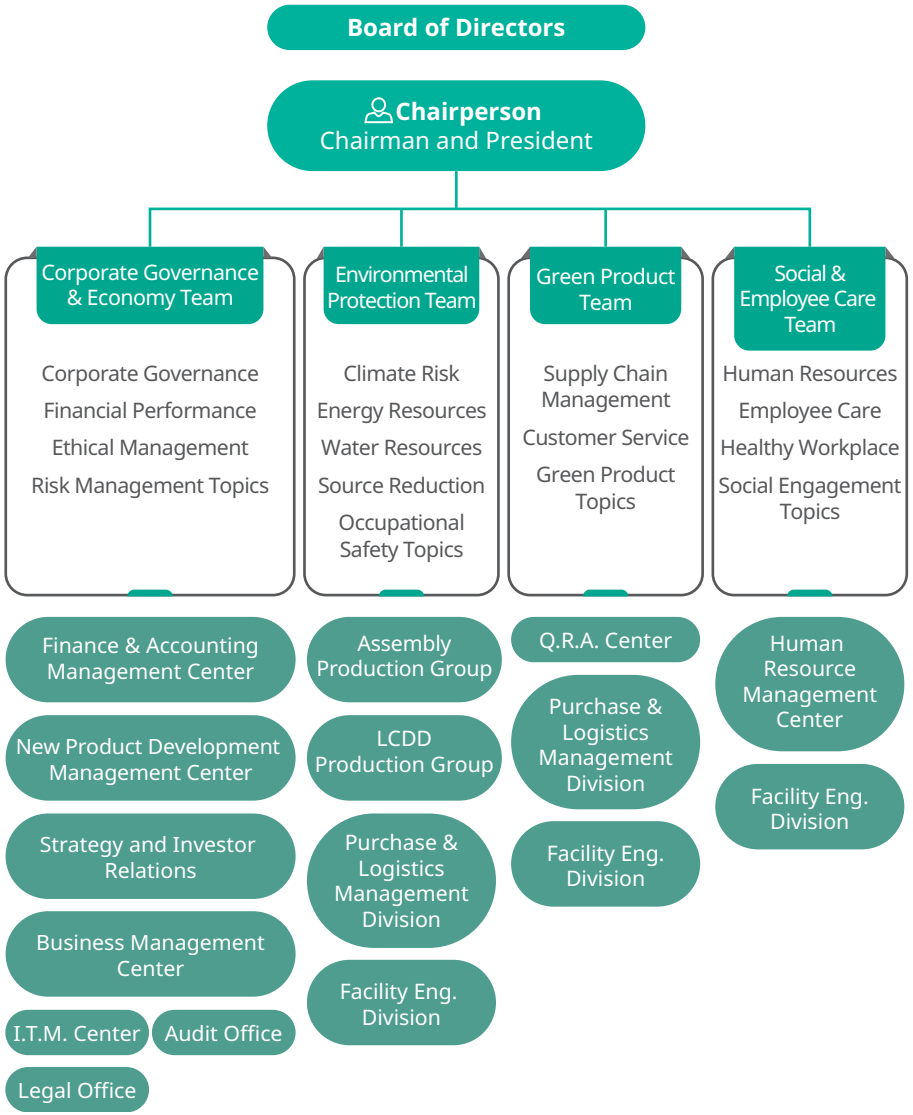
Major responsibilities

Formulating sustainability strategies and promotions
In charge of formulating sustainability strategies and coordinating the execution and promotions of the Company's sustainability development and management.

Regularly examining effectiveness of relevant implementations
Review the progress in achieving sustainability goals during regular meetings.

Compiling CSR Report
To implement corporate social responsibility in practice, ChipMOS's sustainability activities in each year is compiled into CSR Report, which is reported to the Board of Directors and available to all Directors.

▼Organizational Structure



Sustainable Management

ChipMOS Corporate Social Responsibility Report

Having voluntarily issued the first CSR Report in 2015, ChipMOS continues to issue annual report to describe our management methods, results, and performances in terms of economic, environmental, and social aspects.

To effectively enhance the awareness for sustainability in the Committee members and all employees, we have organized CSR training or relevant information sharing sessions such as CSR training courses, CSR trends seminars, team meetings, CSR quarterly e-bulletins and internal publications for everyone to better comprehend the sustainability trends and knowledge both at home and abroad, so as to further correlate such trends and knowledge with their own sustainability practices and spark more impact.

Each organization within ChipMOS has set United Nations' Sustainable Development Goals (SDGs) as important references in setting annual sustainability goals based on their respective management strategies. The goals are also closely correlated with the key performance indicators (KPI) in their day-to-day operations, and the progress of their interim executions will be examined or adjusted based on current conditions. In November 2020, we discussed the information disclosure in CSR Reports from domestic enterprises and abroad as well as ChipMOS's current practices with members of the Committee in the hopes of further enhancing our overall reporting quality. Since the members of the Committee have received CSR training, they were able to consistently focus on topics related to ChipMOS's sustainable development during such discussions.

CSR Report Development Process

Board of Directors	• Supervise and regularly review the effectiveness of CSR executions • Formulate and amend ChipMOS's Corporate Social Responsibility Best Practice Principles • Formulate sustainability policy
ChipMOS CSR Committee	• Formulate the theme for 2020 CSR Report based on ChipMOS's sustainability policy • Convene the commencement meeting for 2020 CSR Report Project • Team meetings are held to discuss information disclosure in CSR Reports at home and abroad and ChipMOS's current practices • Sustainability vision, material topics, set goals, and links with SDGs
Identify material topics and boundaries **ChipMOS's Management Approach for material topics**	• Identify material topics and boundaries (1) Bi-lateral impact assessment for the Company and economic, environmental, and social aspects (2) Send electronic surveys to six types of stakeholders • Formulate management approach for ChipMOS's material topics based on GRI standards
Review and confirmation of information included in the Report **Publication of the Report**	• Dual internal and external audit mechanism (1) Internal audit procedure (2) Confirmation from senior executive (3) Third-party verification • Completion of the Report (1) Review from the Board of Directors (2) Submitted to the MOPS (3) Published on ChipMOS's website and available for query and download from stakeholders
Case closure and continuous improvement	• Post-completion review for 2020 CSR Report • Report optimization discussion

ChipMOS's sustainability vision and material topics are closely linked to the SDGs

ChipMOS formulates sustainability vision by integrating sustainability policy, organizational vision, and core missions, and inspects the vision's link to the SDGs in accordance with the three steps of the UN SDG Compass, "understanding SDGs and defining priorities", "setting goals and integration", and "reporting and communications".

Linking and Developing the SDGs

Focusing on the SDGs

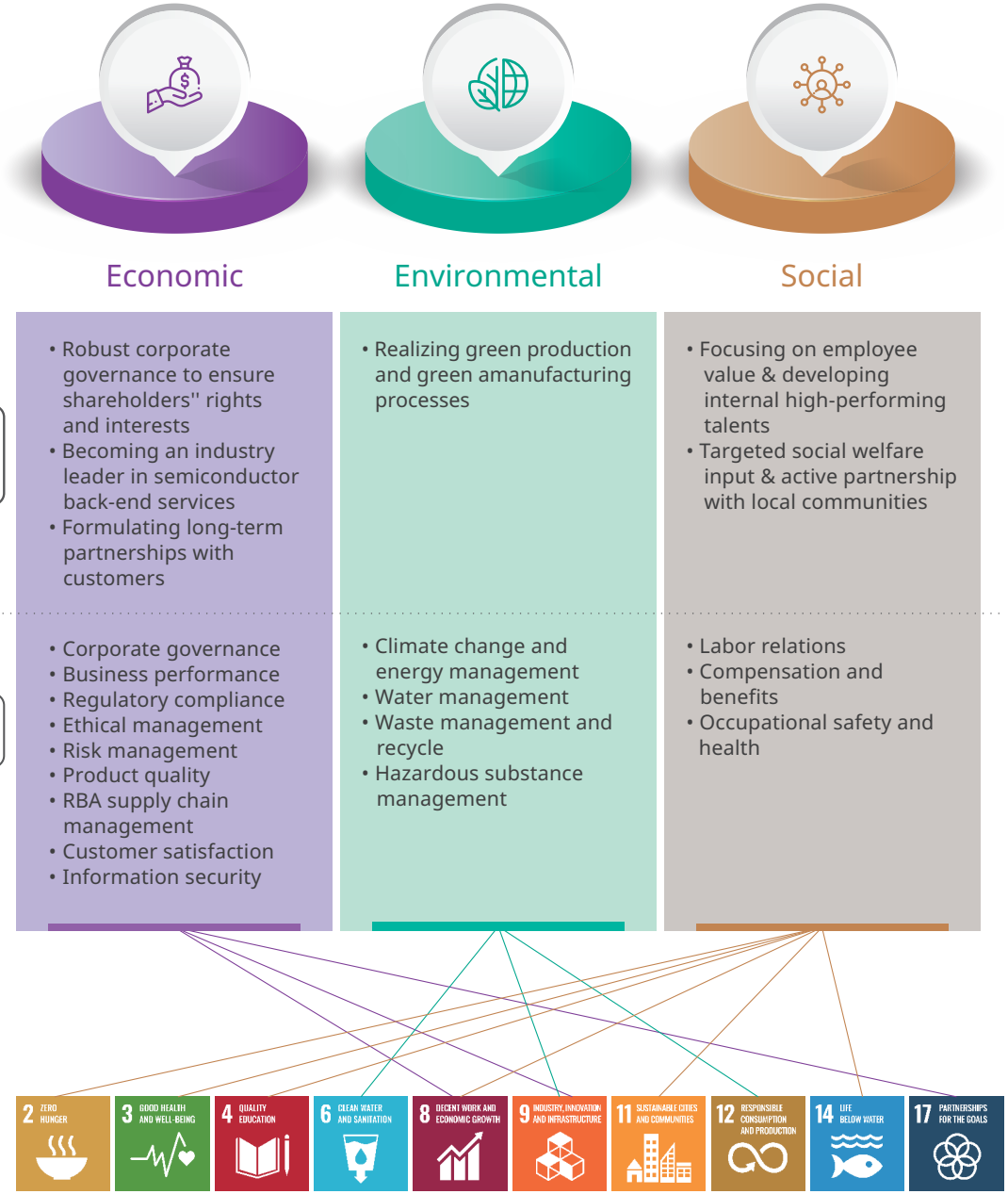
Focusing on the 10 SDGs

Inclusion in operational strategies

Senior executives in the management team are committed to being aligned with the SDGs and adopted the SDGs as important foundations to setting annual sustainability goals

In-depth development of the SDGs

Set substantial goals and action plans that correspond with targets in the SDGs to manage and develop them accordingly



SDG2 Zero Hunger

SDG Targets: 2.1, 2.3

Sustainable Topics: Social Engagement

2020 Results

- Industry revitalizations that benefited 2 local companies and investments totaled NT$4,878,734 [2.1]
- Continue to support non-toxic farming: [2.3]
  - Purchased 900 packs of toxic-free vegetables from sheltered workshop for physically challenged people at Taoyuan; approximately 47.6% of which was donated to a Jen-Ai Children's Home at Hsinchu
  - Purchased 1,200 tw-catty of guava to directly assist local farmers

Sustainable goals

- Increase number of total volunteers in 2021 by 500 people
- Continue to promote environmentally friendly activities

SDG3 Good Health and Well-Being

SDG Targets: 3.8, 3.d

Sustainable Topics: Occupational Health and Safety, Compensation and Benefits, Social Engagement

2020 Results

- Preemptive epidemic planning: invested NT$50 million to build epidemic prevention measures so as to protect the health and safety of employees [3.d]
- Donated NT$200,000 to Hsinchu Mackay Memorial Hospital to purchase JP Thermal Imaging System to safeguard the local residents' health [3.d]
- Organized annual employee health examinations for 18 consecutive years; 80.7% have maintained or improved their health from 2019 [3.8]
- Provided group insurance for employees and their families for over 15 years; annual insurance expense exceeds NT$20 million [3.8]

Sustainable goals

- Continue to organize annual employee health examination more superior than statutory requirement
- Implement ranked abnormality management mechanism based on the health examinations; completion rate has been 100%
- Continue to organize health promotional activities and set goals to increase the number of rounds/sessions organized in each year

SDG4 Quality Education

SDG Targets: 4.3, 4.4, 4.7, 4.a

Sustainable Topics: Talent Development, Industry-Academia Collaboration, Social Engagement

2020 Results

- Training expenses totaled NT$4,251,606 [4.4]
- Encouraged employees to initiate self-learning programs; increased self-learning opportunities by 31.50% in 2020 compared to 2019 [4.4]
- Support learning opportunities for children: [4.a]
  - Donated 11,555 books, benefiting 11 schools/social welfare institutions
  - Donated 21 sets of computers so children in remote areas can learn in spite of geographical constraints
- Fostered youth and students via industry-academia collaboration; cumulatively invested NT$15.58 million for 8 consecutive years [4.3]
- Promoted environmental education to instill correct mind-set in the next generation [4.7]

Sustainable goals

- 30% of the annual training program will be conducted via diverse training methods
- Continue to promote internship, teaching partnership and hands-on training opportunities

SDG6 Clean Water and Sanitation

SDG targets: 6.3, 6.4, 6.a

Sustainable Topics: Water Management

2020 Results

- Cumulative water recycling over 13 years is equivalent to saving nearly 3,629 international swimming pools [6.4]
- Constructed a 2,700CMD processing water recycling facility in 2020 to enhance processing water recycling ratio [6.a]
- Regular water quality inspection and manage inspection values are lower than regulatory limits [6.3]
- Implement IECQ QC 080000 to ensure that products are free from hazardous substances [6.3]

Sustainable goals

- Continue to implement IECQ QC 080000
- Continue active water resource management and to properly treat wastewater and effluents
- Continue to organize health promotional activities and set goals to increase the number of rounds/sessions organized in each year

SDG8 Decent Work and Economic Growth

SDG Targets : 8.3, 8.5, 8.78.8

Sustainable Topics: Corporate Governance, Compensation and Benefits, Labor/Management Relations, Human Rights, Occupational Health and Safety

2020 Results

- Seized 5G/AIoT development trends and led ChipMOS to experience robust growth [8.3]
- Complied with RBA Code of Conduct and prohibited use of child labor and protected the rights and interests of workers [8.7]
- Practiced equal pay and gender equal compensations and treatment [8.5]
- Temporarily suspended massage service from visually-impaired massage therapists when the pandemic was severe, but continued to pay salaries for the Company's 17 massage therapists [8.5]
- Completed the transition from OHSAS18001 to ISO 45001 for all fabs in 2020 and received third-party assurance [8.8]

Sustainable goals

- Achieve 1:1 ratio in terms of basic salaries and compensations for women to men
- Continue to fill 50% or more of the compulsory recruitment of physically/mentally disabled people with recruitment of people from disadvantaged groups
- Continue to use RBA Code of Conduct as the standards for internal management

SDG9 Industry, Innovation, and Infrastructure

SDG Target : 9.4

Sustainable Topics: Business Performance, Climate Change and Energy Management, Environmental Expenditures and Investments

2020 Results

- Achieved record-breaking consolidated revenues of NT$23.01 billion in 2020 [9.4]
- Launched renewable energy programs across all fabs; 4 additional 990KW solar power generation systems are being constructed [9.4]
- Environmental protection practices and pollution prevention facilities and maintenance expenses in 2020 totaled approximately NT$105.431 million [9.4]

Sustainable goals

- Actively seize market trends and continue to introduce products related to 5G/Sensor/AI/IoT
- Continue to promote automated smart factory program to enhance product quality and overall productivity
- Continue to implement renewable energy programs in 2021

SDG11 Sustainable Cities and Communities

SDG Target : 11.6

Sustainable Topics: Social Engagement

2020 Results

- Sponsored air quality purification zones and road cleaning in Hsinchu County for 7 consecutive years [11.6]
- Long-term adoption of public areas in Hsinchu Science Park and Southern Taiwan Science Park [11.6]
- Sponsored public restrooms in Tainan City for 3 consecutive years to join the "public restroom adoption program" [11.6]

Sustainable goals

- Continue to execute environmental protection programs to enhance the quality of life for the public and to conserve the environment

Responsible Consumption and Production

SDG Target : 12.2, 12.5

Sustainable Topics: Climate Change and Energy Management, Waste Management and Recycle

2020 Results

- Inspected external carbon emissions for the first time and completed 5 GHG Scope 3 inventories [12.5]
- Cumulative solar power generated over 9 years is equivalent to the monthly power consumption of nearly 8,351 households, and we also continue to construct renewable energies [12.2]
- Continued to collaborate with industry competitors to promote joint audit on waste disposal companies for 5 consecutive years [12.5]
- Continued to conduct material source reductions and resource cycling of packaging materials (For more details, please refer to Ch4. Environmental Friendliness) [12.5]

Sustainable goals

- Continue to promote relevant projects based on the results of financial impact analysis from climate-related risks and opportunities
- Achieve annual power-savings rate of ≥ 1% throughout the Company
- Achieve ≥ 90% recycling and reuse of rubber bands
- Achieve ≥ 109% recycling and reuse of cardboard boxes

SDG14 Life Below Water

SDG Target : 14.1

Sustainable Topics: Social Engagement

2020 Results

- Continued to adopt 1km of the coastline along Sunset Platform in Tainan [14.1]
- Conducted DIY workshop of reservoir sludge for 100 participants to enhance employees' knowledge in ecological and environmental preservation [14.1]

Sustainable goals

- Continue to promote 9 rounds of activities related to environmental protection awareness
- Resume beach cleanup event in April 2021 as the pandemic ceases in Taiwan

SDG17 Partnerships for the Goals

SDG Target : 17.14, 17.16

Sustainable Topics: information security protection, customer service, RBA supply chain management

2020 Results

- Received certification for ISO/IEC 27001:2013 TUV [17.16]
- 0 service interruptions related to information security incident in 2020 [17.16]
- 2020 customer satisfaction rate increased by 8.1% over 2019 [17.16]
- Complied with RBA Code of Conduct in supply chain management and regularly conducted environmental and human rights audits [17.14]

Sustainable goals

- Achieve 100% improvement on the ISO 27001 annual audit deficiencies
- Enhance the Company's information security protection capability to prevent ≥ 2 hours of service interruption from material information security incident
- Become a trusted partner to customers and maintain 3.5 points or more in customer satisfaction rate
- Continue to coach suppliers and for suppliers to achieve an average 98.3% in RBA compliance audit

For more details about SDG Targets, please refer to Appendix 2

SUSTAINABLE DEVELOPMENT GOALS

Sustainability Goals

2020 Goals	Status	2020 Results	Short-term and Medium-term Goals (2021-2022)
Material Topic: Business Performance			
Grasp assembly and testing business of OLED panel driver IC and 8K TV panels	✓	Though affected by the COVID-19 pandemic, the output volume of OLED panel driver IC by ChipMOS assembly and test has still increased to approximately 60 million units; representing more than 40% revenue growth.	1. Continue to catch the product trend of display panel driver IC, 8T KV emerging and the rebound for memory 2. Catch the market demand for flexible OLED panel capacity extension, and the assembly solution technologies for evolving memory product
Grasp business opportunities in flip chip packaging	✗ (Note 1)	Continue to approach the business opportunities along with industry situation.	
Expand production capacity for copper pillar bump flip chip packaging/testing	✓	1. Completed development of RDL width/line space 4um/4um. 2. Increased the copper pillar bump and flip chip assembly and test service.	1. Agressively phase in 5G/Sensor/AI/IoT products 2. Develop small-size Bump Height solution to meet the thinner wafer thickness requirement and the trend of product body size miniaturization 3. By flip chip BGA assembly technology phase in, to enhance the hybrid/combo chip assemly of MCP product4. Continue to upgrade the automation level of equipment.
Continue to approach new customers and develop new technologies for assembly and testing services of LCDD products	✓	1. Certified automotive application for COF product, and release to mass production. 2. Completed production line for CP Automation phase I and enhanced output efficiency 3. Completed the CP Automation phase I and improved the CP productivity.	
Material Topic: Corporate Governance			
Operations and executions of the Board of Directors will not receive any penalty or correction from competent authority	✓	Operations and executions of the Board of Directors are all in accordance the laws and regulations for public companies. There has been no record of penalty or correction from the competent authority in 2020.	Operations and executions of the Board of Directors will not receive any penalty or correction from competent authority
Material Topic: Regulatory Compliance, Ethical Management			
No incident of corruption and violation of socioeconomic laws.	✓	1. No corruption in 2020 2. No major violations (with penalties exceeding NT$1 million)	No incident of corruption and violation of socioeconomic laws.

2020 Goals	Status	2020 Results	Short-term and Medium-term Goals (2021-2022)
Material Topic: Regulatory Compliance, Ethical Management			
Promote professional moral conduct and regulatory compliance to employees with email,and to reach 3 times. To confirm effectiveness, indirect labor(IDL) will be tested on relevant promotions; completion rate 5%.	✓	1. Topics related to Regulations Governing Professional Moral Conduct were promoted to employees via emails ,and achieved 3 times 2. Random online tests were conducted on 154 indirect labor regarding Regulations Governing Professional Moral Conduct, accounting for 6% of all indirect labor and 100% of test takers have passed the test.	1. Promote professional moral conduct and regulatory compliance to employees with email,and to reach 4 times. 2. Indirect labor will be tested on relevant promotions; completion rate 10%; completion rate will be further increased to 15% in 2022.
Continue to add clauses on Regulations Governing Professional Moral Conduct to procurement agreements with suppliers; completion rate 95.	✗ (Note 2)	Completion rate was 92%	Continue to add clauses on Regulations Governing Professional Moral Conduct to procurement agreements with suppliers; completion rate 95 so that suppliers can be aware of relevant rules and whistleblowing mechanism
Material Topic: Risk Management			
No major events occurred of economic, environmental, and social	✓	No material incident has occurred	1. No major events occurred of economic, environmental, and social 2. Continue to reinforce risk management over economic, environmental and social aspects to reduce risks and losses
Continue to reinforce risk management over economic, environmental and social aspects to reduce risks and losses	✓	Full compliance with the Company's internal financial management policies and standards to reduce financial risks	
Material Topic: Customer Satisfaction			
Achieve 3.5 points or above in overall customer satisfaction score	✓	Overall customer satisfaction score was 4.12 points based on the results of customer satisfaction survey in 2020. Annual goal achieved.	Achieve 3.5 points or above in overall customer satisfaction score
Material Topic: Information Security			
Perform vulnerability scans and achieve 100% improvement on high risks found within the year	✓	Found 2 high-risk vulnerabilities in 2020 and all of which have been improved; achievement rate has been 100%.	1. Achieve 100% improvement rate on the ISO 27001 audit deficiencies 2. Enhance the Company's information security defense capabilities to prevent material information security incidents that lead to 2 or more hours of service interruption 3. 2022: - Build and complete IPS system for five fabsto achieve pre-emptive epidemic prevention. - Complete Information Security Management Systems Lead Auditor Training Course and receive certificate for course completion from CQI/IRCA
Continue to conduct disaster recovery drills for important information systems and achieve 90% completion rate	✓	Carried out 32 disaster recovery drills and 31 of which have been completed in 2020, achieving a completion rate of 97%	

2020 Goals	Status	2020 Results	Short-term and Medium-term Goals (2021-2022)
Material Topic: Product Quality			
Proposal achievement rate of Process Improvement Team (PIT) 100%	✓	Proposal achievement rate ofProcess Improvement Team (PIT) was 139%	Proposal achievement rate ofProcess Improvement Team (PIT) 100%
Achieve third-party assurance and annual improvement and certification renewal for ISO 9001/IATF 16949 and ISO17025 without material deficiency	✓	Successfully achieved third-party assurance and annual improvement and certification renewal for ISO 9001/IATF 16949/ISO 17025/ISO 26262 in 2020 without material deficiency	Achieve third-party assurance and annual improvement and certification renewal for ISO 9001/IATF 16949/ISO 17025/ISO 26262 without material deficiency
Material Topic: RBA Supply Chain Management			
Average rate of compliance in RBA audit results should be 98% or above	✓	Achieved average rate of compliance of 98% in RBA audit results (Note 3)	Average rate of compliance in RBA audit results should be 98.3% or above; compliance rate should reach 98.5% by 2022
Material Topic: Climate Change and Energy Management			
Company-wide annual electricity saving rate compared to the previous year 1%	✓	A total of 20 energy-saving programs were carried out; energy-saving ratio has been 1.051% compared with the total energy consumption in 2019	1. Company-wide annual electricity saving rate compared to the previous year 1% 2. Set up 4 solar energy generation systems totaling 990KW at Hsinchu fab./Zhubei fab. 2/Hukou fab./Tainan fab. 2 3. Replace 7.7% of AC FFU on the 5th floor of TA Building in Tainan fab with DC FFU to reduce energy consumption at Tainan fab by 0.17%
Install 123KW solar energy generation system at Tainan fab.2	✗ (Note 4)	Since Taian fab. 2 has planned to expand the capacity from 123KW to 332KW, the installation plan has been delayed and is expected to be constructed by the second quarter (Q2) of 2021	
Replace AC FFU with DC FFU to reduce company-wide energy consumption by 0.17% (Tainan fab.)	✓	Reduced company-wide energy consumption by 0.286%	
Material Topic: Water Management			
Process drainage recycing 125% of tap water consumption (Tainan fab.)	✗ (Note 5)	1. Process drainage recycling 96.73% of tap water consumption in 2020 2. New process drainage recycling facility began operation in fourth quarter (Q4) of 2020	Process drainage recycing 125% of tap water consumption (Tainan fab.)
Completion and setup of a 2700CMD process drainage recycling facility (Tainan fab.)	✓	Installation has been completed	
Completion and setup of a 2700CMD process drainage recycling facility (Tainan fab.)	✓	Construction and installation are completed; operation of the facility has already begun in Q4 2020	
Material Topic: Waste Management and Recycle			
Recycling and reuse of Tray 100%	✓	Achieved 118% recycling and reuse rate for trays in 2020	Sustained recycling and reuse of trays 100%

2020 Goals	Status	2020 Results	Short-term and Medium-term Goals (2021-2022)
Material Topic: Waste Management and Recycle			
Based on the achievement rate in 2019, the goal is to increase recycling and reuse of rubber bands to 88.5% in 2020	✓	Cumulative purchase of rubber bands in 2020 was 2,297kg, and 2,065kg was recycled; recycling rate has increased to 90%	Based on the achievement rate in the previous year, the goal is to increase recycling and reuse of rubber bands to 91%
Based on the achievement rate in 2019, the goal is to increase recycling and reuse of cardboard boxes to 108% in 2020	✓	Cumulative purchase of cardboard boxes was 22.5 tons, and 24.5 was recycled in 2020; recycling rate has reached 109%	Based on the achievement rate in the previous year, the goal is to increase recycling and reuse of cardboard boxes to 110%
Material Topic: Hazardous Substance Management			
Receive 0 complaint cases regarding abnormal hazardous substances in products	✓	No complaint case regarding abnormal hazardous substances in products was received in 2020	Receive 0 complaint cases regarding abnormal hazardous substances in products
Pass and received third-party assurance for QC 080000 Hazardous Substance Process Management System without material deficiency	✓	Received third-party assurance for QC 080000:2017 Hazardous Substance Process Management System in 2020	Pass and received third-party assurance for QC 080000 Hazardous Substance Process Management System without material deficiency
All material use should either meet or be superior to international laws and regulations	✓	All materials used in 2020 had complied with international laws and standards	All material use should either meet or be superior to international laws and regulations
Material Topic: Labor/Management Relations			
100% conformity to human rights and applicable laws and policies in recruitment *Implement RBA Code of Conduct as internal management objectives	✓	100% conformity to human rights and applicable laws and policies in recruitment	100% conformity to human rights and applicable laws and policies in recruitment. * Implement RBA Code of Conduct as internal management objectives
1. No occurrence of major labor relations dispute 2. Reach 100% response rate to employee grievances	✓	1. No occurrence of major labor relations dispute 2. Reach 100% response rate to employee grievances	1. No occurrence of major labor relations dispute 2. Reach 100% response rate to employee grievances
Continue to promote internship, teaching partnership and hands-on training opportunities to foster sustainable industry-academia collaboration.	✓	1. Provided internships, scholarships, and industry programs/ courses to 25 students in 2020. 2. Continued to collaborate with academic institutions	1. Continue to promote internship, teaching partnership and hands-on training opportunities to foster sustainable industry-academia collaboration. 2. Search for new partner schools for industry-academia collaboration.
1. Meet statutory requirement for employing physically/ mentally disabled people. 2. 10% of the statutory quota for physically/mentally disabled employees should come from disadvantaged groups	✓	1. Met statutory requirement for employing physically/mentally disabled people; recruitment ratio reached 1.13%, better than the regulatory target of 1% 2. 54.8% of the statutory quota for physically/mentally disabled employees should came from disadvantaged groups.	1. Continue to meet statutory requirement for employing physically/mentally disabled people. 2. Continue to have 50% or more of the statutory quota for physically/mentally disabled employees coming from disadvantaged groups.

2020 Goals	Status	2020 Results	Short-term and Medium-term Goals (2021-2022)
Material Topic: Labor/Management Relations			
Complete initiation of digitized recruitment processes; paperless procedures for interviews and new employee sign-in.	✓	Recruitment process for indirect labor(IDL)is completely digitized and paperless procedures for interviews and new employee sign-in has been achieved; improvements have been proposed for deficiencies and discussed with information units.	System re-optimization and digitized HR information management will be conducted based on deficiencies found in the digitization of recruitment processes.
Material Topic: Compensation and Benefits			
In case there is profit at the end of the year, 10% of the profits will be allocated as employees' compensations	✓	10% of the year's profits were allocated as employees' compensations	In case there is profit at the end of the year, 10% of the profits will be allocated as employees' compensations
Achieve 1:1 ratio in terms of basic salaries and compensations for women to men	✓	Continue to realize a gender-equal workplace environment; the Company offers equal pay and there is no discrepancy between basic salaries and compensations between women and men	Achieve 1:1 ratio in terms of basic salaries and compensations for women to men
Continue to compare with market salary standards and to increase the overall salaries and compensations standards based on the Company's business performance	✓	1. Conducted structural salary adjustments and optimized the competitiveness of pay based on the Company's salaries and the market standards 2. Conducted approximately 3 to 5% of salary adjustments in reference to market salary adjustment standards and in line with the Company's business performance, profitability, and employee's individual performance	Continue to compare with market salary standards and to increase the overall salaries and compensations standards based on the Company's business performance
Employee participation rate in welfare activities to 78%	✗ (Note 6)	Employee participation rate was 64.6%	1. Employee participation for the year increased by 1% compared to 2019 (Calculation basis for growth ratio of employees' participation will be reasonably adjusted based on the effects of COVID-19 in 2021) 2. To encourage employee participation, more than 25% of the activities will be focused on work-life balance
Material Topic: Occupational Health and Safety			
Organize annual employee health examination superior than statutory requirement	✓	Provide annual health examination more superior than statutory requirement; health examination rate was 99.7% for all employees	Organize annual employee health examination superior than statutory requirement
Implement ranked abnormality management mechanism based on the health examinations; reach 100% completion rate	✓	Implement ranked abnormality management mechanism based on the health examinations; reached 100% completion rate	Implement ranked abnormality management mechanism based on the health examinations; reach 100% completion rate
Organize 30 or more (inclusive) rounds of health promotional activities	✓	Cumulatively, 30 rounds of health promotional activities were organized (health promotional activities in Q1 and Q2 are canceled in line with the Company's epidemic prevention policy)	Increase the number of health promotional activities held in each year, and to organize 32 rounds (inclusive) or more by 2022

2020 Goals	Status	2020 Results	Short-term and Medium-term Goals (2021-2022)
Material Topic: Occupational Health and Safety			
Receive third-party assurance for ISO 45001	✓	Successfully received the version transition verification for ISO 45001:2018	To 2025: 1. Achieve 10 or more onsite inspection on health service operating environment 2. Propose 35 or more improvements for risk evaluation 3. Maintain status of zero material disaster/accident within any fab
Implement epidemic prevention measures to reduce employee risk and achieve 0 cross inflections	✓	No employee has tested positive for COVID-19 nor experienced cross infections	
Promote supply chain safety process management based on risk considerations: *Achieve 100% registration and management for supply chemical SDS audit login *Achieve 100% contractor self-checking registration and management No major disaster/accident within any fab	✓	1. SDS audit login has reached 100% 2. Contractors' self-checking-registration has reached 100% 3. No major disaster/accident had occurred	

Note 1: In terms of the flip chip wafer service, the Company continues to stay on top of current development trends and strives to acquire business opportunities.

Note 2: Certain standardized vendor contracts did not allow for revisions, rendering the Company incapable of adding relevant clauses. The Company will actively communicate and to achieve this goal with suppliers in the future.

Note 3: New suppliers added in the year were not included in the statistical data (7 new suppliers were added in 2020). The Company will continue to coach new suppliers for improvement and to fulfill RBA management in practice.

Note 4: Since Taian fab. 2 has planned to expand the capacity from 123KW to 332KW, the installation plan has been delayed and is expected to be constructed by the second quarter (Q2) of 2021.

Note 5: 2700CMD processing water recycling facility was constructed and installed in 2020, and began operation by Q4 2020.

Note 6: In line with the government's epidemic prevention, some of the Company's activities and social engagements were canceled in 2020 to prevent clustering; hence, the 2020 performance was lower than expectation.

Sustainable Business Model

Key Partners

Raw material suppliers

Packaging suppliers

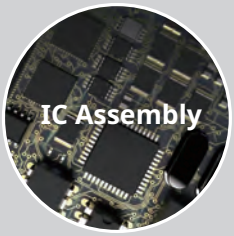
Equipment vendors

Important partners in promoting environmental sustainability & social welfare

Government agencies

Community groups

ChipMOS 南茂科技



Major Markets / Product Applications

Major customers

Semiconductor design companies, integrated component manufacturers & semiconductor foundries

Major product applications

Consumer electronics including personal computers, automotive electronics, communication equipment, office automation and cellphones.

Finance Costs

- Manufacturing capital : Additional purchases & factory and equipment maintenance expense
- Intellectual capital : R&D expense
- Natural capital : Environmental protection expense and investments
- Talent capital : Employee compensations and benefits expense
- Social capital : Investments for environmental sustainability and social welfare

Key Resources

- Professional assembly / testing technical services for Niche Products
- Diverse product planning
- Introducing automation
- Talent development

Core Services

Providing assembly / testing services for 3 major products :

- Memory IC
- Display Driver IC and Wafer Bumping
- Logic & Mixed-Signal Products

ChipMOS's Strengths

- Turn-key service
- Stable financial resources and robust operational and management growth
- Introduced digital transformation by implementing automated smart factory to achieve advanced specs and high quality
- Diversified risks of raw material supply chain
- Comprehensive training system that provides diverse channels to help employees' career development and grow with the organization

Customer Management

- Provide outstanding assembly and testing solutions based on the customers' product development roadmap
- Facilitate customers to reduce operating costs
- Diverse communication channels designed to focus on customers' opinions

Key Results

- Global No. 2 for LCD Display Driver IC Assembly / Testing capacity
- 2020 consolidated revenues reached NT$23.01 billion, a new record since 2008
- Cumulative renewable energy (solar power) generation over 9 years equivalent to monthly power consumption from approx. 8,351 households
- Cumulative processing water recycling over 13 years equivalent to approx. 3,629 international swimming pools
- Social engagements in 2020 influenced 64 institutions and directly benefited 664 individuals

2

Stakeholder Engagement

66 Members

66 senior executives and members of CSR Committee evaluate the influence of each Sustainable Topics on the Company's operations

16 Material Topics

Develop management strategies, goals, and action plans for the 16 Material Topics

Manage Diverse Communication Channels

Strengthen ESG information disclosure and maintain real-time communications with stakeholders

Sustainable Impact

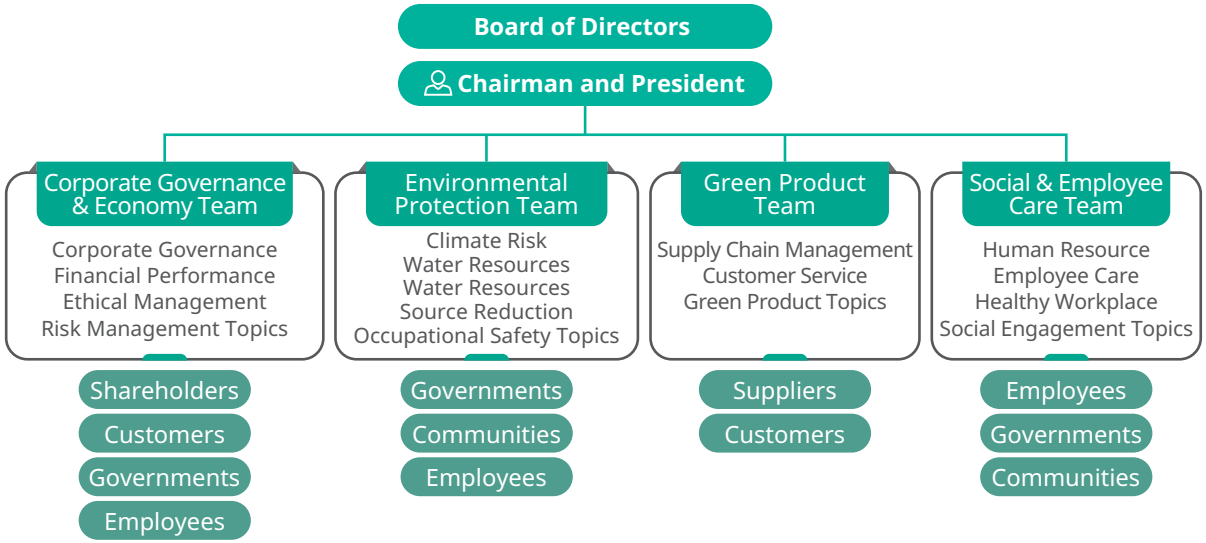
Continue to collaborate with external organizations to acheive sustainable development

Emphasis on All Stakeholder

102-40, 102-42, 102-43, 102-44

ChipMOS values stakeholders of all types and firmly believes that the first and most important task in achieving sustainable growth is to build positive relations with stakeholders in order to receive more trust and support, which will effectively assist our business operations and sustainable development.

We define stakeholders as "any internal or external group or organization that will either affect ChipMOS or be affected by ChipMOS". We have identified 6 types of stakeholders through a vote at our annual CSR Committee meeting, after integrating the suggestions from each committee member and conducting discussions by factoring in the Company's sustainable trends, industry characteristics, practical experiences, and in references to the 5 major principles (dependency, responsibility, influence, diverse perspective, tension) of the AA1000 SES-2015 Stakeholder Engagement Standard (SES). Our stakeholders include: shareholders, customers, employees, suppliers, government agencies, and community groups.



- Shareholders: ChipMOS is focused on the rights and interests of shareholders and investors, and pursues long-term sustainable development to be accountable to the shareholders and investors
- Customers: Mutually-trusting relations with customers and the support we receive from customers are important factors to ChipMOS's continuous growth
- Employees: A key to ChipMOS's core competitiveness as well as the greatest driver to our continuous business operations and development
- Suppliers: Important long-term partners with whom we jointly achieve stable growth and sustainable development
- Governments: ChipMOS adheres to laws and executes relevant procedures by upholding high levels of self-discipline and a prudent mindset, and actively participates in plans promoted by the government
- Communities: We achieve in-depth understanding to local needs and actively collaborate with community groups to offer our sincere care

Maintain Good Interactions with Stakeholders

We understand recommendations and needs from each group of stakeholders and effectively communicate and manage their topics of concern through substantial management objectives and unimpeded communication channels.

Approach

Listening and Immediate Communications

We value the voices of stakeholders and provide immediate response through proper methods during our day-to-day operations

Emphasis on Feedback and Concise Response

We understand the topics of stakeholders' concern and engage in effective communications through various communication channels, and address the topics one-by-one in this Report

Maintain Good Interactions and Partnerships

Maintain unimpeded communications and continue to promote and develop various collaboration plans to co-create a sustainable future

Develop Diverse Communication Platform

ChipMOS actively manages diverse communication platforms in the hopes of achieving more immediate communications and to better hear the voices from stakeholders

External

ChipMOS Website - CSR Section
https://www.chipmos.com/english/csr/overview.aspx

Facebook - ChipMOS CSR Page
https://www.facebook.com/pg/ChipMOSCSR/posts/

Contents

- Sustainability trends at home and abroad
- News and knowledge on sustainability and trending keywords
- ChipMOS's economic, environmental and social information

Sustainable Impact

- Achieve more understanding of ChipMOS
- Stay on top of sustainability trends
- Enhance knowledge regarding sustainability
- Readers are inspired to formulate the right mindset and actions

Internal

- Sustainability Video
- EMOS Internal Website - Sustainable ChipMOS
- CSR Quarterly E-Paper
- ChipMOS Quarterly Publication

2020 Key Highlights

Sustainability Video

To respond to the ever-changing market trends, the Company continues to pay attention to trends with a positive and active outlook to make timely operational adjustments and to lead our employees forward. This brand-new video created in 2020 is provided to all stakeholders as a means of more substantial communication. In it the stakeholders will find a compilation of our economic, environmental, and social efforts and performance in recent years as well as our future goals.

Check out the Video:
https://youtu.be/P9Qii5dpzMw

ChipMOS Quarterly Publication

- Issue: Q2 2020: 50th Anniversary of Earth Day - Climate Action
- Theme: ChipMOS Goes Green to Bring Changes to the Climate
- Date: May 6, 2020
- Number of People Influenced: 5,465 people
- Selected Content: The theme of 2020 Earth Day in Taiwan is "In Full Action", and participants embraced the slogan of "We'll Take Care of the Planet" while focusing on four major topics, waste management, ecological preservation, climate change, and sustainable diet. ChipMOS strives to join and to contribute to environmental protection at these critical times!

Stakeholders' Topics of Concern & Communication Effectiveness

Stakeholder	2020 Main Topics of Concern	Communication Channel/Frequency	2020 Communication Effectiveness	Corresponding Chapter
Shareholders	Business Performance Product Quality Corporate Governance Customer Satisfaction Labor Relations Ethics and integrity Regulatory Compliance	• Company financial statements (quarterly) • Quarterly Investor Conference (quarterly) • Annual Report (annually) • Shareholders' meeting (annually) • MOPS (occasionally) • CSR Report (annually) • Company website, social media (occasionally)	• 8 meetings were held and at least 39 material information and announcements were published to communicate the Company's development strategies and overall operations with shareholders • More than 99 messages were announced, and our sustainable actions and results were communicated with various stakeholders through various channels including Company website and social media • Average return on shareholders' equity (ROE) was at least 10% from 2016 to 2020, and ROE in 2020 was 11.7%	Corporate Governance and Economics
Customers	Product quality Occupational health and safety Ethics and integrity Risk management Information security	• Customer satisfaction survey (annually) • CSR Report (annually) • Customer service/Designated QA personnel (all the time) • Customer audit (occasionally) • Business meetings (occasionally) • Company website, social media (occasionally)	• Received certification for ISO 9001, IATF 16949:2016, ISO 26262:2018, IECQ QC080000:2017, ISO 17025, and ISO 27001:2013 • Third-party attestation for management system • Customer satisfaction survey includes evaluation of quality, technical competences, hazardous substance management, lead time, and service, and all scores have met customer demand and the rating score was 4.12 points (out of 5) • Received 0 customer complaint related to customer's information security	Customer Service and Supplier Management

Stakeholder	2020 Main Topics of Concern	Communication Channel/Frequency	2020 Communication Effectiveness	Corresponding Chapter
Employees	Compensation and benefits Labor relations Business Performance Occupational health and safety Ethics and integrity	• Production meeting (monthly) • Labor relations meetings, Employee Welfare Committee meetings (quarterly) • ChipMOS Quarterly Publication (quarterly) • Chairman's mailbox, employee mailbox/ hotline (all the time) • Internal website, physical bulletin (all the time) • Chairman's Talks, Factory divisional head luncheons (occasionally) • Company website, social media (occasionally)	• 56 relevant meetings, including labor relations meetings, production line meetings, Welfare Committee meetings, and foreign worker monthly meetings • 7 rounds of Chairman's Talks with entry-level employees and luncheons with factory divisonal heads were held • Employee care: • 254 new employees and 75 employees going through internal transfers were interviewed • 106 internal employees were interviewed to give timely feedback • ChipMOS's internal quarterly publication shares information from the Company and works submitted from our employees (book reports, baking, travel, and pets and more) • 4 issues of CSR e-paper were announced to help employees understand sustainability trends and the Company's sustainable actions	Employee Care and Social Co-prosperity
Suppliers	Customer satisfaction Regulatory Compliance Ethics and integrity Information security Risk management	• Supplier quarterly evaluation (quarterly) • Supplier onsite audit (annually) • CSR Report (annually) • Designated contact people for procurement/QA/training (all the time) • Supplier meetings and surveys (from time to time) • Company website, social media (occasionally)	• Join suppliers to fulfill corporate social responsibility; 100% of suppliers signed Statement of Corporate Social Responsibility and complied with its regulations in 2020 • Provide proper coaching and training to suppliers and conduct regular paper-based evaluation and onsite audit • Conducted RBA audit on 85 suppliers; average conformity rate was 97.45% in 2020 (average was 97 points in 2019) • Continue to encourage suppliers to achieve certification to international standards	Customer Service and Supplier Management
Governments	Regulatory Compliance Waste management and recycling Air pollution and emissions Climate change and energy management Hazardous Substances Management	• MOPS (regularly) • Pollution prevention reporting (regularly) • CSR Report (annually) • Government audits (occasionally) • Official documents, emails and meetings (occasionally) • Company website, social media (occasionally)	• 0 major violation • Relevant reports are filed before their deadlines pursuant to government and legal regulations • 100% of raw materials used have met international laws and green product regulations • Actively join and engage in governmental projects, such as: • Tax policy from the Ministry of Finance: issue uniform invoice and use e-invoice • The Youth's Employment Ultimate Program from the Ministry of Labor: increases youth's employment opportunities • Beach cleanup and adoption, and adoptions of air quality purification zones and public restrooms	Corporate Governance and Economics Environmental Friendliness
Communities	Labor relations Employee communications and grievances Human rights Social care and welfare activities Industry-Academia Collaboration	• CSR Report (annually) • Designated contact people for employment relations and general administration (all the time) • Public welfare organizations (occasionally) • Activities related to social engagement (occasionally) • Company website, social media (occasionally)	• Invested a total of NT$14,341,672 toward social engagement • Caring for disadvantaged welfare groups; benefiting a total of 64 organizations and more than 660 individuals • Volunteers totaled 13,213 people • Though onsite massage services from vision-impaired massage therapists were suspended for four months when the pandemic was raging in Taiwan, we continued to support and to pay wages to the massage therapists	Employee Care and Social Co-prosperity

Identifying Material Topics and Boundaries

102-46, 102-47, 103-1

Each of our organization undertakes immediate communication through formal and informal channels with different types of stakeholders during their day-to-day operations. In addition, various topics are collected and managed, and then discussed with members of the CSR Committee at the annual CSR seminars. To identify topics that are material to ChipMOS and to use them as an important basis for the strategies and goals to our sustainable management, we have systematically executed the three major procedures in material topic analysis: identification, analysis, and confirmation, by following the principles of GRI reporting standards (sustainability context, materiality, completeness, and stakeholder inclusiveness).

Procedures for Material Topic Analysis

Identification

25 Sustainable Topics

During the CSR seminars, the CSR Committee has conducted in-depth discussions over management strategies, sustainable development trends, standards, and guidelines at home and abroad, stakeholder feedback, and the results of the material topic identification in 2019, and a total of 25 sustainable development topics that include economic, environmental, and social aspects that are important to ChipMOS, have been identified.

Source of the topics:

- Management strategies: Company policy, core values, ChipMOS's sustainable vision
- International sustainability standards and guidelines: GRI Standards, SDGs, RBA
- Stakeholders' feedback received through various communication channels
- Other references: domestic benchmark enterprises, results of the material topic identification in 2019

Analysis

359 Surveys: Survey for Stakeholder's Level of Concern

Understand the stakeholders' levels of concern for sustainability topics using electronic surveys; effective survey responses in 2020 totaled 359 copies of surveys.

66 Surveys: Bi-Lateral Level of Impact Survey

As the basis of analysis in the material topic matrix, 66 senior executives and members from the CSR Committee collectively assess the level of impact of sustainable development topics on the Company, as well as their level of impact on economic, environmental, and social aspects.

Confirmation

16 Material Topics of ChipMOS

9 Topics of Secondary Importance to ChipMOS

By compiling the levels of stakeholders' concern and the results of the bi-lateral impact analysis on the Company and economic, environmental, and social aspects, the material topic matrix is formed

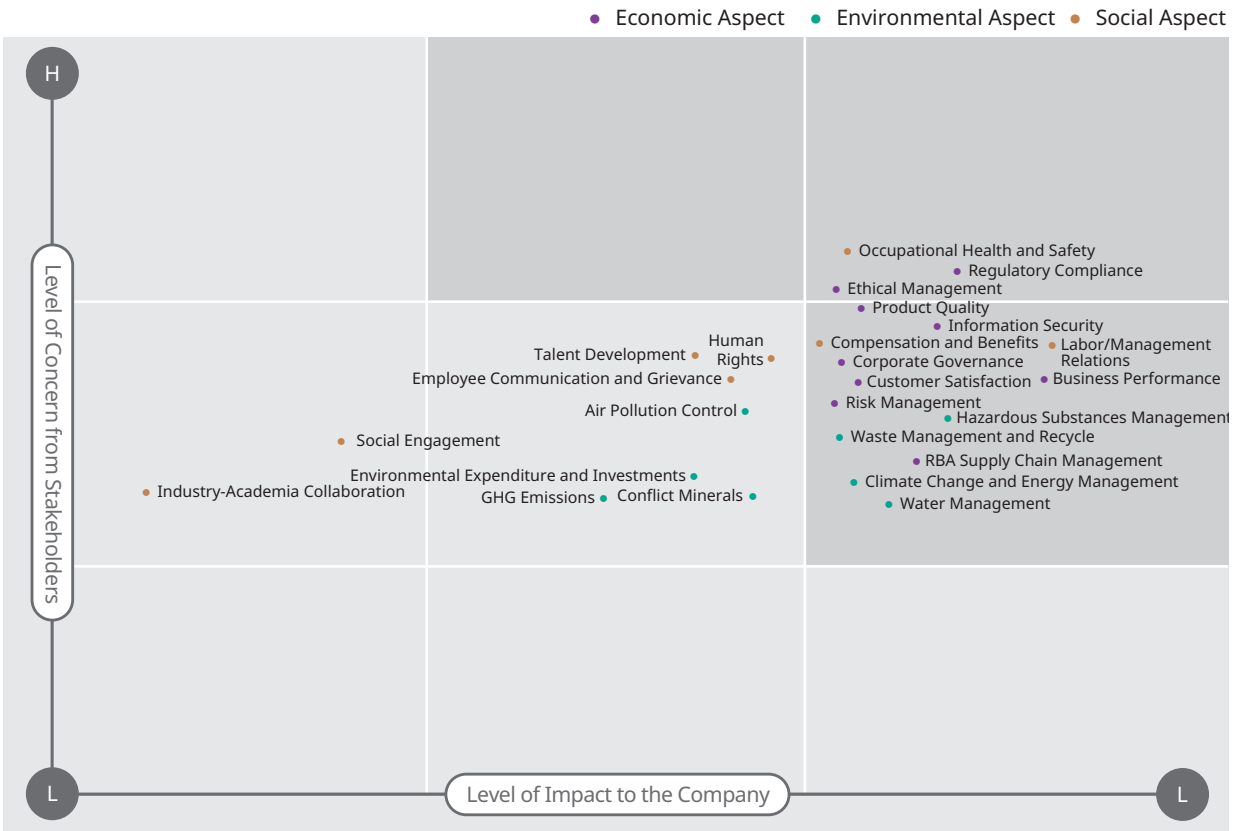
Management

We determined the boundaries of impact and management objectives based on the 16 material topics, and described the performance and results of the material topics and topics of secondary importance in the Report to substantially address the stakeholders' concerns

Results of Material Topic Analysis

Identification results in 2020 yielded 16 material topics, and their respective management objectives, goals, and performance and results are presented in relevant chapters in this Report

Identify Material Topics



16 Material Topics	
Economic Aspect	• Regulatory Compliance • Business Performance • RBA Supply Chain Management • Information Security • Customer Satisfaction • Product Quality • Corporate Governance • Ethical Management • Risk Management
Environmental Aspect	• Hazardous Substances Management • Water Management • Climate Change and Energy Management • Waste Management and Recycle
Social Aspect	• Compensation and Benefits • Occupational Health and Safety • Labor/Management Relations

9 Topics of Secondary Importance	
Environmental Aspect	• Air Pollution Control • Conflict Minerals • Environmental Expenditure and Investments • GHG Emissions
Social Aspect	• Employee Communication and Grievance • Human Rights • Talent Development • Social Engagement • Industry-Academia Collaboration

Boundaries of the Material Topics

ChipMOS inspects the boundaries of impact of the 16 material topics from a perspective of technical services we offer (Display Driver IC, memory and mixed signal) and industry value chain.

★ Direct Impact ★ Indirect Impact

Aspect	Material Topics of ChipMOS	GRI Standards - Specific Topics	Level of Involvement	GRI Standards - Disclosures	GRI Standards - Management Approach (Corresponding Chapter)	Upstream	ChipMOS's Operations			Downstream
						Raw Material / Equipment / Service Supply	Display Driver IC	Memory	Mixed Signal IC	Provision of Technology
Economic	Regulatory Compliance	Anti-Competitive Behavior	★	206-1, 307-1, 419-1	Regulatory Compliance and Ethical Management Environmental Protection	●	●	●	●	
		Environmental Compliance	★							
		Socioeconomic Compliance	★							
	Business Performance	Economic Performance	★	201-1, 201-3	Business Performance		●	●	●	
	RBA Supply Chain Management	Human Rights Assessment	★	308-1, 412-1, 412-2, 414-1	RBA Supply Chain Management	●	●	●	●	
		Supplier Environmental Assessment	★							
		Supplier Social Assessment	★							
	Information Security	Customer Privacy	★	418-1	Information Security Management		●	●	●	●
	Customer Satisfaction	Customer Privacy	★	418-1	Customer Service		●	●	●	●
	Product Quality	No Corresponding GRI Topic	★	103-1~103-3	Product Quality	●	●	●	●	●
	Corporate Governance	Governance	★	102-16, 102-18	Corporate Governance		●	●	●	
	Ethical Management	Ethics and Integrity	★	102-16, 205-1, 205-3	Regulatory Compliance and Ethical Management	●	●	●	●	
		Anti-Corruption	★							
	Risk Management	Organizational Profile	★	102-11	Risk Management	●	●	●	●	●
Environmental	Hazardous Substances Management	No Corresponding GRI Topic	★	103-1~103-3	Safer Materials	●	●	●	●	●
	Water Management	Water And Effluents	★	303-3, 303-4, 303-5	Water Resources Management		●	●	●	
	Climate Change and Energy Management	Energy	★	302-1, 302-3, 302-4	Climate Change and Energy Management		●	●	●	
	Waste Management and Recycle	Effluents and Waste	★	306-2, 306-3	Resource Cycling		●	●	●	
Social	Compensation and Benefits	Diversity and Equal Opportunity	★	202-2, 401-2, 405-1, 405-2	Compensation and Benefits		●	●	●	
	Occupational Health and Safety	Occupational Health and Safety	★	403-9, 403-10	Healthy and Safe Workplace	●	●	●	●	
	Labor/Management Relations	Labor Relations	★	401-1, 401-3	Talent Attraction and Retention		●	●	●	

Management Strategies, Action Plans & Evaluation Mechanism

The significance of the material topics to ChipMOS's operations and their respective management strategies, as well as goals and evaluation mechanisms.

Material Topic	Significance to ChipMOS's Operations	Management Strategy	Our Actions (CorrespondingChapter)
Regulatory Compliance	Follow laws and regulations in day-to-day management to effectively prevent penalties and damages to the Company's reputation	• Established regulatory identification mechanism and formulate relevant regulations • Fulfill regulatory compliance and carry out relevant promotions and training	Regulatory Compliance and Ethical Management
Business Performance	Pursue for steady growth and operational profitability to create higher value for all shareholders and enhance investors' trust	• Launch automated smart factory project to enhance the Company's competitiveness in response to 5G/AIoT trends • Continue research and development and to innovate various end-use applications to achieve steady growth momentum	Business Performance
RBA Supply Chain Management	Suppliers are our long-term partners and collectively strive for stable growth and sustainable development to create synergistic growth throughout the industry chain	• Apply RBA Code of Conduct as the objective for implementing supplier environment and human rights management • Established an inter-departmental Supplier Management Committee that executes sustainable supplier management	RBA Supply Chain Management
Information Security	Fulfill information security management to ensure the Company's day-to-day operations and to protect customer data and maintain trusting partnerships	• Established an Information Security Management Committee to formulate information security policy and safeguard information assets • Introduce ISO/IEC 27001:2013 Information Security Management system • Conduct Business Impact Analysis (BIA) for important systems • Enhance employees' awareness for information security and proficiency • Extend information security to supply chain to enhance the information security service quality throughout the supply chain	Information Security Management
Customer Satisfaction	ChipMOS treats customers as partners and provides outstanding quality and technical services while helping customers to reduce operating costs and achieve joint developments and growth	• Understand customer needs through diverse communication channels and immediately handle and respond to customers' concerns • Provide comprehensive products and service to satisfy customers' product and service needs	Customer Service
Product Quality	ChipMOS strives to enhance product quality, competencies, and achieve continuous improvement to satisfy customer needs and to win their trust	• Gradual introduction of automated smart manufacturing to achieve advanced quality control • Strive to enhance quality through designated quality department and inter-departmental efforts • Continue to encourage the submission of improvement proposals throughout the fabs to maintain competitive edge in quality	Product Quality
Corporate Governance	Continue to strengthen governance mechanism to protect the rights and interests of shareholders and other stakeholders and to achieve sustainable business development	• Adhere to the principle of corporate governance, and the Board of Directors is formed through elections from all shareholders • Strengthen the functionalities of the Board of Directors through establishing various functional committees that regularly report their activities and resolutions to the Board of Directors • Set up a Corporate Governance Officer to facilitate in the operations of the Board	Corporate Governance

Material Topic	Significance to ChipMOS's Operations	Management Strategy	Our Actions (CorrespondingChapter)
Ethical Management	ChipMOS adheres to a principle of integrity, honesty, and business ethics while carrying out all business activities. We practice ethical management and maintain good corporate reputation.	• Fulfill ethical management and regulatory compliance policy to actively prevent any unethical conduct • Risk evaluation on corruption has been performed for all ChipMOS operations, and ethics and integrity course advocacy is also implemented	Regulatory Compliance and Ethical Management
Risk Management	Good risk management mechanism can effectively maintain business operations and reduce or prevent losses from occurrence of risks	• Management strategies and actions are carried out based on the risk management policy and risk analysis and identification • Business continuity plan is strictly implemented to ensure that damages can be kept to a minimum during any emergency • Reviewed during day-to-day operations to stay on top of any abnormalities	Risk Management
Hazardous Substances Management	Raw materials are selected using high standards to ensure that products do not pose safety hazards to the human health and the environment	• Green materials are used so that products are free from substances that are hazardous to the environment • Green Product Management (GPM) system is established to ensure compliance to green product laws and regulations	Safer Materials
Water Management	Upholding the vision of treasuring and properly using water resources, ChipMOS is committed to minimizing the environmental impacts from our operations	• Processing water recycling facility is built to recycle and reuse water resources • Water quality inspection and control is carried out within our fabs, and discharge and effluents are treated according to laws to effectively manage water resources	Water Resources Management
Climate Change and Energy Management	ChipMOS values climate change and effectively utilizes energies to mitigate the impacts on the environment	• Energy Management Committee is established and the ISO 50001 Energy Management System is introduced • Various energy-saving technologies are introduced to effectively utilize energies, and we continue to promote various energy conservation management projects	Climate Change and Energy Management
Waste Management and Recycle	ChipMOS actively promotes source management to enhance resource utilization efficiency in order to focus on both economic development and environmental protection	• Promoted reductions at the source and introduce production processes from the perspective of circular economy • Established a waste disposal audit system to effectively control waste disposal processes	Resource Cycling
Compensation and Benefits	ChipMOS has formulated good compensation and benefits system to inspire and to reward employees for their contributions and hard work to further build employee cohesion and loyalty	• Attract, inspire, and retain high-performing talent by providing competitive and fair compensations • Regularly participate in external salaries research and use the results from objective third-party agencies as references for salary adjustments	Compensation and Benefits
Occupational Health and Safety	Employees are our most important asset and we strive to provide them with a safe environment to protect their health	• Occupational Safety and Health Committee is established to practice occupational safety and health management • Promoted ISO 45001 Occupational Health and Safety Management system	Healthy and Safe Workplace Environment
Labor/Management Relations	We value employee rights and interests, respect all employees, and have built an equal, inclusive and friendly workplace environment	• During the recruitment process, no differential treatment on whether to hire a person is given based on factors including gender during the recruitment process • We abide by national laws on labor (Labor Standards Act) and have built a friendly work environment and fulfilled work-life balance	Talent Recruitment and Retention

Participation in External Organizations

102-12, 102-13

External Initiatives

ChipMOS adheres to the Responsible Business Alliance (RBA) Code of Conduct and uses these principles to evaluate and manage the Company's performance in terms of social, environmental, and ethical aspects. It is also used as the objective in managing our major suppliers. We strive to protect the rights and interests of all employees and workers throughout the supply chain through self-evaluations and supplier RBA audit. ChipMOS's RBA policy and objectives are announced to all employees after approval from the Chairman.

Participation in External Organizations

Continue to Promote Joint Audit As A Part of Waste Management with Industry Partners

We have been promoting joint audit with the assembly environmental safety team of the Taiwan Semiconductor Industry Association (TSIA) since 2016. We co-designed the audit system and strengthened its breadth and depth on wate management to implement the management mechanism and ensure that vendors will execute waste disposal in accordance with the laws.

Promote Clean Production and Circular Economy

By joining our assembly industry partners in TASS and TSIA in 2020, we jointly promoted the BS8001 concept and hope to not only practice circular economy actions within our own firms, but also to expand these actions outward to supply chain management so as to respond to the global trends in circular economy activities.

Sharing Experiences in Campus Energy-saving Diagnostics

Besides energy conservations within our enterprise, we also actively coaches energy conservation at academic institutions. We visit schools and provide information, assistance, and organize performance review sessions based on our own energy-saving experiences. Bi-lateral discussions are conducted during the review sessions to achieve energy-saving benefits. Our efforts were rewarded by Tainan City Government through "Energy-Saving Benchmark Award" in 2020.

Strengthening Internal Defense through Participating in Information Security Seminar

ChipMOS is committed to information security, and we continuously foster employees' awareness through information security promotions, training, and practice drills. We participated in "The New Post-Pandemic Norm: Planning Ahead for Enterprise Information Security Defense" seminar co-hosted by Chubb and Deloitte in 2020, in which we reviewed the Company's current status and strengthened our information security.

ChipMOS's participation in external organizations (membership credentials)

Name of Organization	Participation
Taiwan Semiconductor Industry Association (TSIA)	Member - Assembly Environmental Safety Team
Taiwan Alliance for Sustainable Supply (TASS)	Member
Chinese National Association of Industry and Commerce, Taiwan(CNAIC)	Member
Taiwan AI Communication and Information Association(TAICIA)	Member
The Allied Association for Science Park Industries	Member and Southern Taiwan Science Park (STSP) Water and Electricity Supply Committee
Science Park Information Security Science Park Information Sharing and Analysis Center (SP-ISAC)	Member
International Microelectronics Assembly and Packaging Society (IMAPS) Taiwan	Member
Academia-Industry Consortium for Southern Taiwan Science Park	Member
The Institute of Internal Auditors-Chinese Taiwan	Member
Hsinchu County and Tainan City Nurses Association	Member
Tainan City Energy Conservation Alliance	Member
Southern Taiwan Science Park - Water and Electricity Committee	Member

3

Corporate Governance

NT$23.01 Billion

Consolidated Revenues in 2020 Were The Highest Since 2008

Taiwan RAFI EMP 99 Index

Received recognition from Taiwan Index Plus Corporation. Stably provide local employment opportunities in Taiwan

Specifically Ehance the Functions of the Board of Directors

Implement diversity in the Board of Directors, set up Corporate Governance Officer, and conduct performance evaluation mechanism for the Board of Directors

Comprehensive Strengthening in Operational Resilience

Enhanced risk managemen: including Economic Governance, Information Security, Climate Risks, and Supply Chain Risks; Reinforced Business Continuity Management

Business Performance

102-7, 103-2, 103-3, 201-1, 201-3

Management Approach

Policy

We strive to achieve operational objectives, to properly utilize internal and external resources and enhance utilization efficiency, to enhance competitiveness and sustainable development, and to maintain our competitive strengths in the semiconductor assembly and testing field

Commitments

ChipMOS maintains sound governance system, persist in transparent operations, and build a management team with clearly specified responsibilities based on our core values to continuously enhance the Company's added values

Resources

- The Board of Directors and the management team are all equipped with rich industrial experience and professional background
- Establish a professional and strong research and development (R&D) team

Actions

- Actively catch product growth opportunities and diversify product development roadmap
- Continue to develop new products with high growth opportunities and to provide comprehensive OSAT backend solutions
- Catch 5G/AIoT industry trends and gradually implement automation and smart manufacturing

Evaluation Mechanism

- Various financial performance indicators included in annual business report

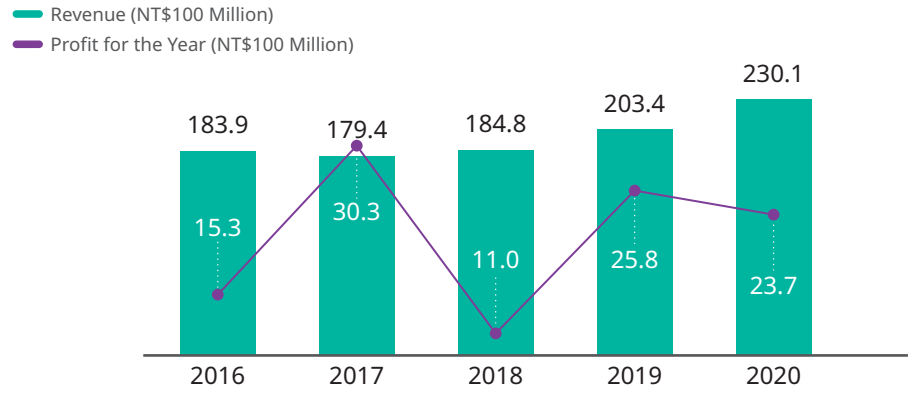
2020 was full of challenges both for ChipMOS and whole industry. Our team did an excellent job supporting customers through the global pandemic, trade tensions and widespread supply chain tightness, which made operations more challenging. However, ChipMOS was benefitted from the strong demand from customer and the change in demand caused by the epidemic in 2020. Revenue of 2020 was the record high since 2008, and the gross margin rate was also significantly grew compared to 2019. By cautiously stable operating strategy, in line with industry trend and customer requirements, ChipMOS will keep moving forward expanding the core technologies and product developments to maintain growth momentum and improve profitability.

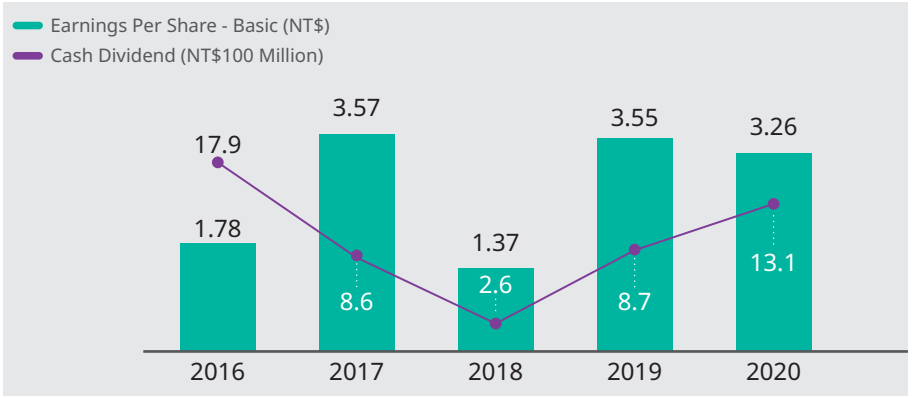
Consolidated revenue for the fiscal year ended December 31, 2020 was NT$23.01 billion, which reflects 13.1% growth from 2019. The consolidated gross margin for the year increased to 21.9%. Regarding to the products, with the increasing of high ASP products, TDDI, the revenue of flat panel display driver IC (DDIC) related products, including gold bump represented 48.3% of 2020 total revenue. Regarding to the memory product, driven by automotive, gaming, new consumer product and other new business, Flash product revenue represented 22.3% of 2020 total revenue.

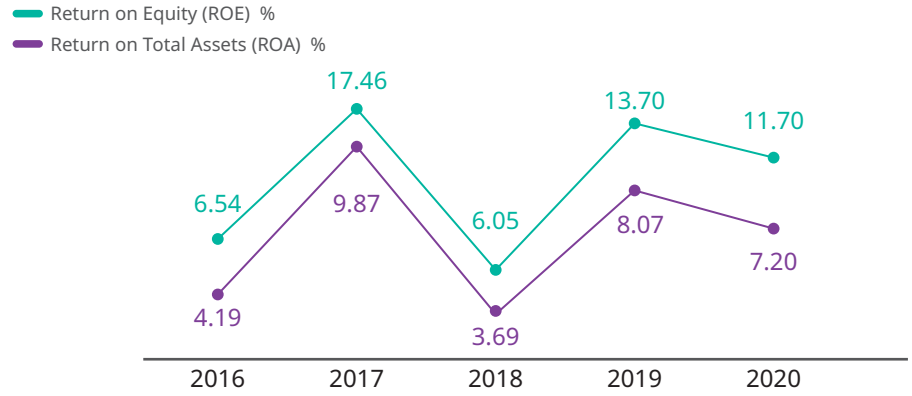
The profit attributable to equity holders of the Company and the basic earnings per share were NT$2.37 billion and NT$3.26. Till the end of 2020, the aggregated amount of ChipMOS consolidated assets was NT$35.08 billion and the cash and cash equivalents was NT$4.11 billion. The consolidated liabilities was NT$14.25 billion with the consolidated liabilities to assets ratio of 40.6%. The equity attributable to equity holders of the Company was NT$20.83 billion with the Return on Equity (ROE) was 11.7% for 2020.

Looking ahead to 2021 and beyond, ChipMOS will continue to focus on the niche market about automotive electronics and industrial electronics, as well as high-growth markets about smart mobile devices which are driven by the automation and intellectualized in industrial. By offering leading edge and reliable semi-conductor back end turnkey solutions that integrated wafer bumping and assembly, to meet the industry demand and customers' requirements. Moreover, ChipMOS will actively grasp the growth opportunities of new products trend for new specifications of new smart phone demand. ChipMOS is also driving higher efficiency and profit through increased AI and automation to further reduce the operating cost to be able to drive growth in revenue and profitability.

Business Performance







	Unit	2016	2017	2018	2019	2020
Capital Stock	NT$100 Million	88.7	88.6	75.3	72.7	72.7
Gross Profit	NT$100 Million	36.4	32.4	34.3	39.3	50.3
Income Tax Expense	NT$100 Million	3.5	3.0	6.8	4.5	6.1
Net Value Per Share	NT$	18.99	21.49	24.85	27.02	28.64
Employee Benefit Expenses	NT$100 Million	53.2	59.0	56.1	60.8	60.1

Note 1: Source: CPA-audited consolidated financial statements in each year.

Note 2: As of December 31, 2020, ChipMOS's registered capital is NT$9.7 billion, which is divided into 970 million shares. The paid-in capital is NT$7.27 billion. The nominal value of each share is NT$10, and the actual number of issued shares is 727.24 million shares, and all of which are ordinary shares.

Note 3: ChipMOS has publicly listed some of its outstanding shares on Nasdaq using depository receipts in the United States on November 1, 2016. As of December 31, 2020, the number of depository receipts outstanding is 4,270,600 units, and 20 ordinary shares is recognized in each of the units. Approximately 85.41 million shares are represented.

Research & Development Expenses

With the emergence of AI and 5G applications and the popularization of mobile devices, the demand for trends including System on a Chip Integration and going thinner and smaller, continue to drive the technical developments in the assembly industry. ChipMOS actively seizes industry development trends and continues to invest in relevant R&D.

Investment in R&D

(Unit: NT$100 Million)

Year	2016	2017	2018	2019	2020
R&D Expenditure	8.4	9.9	9.4	10	10.2

Tax Governance

ChipMOS is committed to information transparency and believes that paying taxes honestly is beneficial toward economic growth and sustainable business development. We have formulated tax management objectives and implement them in line with laws, so as to continuously create long-term values for the Company and to fully protect the rights and interests of shareholders and investors.

Approaches to tax:

1. Comply with all local taxation laws and other applicable rules and regulations at the sites of our operations. File and pay taxes within the specified deadlines to fulfill the rights and obligations of a taxpayer.
2. Transparency in tax information; tax disclosures have been handled in accordance with relevant regulations and standards.
3. Apply for relevant tax benefits and incentives, and any and all improper tax avoidance is prohibited.
4. Maintain good communications and discussions founded on mutual trust and respect with the tax authorities on a timely basis.
5. Long-term taxation effects shall be taken into consideration for important decisions, and such effects shall be implemented during regular transactions.
6. Continue to understand relevant national legal knowledge and revisions to strengthen tax expertise and to reduce tax-related risks in the future.

Effective Tax Rates

(Unit: NT$ thousand)

	2019	2020
Profit before Income Tax	3,030,319	2,973,359
Income Tax Expense	446,158	605,876
Effective Tax Rate	14.7%	20.4%

Income Taxes Paid

(Unit: NT$ thousand)

	2019	2020
Taiwan	634,121	272,788
U.S.A.	1,756	2,722
Others	1,292	569
Total	637,169	276,079

Note:

1. Effective tax rate in 2019 was lower due to gain on disposal of investment accounted for using equity method, NT$981,675 thousand, was an income from securities transactions whose taxation is currently suspended.
2. To further understand the income tax information, please refer to ChipMOS's 2020 Consolidated Financial Statements.

Corporate Governance

102-18, 102-22, 103-2, 103-3, 405-1

Management Approach

Policy

We adhere to the principle of corporate governance and strengthen the functions of the Board of Directors to protect the rights and interests of shareholders and all other stakeholders

Commitments

- ChipMOS's Board of Directors and the management team are committed to achieve operational objectives
- Effective supervision mechanism is formulated to enhance corporate competitiveness and to achieve sustainable development

Resources

- The Board of Directors, which serves as the highest governance unit and major management decisions center, has been formed
- Audit Committee, Remuneration Committee, and Audit Office, have been formed

Actions

- The Board of Directors is formed by member with rich industrial experience and professional background
- Increase the number and ratios of Independent Directors and female Directors in the Board of Directors

Evaluation Mechanism

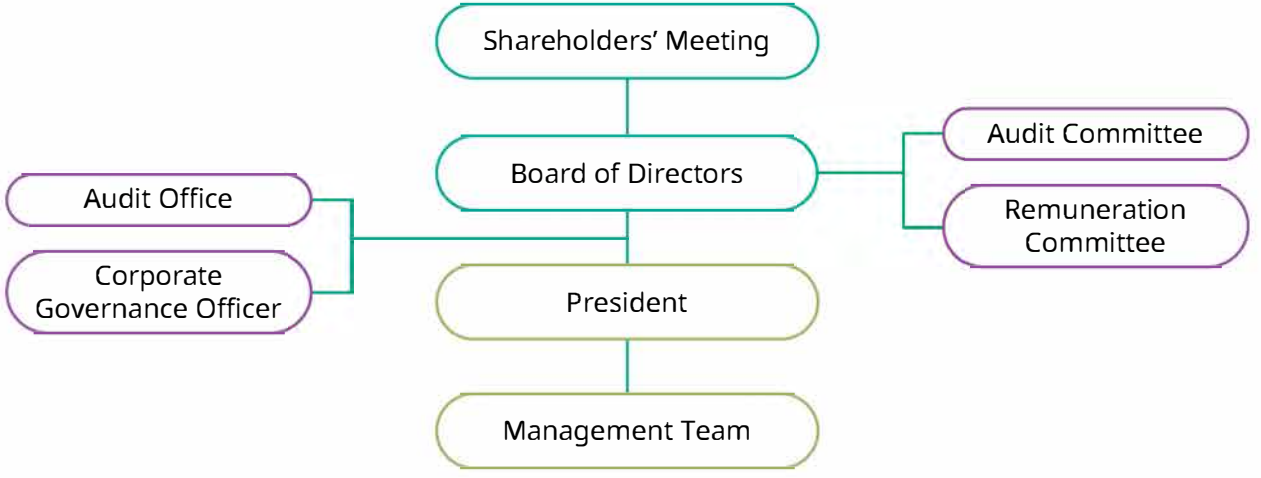
- Supervision and inspection from competent authorities
- Corporate governance evaluation system by TWSE
- Proportion of Independent Directors and female Directors to all Directors

Governance Organization

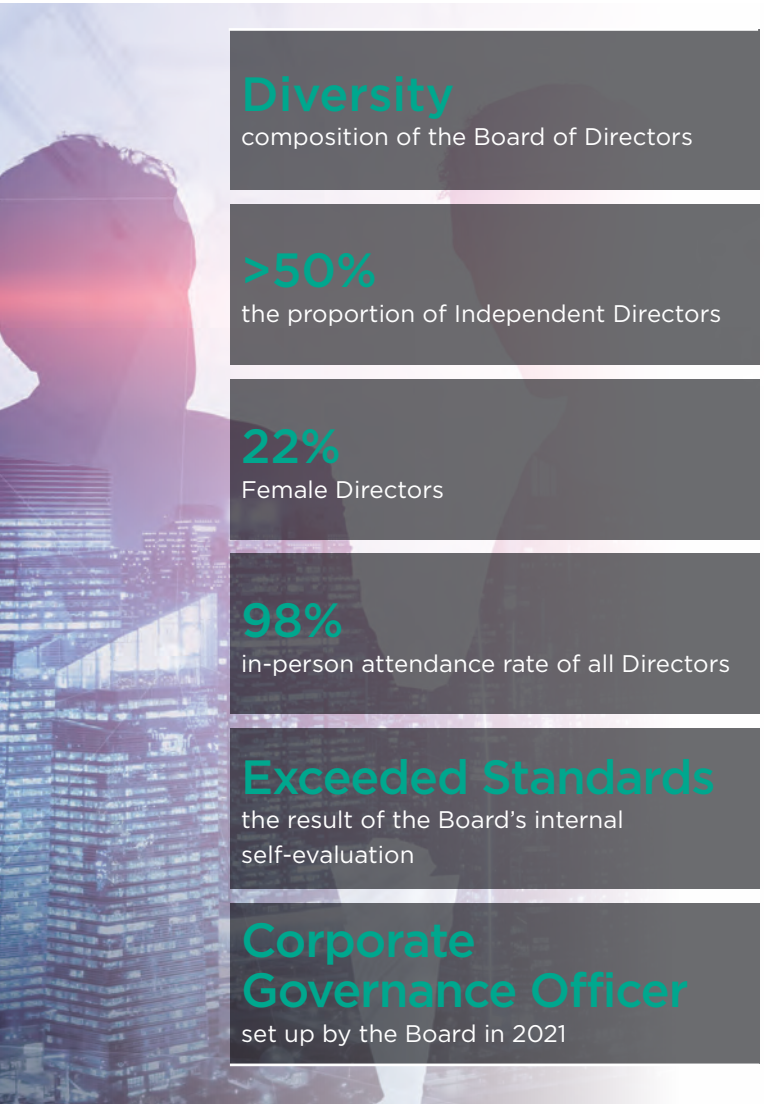
ChipMOS has established the corporate governance structure and formulated good governance system, abides by legal regulations and ethical management to ensure the Company's robust operations and growth in line with its Articles of Incorporation, Corporate Governance Best Practice Principles and applicable laws and regulations. We strengthen supervision and management over the Company's operations through the Board of Directors and are committed to protecting the rights and interests of shareholders and all other stakeholders. We actively communicate and interact with stakeholders, continue to enhance information transparency and fulfill sustainable development, which are also the key developments promoted by corporate governance.

Results of the 7th corporate governance evaluation system announced by the Taiwan Stock Exchange (TWSE) in 2021 indicated that ChipMOS ranks among top 21-35% of all TWSE listed companies. We will continue to strengthen corporate governance management, including protecting shareholders' rights and interests, strengthening the Board of Directors' operations, strengthening risk management in internal control, enhancing information transparency, and fulfilling corporate social responsibility. These practices will help us to actively enhance the standard of corporate governance and the stakeholders' understanding of our policy implementations and their results.

▼ Structure of Corporate Governance



Fulfilling the Functions of the Board of Directors



Board of Directors

The Board of Directors is the highest governance unit and major management decision center of ChipMOS. It is responsible for guiding the Company's strategies and supervising the management team and the Company in planning and executing sustainable business development. It will also exercise its duties and powers in line with the Articles of Incorporation and applicable laws and regulations to ensure the regulatory compliance of the Company. It is also responsible to the Company and the Shareholders' Meeting.

Powers and Duties of the Board of Directors

Review and decision-making related to operations, guidance and supervision of the management team

Review the business policy and mid-term and long-term development plan

- Review and supervise the operation of the annual business plan
- Review the proposals for the distribution of profits or covering of losses
- Appoint the managerial officers
- Supervise the planning and execution of the Company's sustainable development
- Hold the shareholders' meeting, prepare business reports, and execute the resolutions of the shareholders' meeting
- Handle other matters required or permitted by the law

(For more details, please refer to ChipMOS Articles of Incorporation)

The Board of Directors is formed by 9 Directors with a term of three years each. Starting from the 10th term of the Board of Directors, the election of Directors (including Independent Directors) follows the candidate nomination system.

The Board of Directors comprises of 5 Independent Directors, which proportion accounted for 56% of all Directors. The independence of the Independent Directors is determined and evaluated pursuant to relevant laws. The Board of Directors consists of 2 female Directors (including 1 Independent Director), accounting for 22% of all Directors. This is more competitive than the average proportion of 13.37% of female Directors among all listed companies.

In principle, the Board of Directors meeting shall be held in each quarter, and meetings may be called at any time by the Chairman in case of emergency or upon the request of more than one-half of all Directors. 7 Board of Directors meetings held in 2020, and the in-person attendance rate of all Directors was 98%. All meetings were attended in-person by all Independent Directors to effectively realize their supervisory functions. No penalty or correction on the operations and implementation of the Board of Directors had been imposed by the competent authority in 2020.

Implementation Status of Diversification in the Composition of the Board of Directors

The 9 members of ChipMOS's Board of Directors have diversified backgrounds. All members have rich industrial management experience and academic experience, including professional backgrounds in corporate management, electrical engineering, financial and accounting and so on. Of all Independent Directors, one has served as an Independent Director for less than 3 years, three have served for 3 to 9 years, and one has served for more than 9 years. One of ChipMOS's Directors concurrently serves as a Company managerial officer, accounting for 11% of all Directors and has not exceeded one-third of all Directors. The diversity policy and implementation status in the composition of the Board of Directors and its execution has also been disclosed on the Company's Annual Report and ChipMOS's website.

Specific Management Objectives and Achievement of The Diversity Policy

Management Objective	Achievement
Independent Directors form the majority of all Directors	✓
Members of the Board of Directors shall consist of at least one female Director.	✓
Number of Directors who concurrently serve as Company managerial officer do not exceed one-third of all Directors	✓

All members of the Board of Directors participate in continuing education pursuant to laws, and continue to participate in courses related to corporate social responsibility and sustainable development to acquire economic, environmental and social competencies and to make relevant decisions.

Continuing education of the Board of Directors in 2020

Course Name	Total Training Hours (Course Length*Number of People Trained)
Ethical Corporate Management and Corporate Social Responsibility	27
The Board of Directors' Responses to and Applications of Corporate Governance Evaluation System	27
Total	54

Implementation Status of Diversification in The Composition of The Board of Directors

Name	Position	Gender	Employees Identification	Age (year)			Professional Knowledge and Skills							
				51-60	61-70	71-80	Operational Judgments	Accounting And Financial Analysis	Management Administration	Crisis Management	Industry Knowledge	International Market Perspective	Leadership	Decision-making Capacity
Shih-Jye Cheng	Chairman		✓		✓		✓	✓	✓	✓	✓	✓	✓	✓
Teresa Wang	Director				✓		✓	✓	✓	✓	✓	✓	✓	✓
Bright Yeh	Director			✓			✓		✓	✓	✓	✓	✓	✓
Lafair Cho	Director			✓			✓		✓	✓	✓	✓	✓	✓
Chin-Shyh Ou	Independent Director				✓		✓	✓	✓	✓	✓	✓	✓	✓
Yuh-Fong Tang	Independent Director				✓		✓		✓	✓	✓	✓	✓	✓
Tai-Haur Kuo	Independent Director			✓			✓		✓	✓	✓	✓	✓	✓
Kuei-Ann Wen	Independent Director			✓			✓		✓	✓	✓	✓	✓	✓
Jing-Shan Aur	Independent Director					✓	✓		✓	✓	✓	✓	✓	✓

Note: For a summary on the Directors and their meeting attendance records, please refer to ChipMOS's Annual Report (Chapter III. Corporate Governance Report), ChipMOS Website, or the MOPS.

Performance Evaluation of the Board

To implement corporate governance and to enhance the functions of the Board, the Board of Directors have approved the "Rules for Performance Evaluations of the Board of Directors" on March 10, 2020 and established that the Board of Directors shall conduct internal performance evaluation on the Board in each year, and an evaluation shall be conducted by external independent professional institution or a panel of external experts and scholars at least once every 3 years. The scope of evaluation includes the performance of the Board of Directors as a whole, individual Board members, and the functional committees, and the performance evaluation results shall be completed before the end of the first quarter (Q1) of the following year.

The results of the 2020 Board of Directors' internal evaluation was submitted to the Board in the first quarter of 2021. Results of the performance evaluation on the Board as a whole, individual Board members, and the functional committees all indicated "exceeded standards". The overall functions of each evaluation indicator have been good and meet with corporate governance requirements.

Evaluation target	Performance Evaluation of the Board	Performance Evaluation of Individual Board Members	Performance Evaluation of Functional Committee
Evaluation Indicator Aspect	• Participation in the operation of the Company • Improvement of the quality of the Board of Directors decision making • Composition and structure of the Board of Directors • Election and continuing education of the directors • Internal control	• Alignment of the goals and missions of the Company • Awareness of the duties of a Director • Participation in the operation of the company • Management of internal relationship and communication • The Director's professionalism and continuing education • Internal control	• Participation in the operation of the Company • Awareness of the duties of the function committee • Improvement of quality of decisions made by the functional committee • Makeup of the functional committee and election of its members • Internal control
Rating	Exceeds Standards	Exceeds Standards	Exceeds Standards

Note:
Evaluation standard: Achievement rate of the proportion of "Yes" results to all indicators
1. Evaluation result of those with 90% (inclusive) or above in average overall evaluation indicators is "exceeds standards".
2. Evaluation result of those with 80% (inclusive) or above but less than 90% in the average overall evaluation indicators have "met standards".
3. Evaluation result of those with less than 90% in the average overall evaluation indicators "need improvements".

Corporate Governance

Ms. Silvia Su, Vice President of the Finance & Accounting Management Center was appointed to serve in this position by the Board of Directors

Organization

- In 2021, the Board of Directors approved the appointment of Ms. Silvia Su, Vice President of the Finance & Accounting Management Center, as the Corporate Governance Officer.
- Ms. Su's qualifications meet the requirements of the Company's "Corporate Governance Best Practice Principles" and will complete the required professional education within one year from the appointment, before March 2022.

Major Responsibilities

The top officer in charge of tasks related to corporate governance, with the following duties and obligations:

- Handle matters in relation to the Board of Directors and Shareholders' meetings according to laws
- Assist in onboarding and continuous development of Directors, furnish information required for business execution by Directors, assist the Directors in regulatory compliance, etc.

Implementation Status

Key implementations of corporate governance related matters are as follows:

- 7 Board of Directors meetings and 5 Audit Committee meetings were held in 2020.
- 1 Annual Shareholders' meeting was held in 2020
- All members of the Board of Directors have completed at least 6 hours of development courses
- The Company has purchased Directors and Officers Liability Insurance, and reported the renewal to the Board of Directors

Audit Committee

Composed of the entire number of Independent Directors

Organization

- Established on June 28, 2007
- The "Audit Committee Charter" approved by the Board of Directors
- Membership of the committee: Formed by all Independent Directors, and at least one Independent Director shall have accounting or finance expertise

1. Independent Director Chin-Shyh Ou (Convener)
2. Independent Director Yuh-Fong Tang
3. Independent Director Tai-Haur Kuo
4. Independent Director Kuei-Ann Wen
5. Independent Director Jing-Shan Aur

Major Responsibilities

- Assist the Board of Directors to perform supervisory duties
- Exercise the authority required by the Company Act, the Securities and Exchange Act, the Articles of Incorporation and relevant laws and regulations
- Supervise the effective implementation of the internal control system
- The appointment, discharge, compensations, independence and performance evaluation of the certified public accountants
- Appointment or discharge of financial, accounting, or internal audit officer
- Supervision over the Company's regulatory compliance and its control over of the existing or potential risks.

Implementation Status

- Convenes meetings at least once quarterly, and fully communicate with the Company's internal audit unit and certified public accountants
- 5 Audit Committee meetings were convened in 2020
- Meeting attendance from the Independent Directors have been disclosed on the Company's Annual Report

Remuneration Committee

Formulate and regularly review the performance of the Board of Directors and managers as well as compensations management

Organization

- Established on March 29, 2012
- The "Remuneration Committee Charter" was approved by resolution of the Board of Directors
- Membership of the committee: Formed by 3 Independent Directors

1. Independent Director Tai-Haur Kuo (Convener)
2. Independent Director Chin-Shyh Ou
3. Independent Director Yuh-Fong Tang

Major Responsibilities

- Evaluate the business performance of the management team and to achieve a sound compensations and remunerations system for the Company Directors and managers
- Formulate and regularly review the Board of Directors and manager's performance evaluation in conjunction with the remuneration policies, systems, standards and structure
- Supervision over the remuneration management of Directors and managers

Implementation Status

- At least 2 meetings shall be convened in each year, and a total of 6 meetings were convened in 2020

Internal Audit

Reviews the effectiveness of the Company's internal control system

Organization

- Set up dedicated Audit Office that directly reports to the Board of Directors.
- The Audit Office is composed of two people: a dedicated chief auditor and an auditor.
- The appointment, dismissal, evaluation, and compensations and remuneration of internal auditors

1. Executed in line with provisions of ChipMOS's Human Resources Regulations.
2. The appointment and dismissal of the chief internal auditor shall be approved by the Audit Committee and submitted to the Board of Directors for approval. The evaluation is conducted by the Chairman, while the compensations and remunerations are determined by the Board of Directors after the Remuneration Committee has submitted a recommendation for the relevant compensations
3. Appointment, dismissal, evaluation and compensations and remunerations of other internal auditors shall be submitted to the chief internal auditor to the Chairman for approval

Major Responsibilities

- Inspect and review of the effectiveness of the design of the internal control system and its implementations
- Provide consulting for internal control and recommended improvements for internal departments

Implementation Status

- Reports the implementation status of the internal control to the Board of Directors and the Audit Committee at least once in each quarter; 6 reports were submitted to the Board of Directors, and 5 were submitted to the Audit Committee in 2020
- Discuss the internal control and topics of concern to the Independent Directors with the convener of the Audit Committee via email, meetings/seminars; 1 communication session was carried out in 2020

Regulatory Compliance and Ethical Managementa

102-16, 102-17, 103-2, 103-3, 205-1, 205-3, 206-1, 419-1

Management Approach

Policy

Comply with the government and legal regulations, practice regulatory compliance and ethical management policy, and actively prevent unethical conduct

Commitments

The Company's operations will strictly abide by ethical conduct and moral principles, and business activities will be carried out based on a principle of fairness, honesty, integrity, and transparency

Resources

- Board of Directors and Audit Committee
- Established designated Audit Office and Legal Office

Actions

- Implement laws and regulations identification mechanism and formulated rules and regulations related to ethics and integrity
- Formulated an Audit Committee Mailbox independent from the management team
- Conduct ethical management and regulatory compliance training and promotion

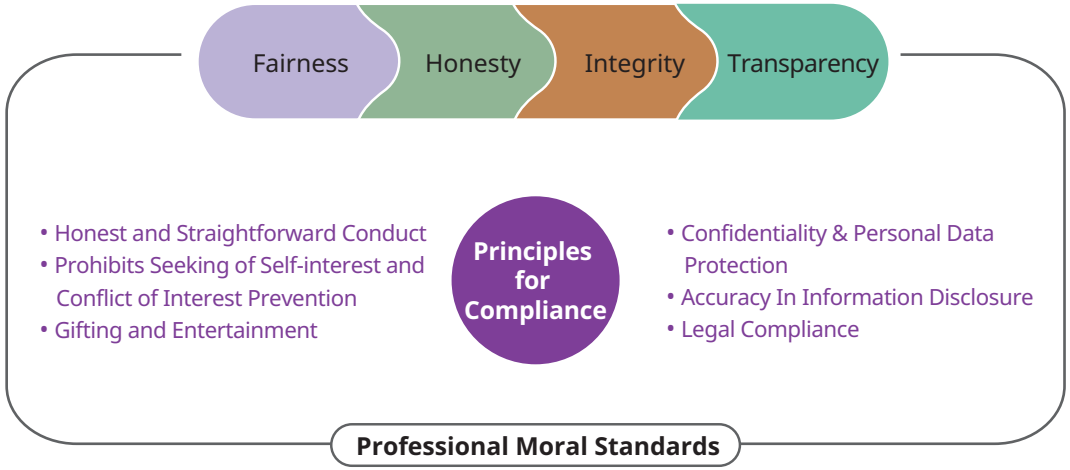
Evaluation Mechanism

- Violation of laws and regulations in the socioeconomic field in the current year
- Statistics on whistleblowing cases and their respective handling and review
- Results of training and promotions

Policy and Regulations

ChipMOS upholds the principle of integrity and honesty while carrying out all business activities. We strictly abide by government regulations and practice regulatory compliance in five major dimensions, namely, corporate governance, Securities and Exchange Act and insider trading, protection of intellectual property rights and fair competition, environmental protection and safety and health laws, and Labor Standards Act to maintain our sound reputation. We strictly adhere to the Ethical Conduct Principles and carry out all business activities under the principles of being fair, honest, ethical, and transparent and fulfill our ethical management policy as well as actively guard against any unethical conduct.

To strengthen corporate governance and to achieve sound internal control mechanism, we have established the "Regulations Governing Professional Moral Conduct" and "Procedures for Ethical Management and Guidelines for Conduct" to show our determination and to serve as a basis for compliance from all ChipMOS employees. We also promote our core values of ethical, honesty, and accountability to all employees through various actions.



100%

- Risk evaluation of corruption has been completed at all ChipMOS operational sites
- Directors and senior executives have signed the Statement of Ethical Management Policy
- All Directors have attended the "Ethical Management and Corporate Social Responsibility" training course
- Promoted relevant regulations regarding regulatory compliance and thical management to all employees
- All new employees signed a Statement of Commitment to Regulations Governing Professional Moral Conduct upon arrival

Implementation Status

Whistleblowing and Protection

- To establish a protection system for whistleblowers to encourage employees to anonymously contact the Audit Committee or the President when they notice any unethical or improper conduct within the Company. Proper protection measures will be conducted to protect the whistleblower, and managers are prohibited from adopting unfavorable HR punishments on the aforementioned employees. In case the whistleblowing employee is subjected to any unfavorable treatment, the Audit Committee may command the Company to reinstate the person to his/her original title and to provide remedial measures.
- An Audit Committee mailbox (Audit_committee@chipmos.com) independent of the management team has been set up. Employees, customers, and vendors may directly use this channel to report any illegal or improper incident or matters that infringe their own rights and interests to the Audit Committee. A total of 1 whistleblowing report was received in 2020. Upon investigation, it was confirmed that the matter did not concern any unlawful or improper matter, nor did it infringe upon the whistleblower's own rights or interests. It was also not related to ethical management.
- In 2020, no legal action involving corruption incident, anti-competitive behavior, anti-trust and monopoly practice had occurred. In addition, no incident that violated any socioeconomic laws or regulations had occurred.

Risk Assessment and Promotions

- Risk assessment concerning corruption was conducted in all ChipMOS operations, and no significant risk was found in 2020
- All 9 Directors and 142 senior executives have signed the Statement on Ethical Corporate Management Policy
- Relevant policy and documents are disclosed in the Company's internal website and available for all employees to query at any time
- 328 new employees have signed the Statement of Commitment to Regulations Governing Professional Moral Conduct in 2020
- Professional moral conduct and regulatory compliance training is conducted using physical/online course or email:
  1. 3 advocacy emails were sent to all employees; to confirm the effectiveness of such promotions, random online tests were given to 6% of all indirect labor (154 people), and 100% of the test takers have passed the test.
  2. A total of 50 people participated in the RBA Code of Conduct course, and cumulative training hours reached 300 hours
  3. A total of 248 people participated in the newcomer orientation (including RBA course), and cumulative training hours reached 207 hours

Compliance Throughout Supply Chain

- ChipMOS's e-commerce platform has set up announcements for the Regulations Governing Professional Moral Conduct and the whistleblowing mailbox so that suppliers can immediately understand the information and to report any incident
- To fulfill the ethical management policy in practice, we clearly specify that clauses from the Regulations Governing Professional Moral Conduct be included in procurement contracts with suppliers to inform the counterparty whistleblowing procedures and mailbox for reporting unlawful and/or improper conduct. The achievement rate for adding clauses from the Regulations Governing Professional Moral Conduct to procurement contracts in 2020 was 92%.

Risk Management

102-11, 103-2, 103-3

Management Approach

Policy / Commitments

Pay constant attention to various risk topics and establish a risk control and response mechanism to effectively reduce or prevent risk occurrences and maintain stable business operations

Resources

Establish an Energy Management Committee, Financial Policy Supervisory Committee, Supplier Management Committee, and Information Security Management Committee, and each of the aforesaid committees will be accountable for their respective risk management

Actions

Identify potential risks in climate change, finance, operations, legal, supply chain, and information security, and to draft corresponding control strategies and measures

Evaluation Mechanism

- Continue to improve various risk evaluation and preventive mechanisms through internal and external audit

Risk Identification

With social development and technical advancements, we are faced with environmental and climate change, market opening and frequent cyberattacks, presenting increased changes and fluctuations in the operating environment and increased operating risks. Therefore, it is crucial for enterprises to understand the necessity and urgency of risk management.

When conducting operational impact analysis and risk identification, ChipMOS's identification factors include: frequency, materiality (for instance, level of impact on finance, operations, and reputation), and level of control. By quantitatively assessing the priority and level of risk in defined risk management, we can cover different types of environmental, financial and governance risks, and to adopt corresponding risk management strategies based on their respective levels of risk.

Risk Management Strategies and Risk Response Measures

Risk Analysis and Identification

Operational Impact Analysis

- Annual risk evaluation process: level of risk (high, medium, low) will be defined based on frequency of occurrence and level of impact
- Potential losses and impacts will be identified and quantified

Risk Control Strategies

- Implementation objectives and control strategies will be proposed based on the results of the risk identification
- Incident handling mechanism will be formulated, for instance: the response plan, recovery plan, and confirmation of recovery for an affected system

Business Continuity Management

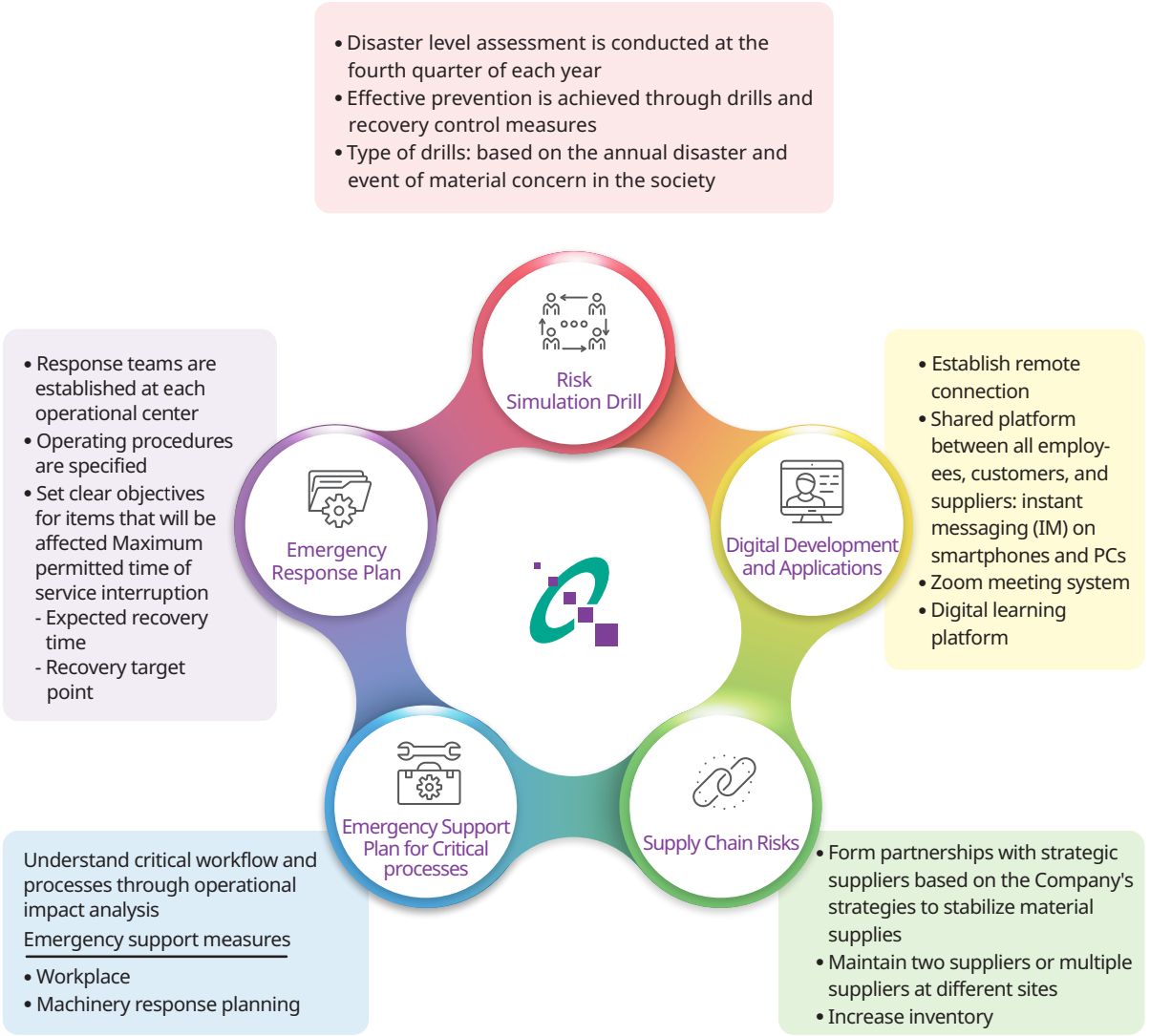
- Conduct risk simulation drills such as malfunctioning criticalequipment, information security abnormality, or manpower shortage etc.
- Potential risks uncovered during the drills will be continuously improved and followed up, and will serve as references for subsequent response drills

Control Strategies

Risk Type	Potential Risk Factors	Control Strategies and Measures
Climate Change Risk	Carbon Emissions Management	• We actively understand and effectively control Greenhouse Gas (GHG) and energy management. ChipMOS has already formulated "Resource, Energy and Greenhouse Gas Management Procedure" as the basis for compliance in relevant operating management procedures. • Conduct inventories of product Carbon Footprint, Water Footprint, and Material Flow Cost Accounting to accurately understand various factors that will affect our data and to use them as references for risk control. * Climate Change Risk follows the TCFD framwork. For more details about identification, potential financial impacts and actions, please refer to section of Climate Change and Energy Management
Financial Risk	Changes in Interest Rates	• We seek more preferential loan terms in the market and the loan terms that are less affected by changes in interest rate are our main consideration. • We pay close attention to interest rate movements at all times and maintain close contact with financial institutions, as well as regularly assess our borrowing rates and market average interest rates to undertake necessary adjustments.
	Changes in Exchange Rates	• Sales denoted in foreign currencies are mostly denoted in USD and some of the payments for major raw materials and machinery and equipment are denoted in USD or JPY. Therefore, parts of the payables and receivables in foreign currency can be offset against each other, creating a natural hedging effect. • We monitor changes in international exchange rates at all times and collect information on exchange rate changes to reduce exchange gains or losses resulting from the conversion of foreign currency to NTD for operational needs. • By using liabilities in foreign currencies to balance the position of our assets in foreign currencies, through such nature hedge, we can minimize the impact on our profit and loss resulting from the fluctuation of exchange rates.
	Inflation	• We pay attention to international economic situation as well as abnormal factors that may lead to inflation at all times in order to stay alert to any price fluctuations in the raw materials market and keep seeking for alternative materials for making decision and review. • We maintain good interactions with suppliers and customers to reduce effects on costs or revenue changes caused by price changes from supply/demand fluctuations in the market. • To meet processing needs, the demand for gold, a precious metal, accounts for a certain portion of our costs. As our supply chain for processing precious metal is comprehensive, we can flexibly respond to the risks of losses resulting from changes in precious metal prices.
	Capital Utilization Efficiency	• By utilizing low-risk financial products, we can utilize our capital efficiently with steady benefits. • We do not engage in high-risk and highly-leveraged speculative investments but only engage in the financial planning to control and reduce the potential risks resulting from the existing and expected assets and liabilities denoted in foreign currencies.
Operating Risk	Natural Disasters/ Interruptions in Public Service	• By evaluating the risk factors in business operations through hazardous risk and environmental identification procedures, we have understood the effects of the risks and effectively controlled them. • To protect the employees' safety, reduce losses from the Company and customers and to prevent or reduce environmental impacts and influences, the "Contingency Event Procedure" and "Emergency Response Working Instruction" have been formulated to ensure the response mechanism and subsequent handling of contingency events or emergencies (including fire/earthquake and typhoon etc.).
Regulatory Risk	Policy and Regulatory Changes	• We carry out legal identification mechanism in line with regulatory compliance policy and adopt proper response measures. • We pay close attention to changes in the legal environment both at home and abroad at all times, and immediately update relevant systems and regulations in line with the laws.
Supply Chain Risk	Interruption of Material Supply	• We are dedicated to forming long-term partnerships, and our primary concern in selecting new suppliers is to choose reputable companies within the industry. • We have established a comprehensive supply chain management mechanism to help us effectively understand the stability of our suppliers. • We maintain two or more suppliers or suppliers in different areas for major key materials and equipment suppliers to avoid contingency risks related to the suppliers' operations or regional natural disasters.
Information Security Risk	Information System Abnormality	• We conduct production machinery information security control such as asset inventory, machinery antivirus scanning, and strengthening the awareness for information security protection in relevant personnel, as well as adopt information security control measures to enhance relevant protection. • We regularly conduct disaster recovery simulation drills for important systems to strengthen the actions required to maintain the Company's operations.
	External Threats	• Information security systems designed to prevent outside intrusions (e.g. firewalls and intrusion prevention system) have been introduced, and electronic data monitoring systems have been installed on external data storage devices to prevent data leak or computer viruses. • Third-party safety management software is adopted to protect the information security of confidential documents, so as to protect and prevent the risk of leaking customer and ChipMOS's information.

Business Continuity Management

ChipMOS has formulated relevant measures in case of an emergency based on the management philosophy of Enterprise Risk Management (ERM). The measures include: risk simulation drills and emergency response and recovery plans. In case a material or an event of concern arises in a year, the drill for that event will be practiced first. Due to effects from COVID-19 in 2020, employees have begun to practice remote working, which also forced operational models to change. We immediately included digital technology into business continuity management and continue to invest toward developments and applications of digital processes to ensure that losses and damages may be minimized in case of an emergency.



Information Security Management

102-7, 103-2, 103-3, 201-1, 201-3

Management Approach

Policy

Maintain the confidentiality, completeness and usability of important information asset and customer information; protect program and system safety to prevent losses or leaks of important information

Commitments

Prepare comprehensive information security protocols and information security protection in the internal and external network and backbone network to achieve multi-layered, enhanced defense

Resources

- Establish the Information Security Management Committee
- Important to all employees, and implemented by each responsible unit

Actions

- Access control to software and hardware computer equipment to effectively prevent data leak or information system abnormality
- Uncover risk factors, identify their level of hazard, and launch response measure and risk improvement
- Conduct information security training to enhance the awareness of information security and protection among employees

Evaluation Mechanism

- Third-party audit and annual renewal evaluation for ISO/IEC 27001:2013 Information Security Management System certification
- SOX-404 Sarbanes-Oxley Act Internal Control System review and certification
- Information security audit from customers

Information Security Policy

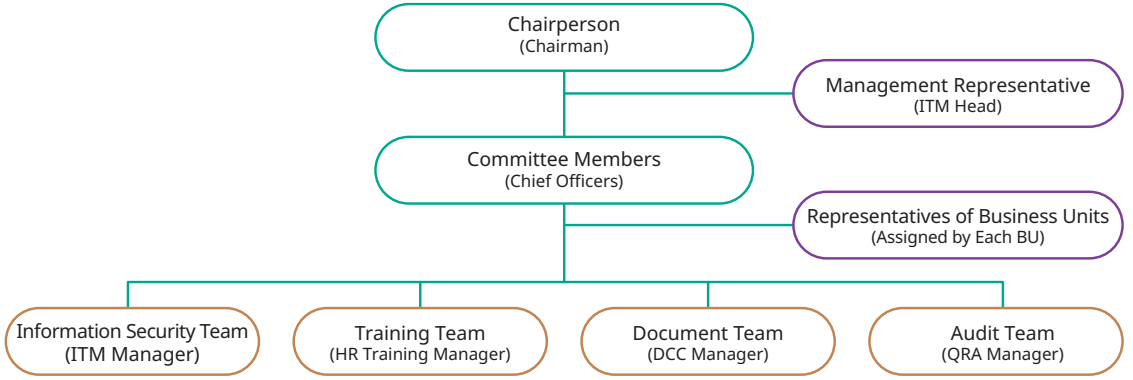
The information security policy is designed to formulate the overall objectives of ChipMOS's information security management, which serves as the basis for organizational actions and subsequent information security activities:

- Protect the confidentiality of the Company's information assets and to prevent unauthorized access or improper leak
- Ensure the completeness of information procedures and to prevent improper manipulation or damages
- Ensure that authorized users may use the information assets as needed

Information Security Management Committee

ChipMOS established the Information Security Management Committee in 2014 to be in charge of formulating information security policy, supervising the execution of information security plans, and management, review, and communications over matters related to information security to ensure the effectiveness of information security management system and to enhance the information security in the Company's operations.

The Information Security Management Committee is headed by the Chairman and managed by the highest-ranking officer of the I.T.M. Center, while members comprise of senior managers from each business division, and oversees the Information Security Team, Training Team, Document Team, and Audit Team. Annual meetings are regularly held to review the effectiveness of information security tasks carried out over the year, as well as to review the information project for the following year. In 2020, a total of 9 Information Security team meetings were held, and 2 sessions of information security training were completed.



Safeguarding Information Security of All Stakeholders

"ChipMOS is committed to the information protection of all stakeholders. Besides continuing to strengthen internal defense mechanism, we have also included the information security of the entire supply chain into our protection to ensure that the best defense can be achieved by the Company, customers, employees, and suppliers."

Operational Impact Analysis for Important Systems

To ensure continuous business operations and to protect the information system against interruptions, damages, improper use, and information leaks, we expect to reduce the losses to an acceptable standard.

Method

- Define proper maximum permitted service downtime, expected recovery time, and business continuity strategies for important systems or newly introduced projects
- Establish an operational impact analysis chart to find and to improve potential threats to reduce possible losses

2020 Results

- Completed the operational impact analysis for 25 systems and 3 projects.

Strengthening Employees' Information Security Awareness

Employee's negligence and lack of awareness for information security is a common information security risk across all enterprises.

Method

- Conduct social phishing simulation drill using popular current issues and topics in each quarter
- Promote information security and organize internal information security training from time to time

2020 Results

(1) Targets: All Employees
- Implementation: 3 social phishing simulation drills and 13 information security promotions
- Description: The social phishing drill has been extended from a few specific people to all employees to fully strengthen employees' awareness for information security and prevention

(2) Targets: Specific People
- Implementation: 2 information security training sessions

Enhancing Information Security System Protection

Strengthen the system's potential vulnerabilities that may be attacked or damaged, or may be subjected to unauthorized access

Method

- Conduct quarterly vulnerability scans to identify possible risk vulnerabilities and continuously improve
- Strengthen the access control and setting storage and editing rights, and maintaining a list of access records to follow-up in important systems

2020 Results

- Conduct 4 vulnerability scanns and 13 high risk, 256 medium risk, and 265 low risk items were improved. In addition, the privileged account management system was launched in August 2020.

Managing the Service Quality of Information Security Supply Chain

Enhance the information security service quality of external vendors and to ensure the stability and safety of ChipMOS's system

Method

- Implement the evaluation of outsourcing vendors, and those with worse results shall submit improvement plans or terminate the cooperation relationship

2020 Results

- Number of Vendors: 30 Vendors (42 Outsourced Projects)
- Basis of Evaluation: Quality of Outsourced Projects
- Evaluation Results:
  - To be improved: 2 (already completed)
  - Terminated: 1 vendor

Incident 1

As for the cyberattack incident on a certain major technology firm in April 2021, ChipMOS has examined internal operations using similar measures as the ones used by the attackers in the incident to prevent similar occurrence.

- Occurrence of Cyber security attack
- Consult external expert on the method used in the attack
- Inspect whether the internal system structure can provide adequate defense against the attack

Adequate → Evaluation result will be stored

Inadequate → Improvement plan

Incident 2

External information security expert has proactively found a zero-day vulnerability in the SSL-VPN product used by ChipMOS and immediately strengthened the mechanism to prevent attacks. Subsequently, an updated version of the firmware is used to reinforce the vulnerability.

- Confirm the company name, product name, model, and version number of the system software with vulnerabilities
- Confirm whether it is being used by ChipMOS, and whether the version being used has any security risk
- Confirm the remedies of vulnerabilities
- Confirm the recovery method in case the vulnerability remedy fails
- Implement remedial procedures
- Confirm remedial results

4

Environmental Friendliness

100%

Conducts Greenhouse Gas (GHG) inventories throughout all fabs and achieve Third-Party assurance

GHG Scope 3

Greenhouse Gas Inventory adds calculation of Scope 3 for precisely controlling the carbon management of product lifecycle

6 Solar Power Systems

Continue to invest in Renewable Energies and expect to complete 4 additional Solar Power Systems up to 990KW by 2021

3,629 Standard Swimming Pools

The 3rd Processing Water Recycling facility was initiated in 2020; Cumulatively recycled 9,073 megaliterss of water in 13 years

Environmental Protection

307-1

Global warming and climate change have become phenomenon that enterprises around the world need to address. ChipMOS continues to comply with Paris Agreement and strives toward controlling global temperature increase, reducing greenhouse gases, on top of enhancing adaptability to climate change. ChipMOS is committed to planning various energy saving and carbon reduction plans and implementing products' Carbon and Water Footprint and Material Flow Cost Accounting and more. Through reducing consumption and carbon emissions, we hope to reduce the impacts on the environment. At the same time, we also continue to educate employees to enhance their awareness for environmental protection. These efforts have also been extended to our suppliers and stakeholders as we hope to work collectively to become a low-carbon, energy-saving, and green enterprise.

No incident related to pollution had occurred at ChipMOS in 2020. Additionally, no material violation of the environmental laws had occurred. ChipMOS's environmental sustainability activities continue to spread positive external recognition and awards. In 2020, we were honored with Top Green Companies in Asia, Excellent Enterprise for Green Procurement, and Special Contribution Award for Sponsoring Air Quality Purification Zone and more, exemplifying our long-term commitment to environmental protection and caring for the planet.

Continuous improvement through third-party assurance

ChipMOS actively introduced numerous international environmental standards and invited objective third-party attestation institution to review our practices, driving for accelerated environmental actions and fruitful results. ChipMOS has received the following international standardized management systems: ISO 14001 Environmental Management System, ISO 50001 Energy Management System, ISO 14064-1 Greenhouse Gases and more (For more details, please refer to Appendix 4).

ChipMOS Environmental Protection Policy

Climate Change and Energy Management

103-2, 103-3, 302-1, 302-3, 302-4

Management Approach

Policy / Commitments

Formulate energy conservation goals and action plans in line with ChipMOS's energy management policy, and regularly review and follow-up on the implementations to achieve benefits of effective resource utilization and energy conservation

Resources

Establish Energy Management Committee to integrate strategies of energy conservation and carbon reduction and action plans

Actions

- Implement ISO 50001 Energy Management System
- Continue to introduce energy-saving techniques to increase the energy efficiency of facilities
- Develop energy conservation and carbon reduction measures by all fabs

Evaluation Mechanism

- Regularly organize energy management review meetings to review the status of energy management programs
- Achieve third-party assurance for ISO 50001 Energy Management System

Emphasis on Global Warming and Climate Change

Climate change has become a challenge collectively faced by all global enterprises committed to promoting sustainable development. The goal to control the rising global temperature to within 2 degrees Celsius has presented opportunities and risks to enterprises' production expansions as well as market opportunities, presenting challenges that enterprises need to address as early as possible. As an enterprise, ChipMOS understands the importance in carrying out environmental protection in action. By referencing the Task Force on Climate-related Financial Disclosures (TCFD) framework developed by the Financial Stability Board (FSB), we have identified the management needed over risks and opportunities associated with climate change, and further attained a comprehensive overview on the effects of climate change.

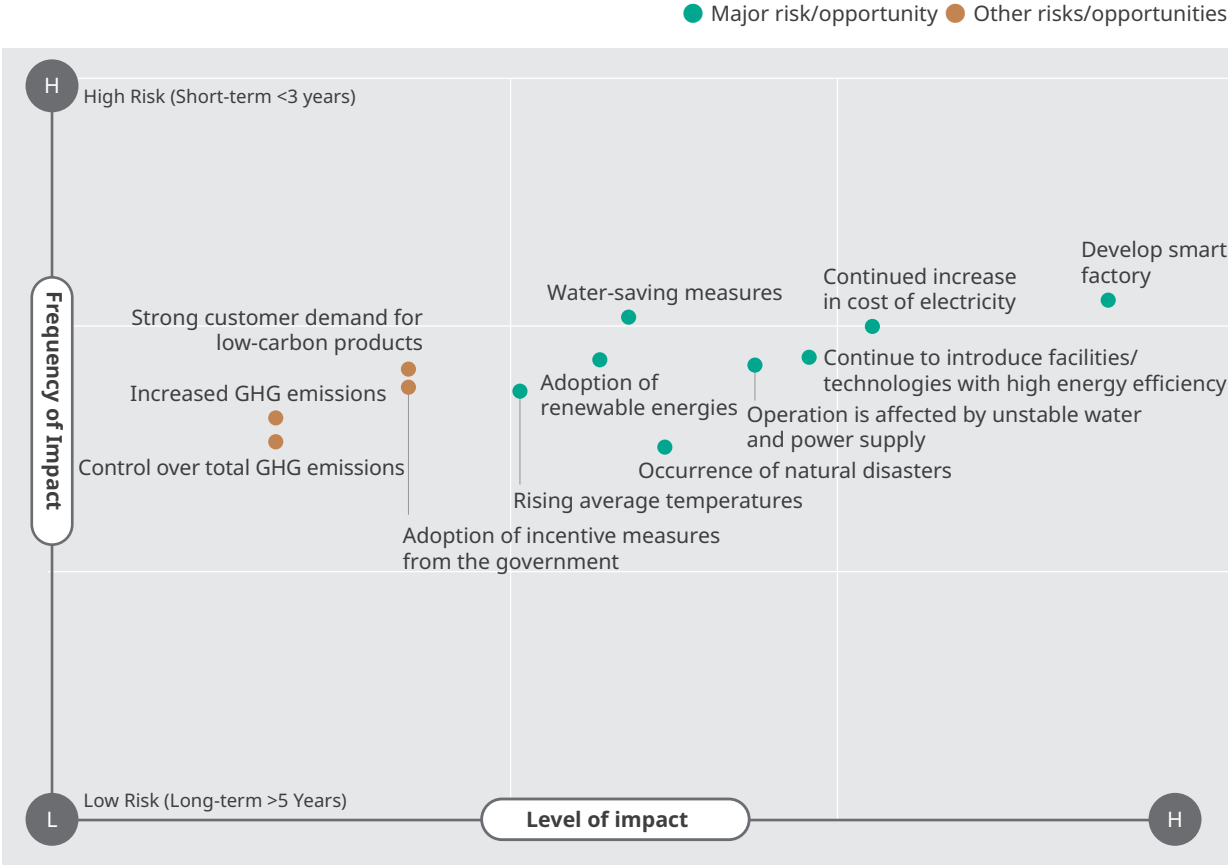
Governance Organization and Climate Strategy

Governance	**CSR Committee** • CSR Committee, which is under direct supervision from the Board of Directors, is the highest governing body at ChipMOS in addressing climate change • Headed by the Chairman, the CSR Committee will compile relevant management strategies and implementations on the CSR Report, which is then submitted to the Board **Occupational Safety and Health & Energy Management Committee** • The unit responsible for promoting and executing response measures to climate risks. • Headed by the Chairman, the committee will regularly monitor the promotions and implementation status through the quarterly energy management review meetings
Strategies	• ChipMOS defines short-term (1-2 years) and medium to long-term (3 years or more) climate risks and opportunities based on existing target management timeline. • Evaluates potential effects of the risk factors on Company strategic, operations, and financial plans
Risk Management	• Members of the CSR Committee will collectively identify risks and opportunities associated with climate change based on the TCFD framework at the CSR seminars • Formulate response measures and key development programs based on the results of the climate risk identification • Include climate change as a part of the risk management and to draft management strategies and action
Metrics and Objectives	• **Effectively reduce carbon footprint** – Conducting GHG inventories for Scope 1 and Scope 2 emissions in line with ISO 14064-1 throughout all fabs since 2009, and has been verified by third-party; Scope 3 inventories are also calculated since 2020 to precisely manage the sources of GHG emissions. – Product carbon footprint inventories conducted since 2012 to effectively manage the product carbon emissions • **Effective energy utilization** – Actively invest toward using renewable energy sources, introducing facilities with high energy efficiency, recycling and reusing water resources, material source management, and waste reductions. Annual implementation goals are established, and the effectiveness of implementations are regularly reviewed by senior managers

Identifying Climate Risks and Opportunities

During the annual CSR seminar, the ChipMOS CSR Committee conducted in-depth discussion over the risks and opportunities associated with climate change. By using the TCFD as a guiding principle, relevant risks included transformational risk and physical risks, and we came up with 12 risks and opportunities, with risks ranging from laws and policies, market/technology to business interruption. We ranked the risks and opportunities based on the occurrence of risk impacts (short, medium or long-term), and the levels of the impacts (financial/operation, HR, regulatory compliance, reputation). Finally, we identified 8 material risks and opportunities, evaluated the potential financial impacts and drafted relevant strategies and countermeasures designed to mitigate the impacts from climate change.

Climate change risks & opportunities matrix



Major risk/opportunity

- Develop smart factory
- Continued increase in cost of electricity
- Water-saving measures
- Continue to introduce facilities/technologies with high energy efficiency
- Operation is affected by unstable water and power supply
- Adoption of renewable energies
- Occurrence of natural disasters
- Rising average temperatures

Other risks/opportunities

- Strong customer demand for low-carbon products
- Adoption of incentive measures from the government
- Increased GHG emissions
- Control over total GHG emissions

Financial Impact Analysis of Climate Change

Risk/opportunities associated with climate change	Potential financial impacts	ChipMOS measures	2020 Results/Projects
Develop smart factory	↑ Productivity ↓ Operating costs ↑ Business	• Introduction of smart equipment, smart processes and smart management measures	Promote Automated Optical Inspection (AOI) and introduce Fault Detection and Classification (FDC) system to effectively enhance productivity and energy/resource utilization
Continued increase in cost of electricity	↑ Operating costs	• Implement ISO 50001 Energy Management System and achieve third-party certification • Set annual energy conservation and carbon reduction targets and energy-saving programs	• ISO 50001 has been implemented at Tainan fab. and Hsinchu fab., and validity of the certification continues to be updated • 20 energy-saving programs have been implemented, achieving a total carbon reductions of 2,404 t-CO_2e
Water-saving measures	↑ Facilities investment costs ↓ Water/electricity costs in operations	• Invested toward construction of processing water recycling system in 2008 • Conducting product lineup water footprint inventories since 2014	• Cumulative water conservation is equivalent to nearly 3,629 swimming pools • Invested over NT$200 million to build the 3rd processing water recycling facility with 2,700CMD
Continue to introduce facilities/technologies with high energy efficiency	↑ Investment cost of energy-efficient equipment ↑ Energy utilization efficiency ↓ Electricity costs in operations	• Extending energy-saving program from public environment to production end, thereby saving energy from the source	• Continue to replace worn equipment with energy-efficient equipment (DC FFU) to reduce total energy consumption by 0.286% • Invested NT$9,924 thousand toward production facility upgrades in clean room, chilled water, lighting reduction, and air conditioning reduction system
Operation is affected by unstable water and power supply	↓ Productivity ↑ Operating costs ↓ Revenues	• Implement system optimizations and improvements on an annual basis	• Environmental protection expenditures and investment expenses for enhancing and maintaining air pollution prevention, wastewater and waste treatment totaled NT$105.431 million • The elimination rate of volatile organic compounds (VOCs) from air pollution prevention equipment (RTO) was 82.7% at Zhubei fab. and 92.4% at Tainan fab. ChipMOS meets air pollutant emissions standards in each year
Adoption of renewable energies	↑ Facilities investment costs	• Actively invest in renewable energy sources (solar power generation)	• Cumulative power generation from 9 years is relatively close to the monthly power consumption from nearly 8,351 households • Systematically increase the use of renewable energy, and expected to set up 4 additional solar power systems up to 990KW by 2021
Natural disasters (e.g., typhoon/flood/drought)	↑ Financial losses ↓ Revenues	• Formulate "Contingency Event Procedure" and "Emergency Response Working Instruction" to ensure relevant responses are executed	• Set up business continuity plan, risk management mechanism, and simulation exercises to respond to emergencies • In line with the government's water conservation policy, Tainan fab has voluntarily maintained a 7% water-saving rate and commences phased response measures as the situation sees fit
Rising average temperatures	↑ Operating costs	• Continue to promote energy conservation and carbon reduction projects in each year	• Introduce calculations for Scope 3 emissions to the GHG inventories to precisely manage the carbon management throughout product lifecycle • Introduce smart facility technologies to enhance the performance of the production, operations and maintenance system

Effective Energy Use

Besides depleting the Earth of her resources, energy consumption also generates carbon dioxide, leading to greenhouse effects. Hence, effective energy use will help to mitigate the impacts on the environment. Due to the nature of the technology industry, ChipMOS is classified as one of the major electricity consumers per regulations from the Bureau of Energy, Ministry of Economic Affairs (MOEA). Upholding our principle of treasuring energy consumption, we began to systematically initiate energy conservation actions in 2012. We continue to introduce various energy-efficient technologies and facilities, and on top of Tainan fab's voluntary introduction of ISO 50001 Energy Management System in 2014, Hsinchu fab also achieved the ISO 50001 Energy Management System certification in 2017. We actively promoted the use of renewable energy sources in 2020 and built solar power generation facilities to continuously increase the consumption ratio of renewable energies.

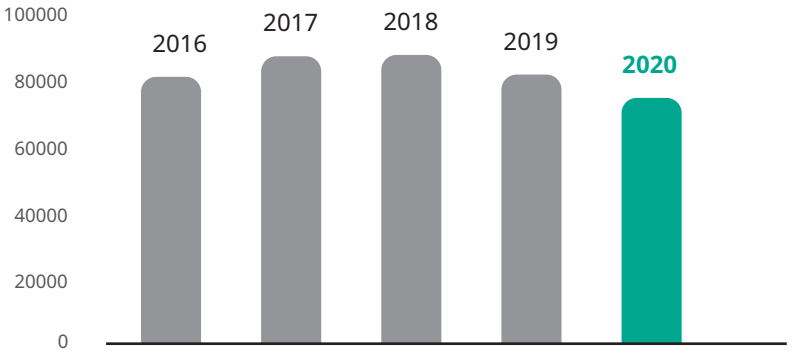
ChipMOS Energy Management Policy

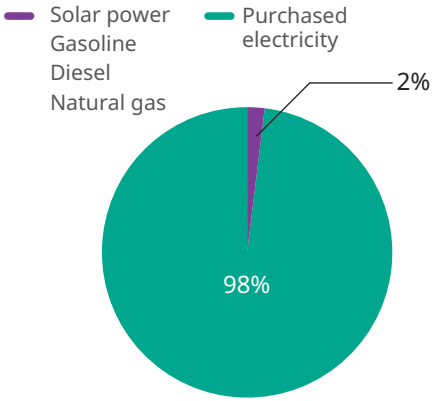
- Comply with the 1% energy conservation target set by the Bureau of Energy, MOEA
- Comply with Taiwan's Energy Administration Act and other applicable laws
- Improve energy efficiency and implement energy conservation and carbon reduction in practice
- Reinforce management over design and procurement
- Set target objectives to achieve continuous improvement

We collect more precise and complex data in each year to strengthen the energy management system and to improve its efficiency. Statistical data has shown that the consumption of externally purchased electricity accounts for over 98% of total energy use. In 2020, our purchased electricity consumption totaled 1,678,642,229 million joules, most of which went into productivity and production line expansions, which both increased energy consumption. Up next is diesel, of which the consumption totaled 1,304,520 million joules. Followed by natural gas, of which the total consumption reached 9,786,394 million joules.

Energy intensity

Unit : million joules





Energy resources use

Unit : million joules

Type of energy	2016	2017	2018	2019	2020
Purchased electricity	1,456,527,600	1,516,333,565	1,577,635,315	1,616,605,517	1,678,642,229
Solar power	(844,258)	(923,789)	(931,076)	(875,232)	(1,288,080)
Gasoline	633,841	211,801	218,718	250,507	246,292
Diesel	7,146,202	7,735,283	7,678,187	7,084,591	1,309,399
Natural gas	612,782	1,796,447	7,563,580	10,787,940	9,786,394
Total (Note 1)	1,464,076,167	1,525,153,307	1,592,164,724	1,634,190,282	1,688,696,234
Energy intensity (Note 2)	79,669	85,065	86,206	80,352	73,385

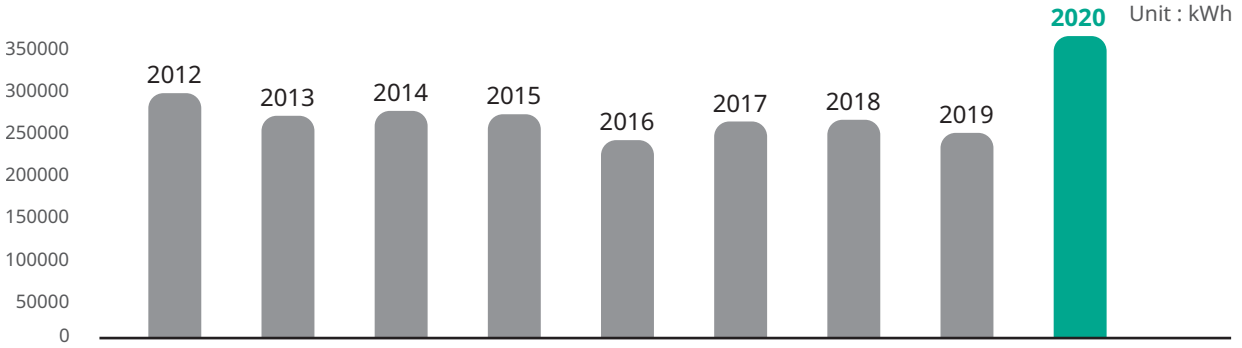
Note 1: In line with the calculation formula of GRI 302-1, since solar power generation is categorized as power sold by ChipMOS, solar power generation is deducted from the calculation for total power consumption.

Note 2: Energy intensity = absolute energy consumption (purchased electricity + gasoline + diesel + natural gas)/consolidated revenues of the period (NT$ million).

Adoption of renewable energies

Purchased electricity used for production processes makes up most of the Company's overall carbon footprint. Therefore, we are committed to reducing consumption of purchased electricity, and continue to invest in renewable energies. To provide clean energies for the factory/office facilities, ChipMOS Tainan fab began construction of solar power generation facility in 2012 to generate renewable, clean energy sources (solar power) in-house. In 2019, the 2nd solar power generation system was set up; by 2020, solar power generation systems are being planned for all fabs and the use of renewable energies is systematically extended to fabs in northern Taiwan. We expect to complete 4 solar power generation systems that cumulatively reach 990kw in the first half of 2021 (located at Hsinchu fab, Hukou fab, Zhubei fab. 2 and Tainan fab). Over the past 9 years, cumulative solar power generation has reached 2,438,528kWh, which is equivalent to the monthly power consumption from nearly 8,351 households.

Statistical data on solar power generation system at Tainan fab



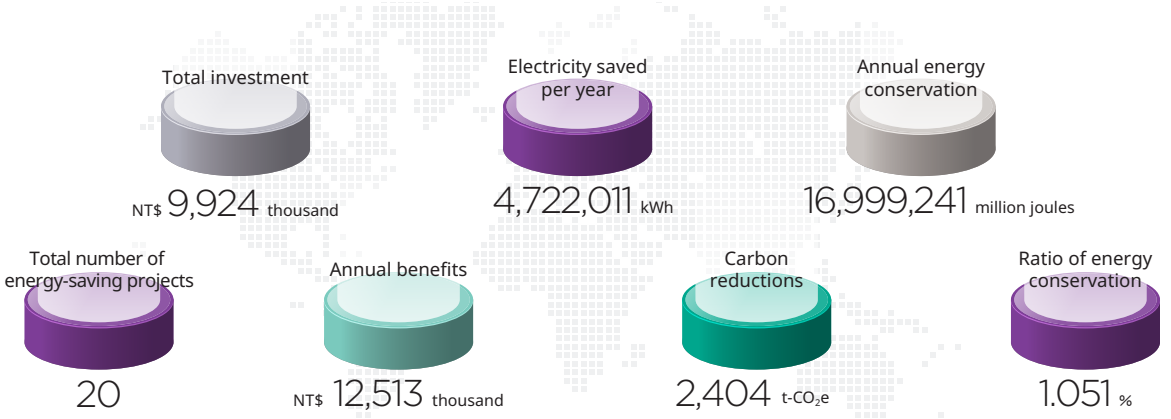
	Unit	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
Electricity consumption	kWh	290,168	263,360	269,152	265,176	234,512	256,608	258,632	243,120	357,800	2,438,528
Sunshine hours	hour/ year	-	-	2,274	2,511	2,172	2,381	2,353	2,185	2,596	8,351
Power generation efficiency	kWh/ hour	-	-	118	106	108	108	110	111	138	114

Note : Average monthly household electricity consumption was 292 kWh in 2018 (source: Taipower Company's website).

Continuing to Promote Carbon Reductions and Energy Conservations

We continue to develop various energy-saving programs to achieve more effective energy and resource utilization at key production sites, and extended the boundaries of our executions from public environment to the production end to practice source control and strive to build a low-carbon production environment that uses green energy. Types of our substantive measures have included: upgrades to the clean room system, chilled water system, lighting reduction system, air conditioning reduction system, production and machinery environment.

Results of energy-saving measures in 2020



Example of energy-saving action project

Fabs	Project name	Investment (NT$ thousand)	Annual benefits (NT$ thousand)	Electricity saved per year (kWh)	Carbon reductions (t-CO_2e)	Annual energy conservation (million joules)	ROI	Ratio of energy conservation
Hsinchu fab	Adding inverter to C7F RCU	768	1,375.57	519,082	264.2127	1,868,695	0.6	0.12%
Zhubei fab	Adding inverter control to the chilled water pump of 1250RT water chiller	697	539.73	203,670	103.6680	733,212	1.3	0.05%
Zhubei fab	Replacing lights with LED lights at the office	1,385	706.29	266,524	135.6607	959,486	2.0	0.06%
Hukou fab	Adding inverter to RCU	1,855	1,208.29	455,958	232.0826	1,641,449	1.5	0.10%
Hukou fab	Replacing existing motor with inverter motor at the cooling tower	2,209	478.50	180,565	91.9073	650,032	4.6	0.04%
Tainan fab	TA Building - Replace AC FFU with 360 units of DC FFU	2,800	1,276.77	481,800	245.2362	1,734,480	2.2	0.11%

Note 1: Calculation method for annual benefits: annual energy conservation*NT$2.65 electricity expense per kWh of electricity.
Note 2: Carbon reduction is calculated based on the discharge coefficient, 0.509kg/kWh, published by the Bureau of Energy in 2020.
Note 3: Ratio of energy conservation: energy conservation in 2020 (in kWh)/2019 total electricity consumption (based on the calculation method from the Bureau of Energy).
Note 4: ROI calculation method: investment/annual benefits.

By introducing Scope 3 calculations toward GHG inventories, including the indirect GHG emissions generated through upstream/downstream logistics and product consumptions, we can precisely manage carbon management over the product life cycle

- 2008 - formulated GHG Inventories Committee
- Since 2009, all fabs have been conducting GHG inventories, and has been verified by third-party
- Basis of inventory: ISO 14064-1
- Boundaries of GHG inventories: direct GHG emissions, energy indirect GHG emissions, other indirect GHG emissions

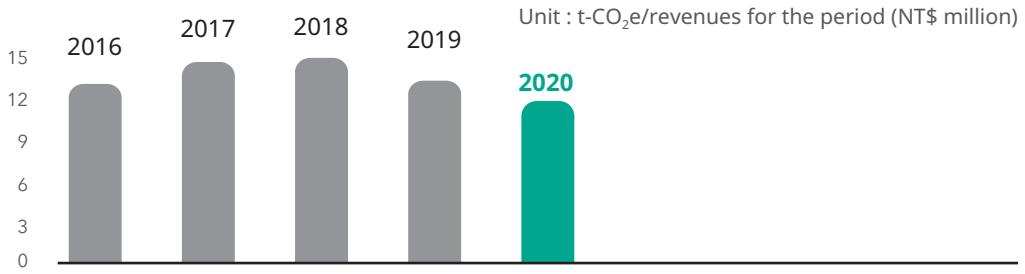
GHG Inventories

305-1, 305-2, 305-4, 305-5, 305-7

ChipMOS actively responds to the global trend of carbon reduction. The GHG Inventories Committee was formed in2008 and voluntary inventories have been practiced at all fabs since 2009, and GHG emissions inventory reports are prepared to find and manage the key GHG emission sources during the production processes. We implement annual inventories in line with ISO 14065-1 to ensure data quality and to provide stakeholders with the most credible carbon management information. Additionally, we alternated the systematic implementation in favor of ISO 14064-1:2018 in 2021 to understand internal and organizational carbon emissions management with more precision and breadth and depth.

We discovered that 99.17% of the total emissions at ChipMOS (Scope 1 + Scope 2) all come from consumption of purchased electricity, and an energy-saving team has been formed to actively implement energy-saving and carbon reduction management projects that energy-consuming facilities. Besides meeting the annual 1% energy-saving requirement from the Bureau of Energy, we have also replaced worn equipment and adjusted the control parameters to enhance power usage effectiveness (PUE). The GHG emissions from ChipMOS in 2020 totaled approximately 239,405 t-CO_2e.

GHG emissions and intensity



	Unit	2016	2017	2018	2019	2020
Scope 1	t-CO_2e	1,257	1,864	2,284	2,448	1,989
Scope 2	t-CO_2e	213,768	233,455	242,700	239,476	237,416
Total	t-CO_2e	215,025	235,319	244,984	241,924	239,405
GHG emissions intensity	t-CO_2e/revenues for the period (NT$ million)	11.69	13.12	13.26	11.90	10.40

Note: Calculation is based on the 2019 electricity emission factor of 0.509 kg CO_2e/kWh as published by the Bureau of Energy.

Scope 3 GHG Emissions

ChipMOS conducts annual GHG inventories within the boundaries of the organization and practices continuous emissions reduction. Scope 3 inventories in line with ISO 14064:2018 has been introduced since 2020. Relevant inventories include: indirect GHG emissions (including "upstream/downstream logistics and distribution" & "business travels and transportation") from logistics and transportation and indirect GHG emissions from products used by the organization (including "purchased products" and "activities related to treatment of solid/liquid waste") to find optimized and feasible key carbon reductions and to actively reduce GHG emissions.

Statistics on GHG emissions in 2020

Ratio of each category	Scope 1	Scope 2	Scope 3	Total
Greenhouse gas emissions (t-CO_2e/year)	1,989	237,416	-	239,405
Percentage of total emissions (Scope 1 + Scope 2)	0.83%	99.17%	-	100%
Greenhouse gas emissions (t-CO_2e/year)	1,989	237,416	65,968	305,373
Percentage of total emissions (Scope 1 + Scope 2 + Scope 3)	0.65%	77.75%	21.60%	100%

Note 1: GWP (global warming potential) (source: 5th version of IPCC: 2013).

Base year for GHG calculations

Scope	Fabs	Hsinchu fab	Zhubei fab	Zhubei fab. 2	Hukou fab	Tainan fab	Tainan fab. 2
Scope 1 + Scope 2	Base year	2013	2013	2015	2015	2013	2016
	GHG emissions at base year (t-CO_2e)	45,018.16	33,215.21	6,534.92	27,947.06	76,086.98	1,396.45
	Base year base year setting	Year in which unified inventories across all fabs began		When ThaiLin was merged into ChipMOS		Year in which unified inventories across all fabs began	First year of operations
Scope 3	Base year	2020					
	GHG emissions at base year (t-CO_2e)	13,575.38	12,480.11	3,181.47	7,828.85	23,542.31	5,360.37
	Description on base year setting	Scope 3 inventories included in line with ISO 14064:2018					

Managing gas emissions

Air pollutions will cause harmful effects to the climate, ecosystem, air quality, habitats, agriculture, and the physical health of humans and other animals. ChipMOS actively invests to strengthen air pollution prevention facilities, and to achieve air quality improvements through investing in relevant resources. At the same time, we comply with the control standards on gas emissions from local laws and regulations, and regularly inspect emission data related to air pollution.

Due to the nature of our production processes, ChipMOS only emits limited volatile organic compounds (VOCs), sulfur oxides (SOx), nitrogen oxides (NOx), and particles at Tainan fab and Zhubei fab. In 2017, both Tainan fab and Zhubei fab have adopted regenerative thermal oxidizers (RTO) and obtained the license for air pollution operations. Their VOCs inspection results also meet the statutory emission standards. Through implementing energy-saving and environmentally friendly VOC prevention facilities, we can ensure that emission density is lower than the statutory limit; moreover, annual sampling inspection is also conducted in line with the license. In 2020, the VOC reduction efficiency at Zhubei fab and Tainan fab were 92.7% and 92.4%, respectively, both meeting air pollution emission standards.

Statistics on major gas emissions in 2020

(unit: ton/year)

	Category	Zhubei fab	Tainan fab
Volatile organic compounds (VOCs)	Total	2.1024	1.752
	Permitted emissions from local competent authority	<0.6kg/hr (32.47 ton/year)	<0.6kg/hr (1.94 ton/year)
	Category	**Zhubei fab**	**Tainan fab**
Sulfur oxides (SOx)	Total	5.256	1.0512
	Permitted emissions from local competent authority	≤100 ppm (7.13 ton/year)	2.039 ton/year
	Category	**Zhubei fab**	**Tainan fab**
Nitrogen oxides (NOx)	Total	3.7668	0.1752
	Permitted emissions from local competent authority	≤150 ppm (5.4 ton/year)	0.68 ton/year
	Category	**Zhubei fab**	**Tainan fab**
Particle	Total	0.6132	0.0655
	Permitted emissions from local competent authority	≤50 mg/Nm^3 (1.4 ton/year)	0.408 ton/year

ISO 14067/PAS 2050 Product Carbon Footprint Inventories

To set the foundation for promoting green products, processes, and designs, ChipMOS actively meets customers' requirements for carbon management programs, and on top of committing to Carbon Disclosure Project (CDP) for GHG emissions, product Carbon Footprint inventories for product lines have also been conducted since 2012. Subsequently, annual Carbon Footprint inventories for other products will also be carried out. Additionally, third-party verification and assurance is achieved in line with ISO 14067/PAS 2050 to provide highly-reliable product carbon emissions data to customers. Product Carbon Footprint inventories currently include following product lines: TSOP(II) Thin Small Outline Package (TSOP(II)-54ME); LCD driver IC (Bare Die Flip Chip Package); 8 inch and 12 inch gold bumping; Ball Grid Array (BGA) and Quad Flat No Leads (QFN).

Water Resources Management

103-2, 103-3, 303-1, 303-2, 303-3, 303-4, 303-5

Management Approach

Policy / Commitments

Cherishing and utilizing water resources, ChipMOS is committed to reducing water consumption and enhancing the reuse of recycled water to minimize the impact of our operations on the environment

Resources

- Establish a dedicated department for water management
- Build processing water recycling facility to enhance the utilization rate of water resources

Actions

- Regular water quality inspection
- Water reduction and improvement of water recycle and reuse
- Conduct ISO 14046 Water Footprint Inventory
- Properly manage discharge waste water and compliance with regulation

Evaluation Mechanism

- Statistical data on processing water consumption
- Self-inspection on discharge data and water quality

Nowadays extreme global climate change has led to the risk of water shortage for both businesses and people, therefore it is more important to make proper use of water resources. To meet enormous water consumption needs, ChipMOS has always been promoting a policy of treasuring and properly using water resources.

Besides managing water quality inspection, we set clear goals and develop water management strategies to save water from the source and recycle processing water to focus on both environmental and revenue growth. In particular, there has been using more processing water than tap water per day at Tainan fab since 2015, thereby minimizing the environmental impacts from operations. In response to accelerated capacity expansion and increased water consumption, a new 2,700CMD processing water recycling facility was introduced in the third quarter of 2020.

Water Resources Risk Management

We continue to collect data on water consumption, and use the World Resource Institute's "Aqueduct Water Risk Atlas" risk assessment tool to identify the risk of water supply at each fab to strengthen water conservation policy. ChipMOS's total water intake in 2020 amounted to 1,949.253 megaliterss. This data also serves as the standard value for our water recycling and reuse. By data collection and analysis, we can clearly understand ChipMOS's overall water consumption and potential relevant impacts and risks.

Description of ChipMOS's water intake impacts and risks

Fabs	Source of water	Water scarcity (Note 1)	Regional water consumption (Note 2) (10,000 tons/day)	ChipMOS's water consumption (Note 3) (10,000 tons/day)	Level of impact (Note 4)
Hsinchu fab	Baoshan Reservoir	Moderate	52	0.04216	0.084%
Zhubei fab	Baoer Reservoir			0.01790	0.036%
Zhubei fab. 2	Yongheshan Reservoir			0.00825	0.017%
Hukou fab				0.02237	0.045%
Tainan fab	Tseng Wen Reservoir	Moderate-High	93	0.27319	0.279%
Tainan fab. 2	Wushantou Reservoir Nanhua Reservoir			0.01918	0.020%

Note 1: Water scarcity refers to the World Resource Institute's "Aqueduct Water Risk Atlas".
Note 2: According to the regional daily tap water consumption volume from Taiwan Water Corporation.
Note 3: 2020 Average daily tap water consumption from each fab
Note 4: Level of impact = water consumption from ChipMOS fabs / Regional water consumption

Statistics on total water intake

(unit: megaliters)

Fabs	Water source	2018	2019	2020
Hsinchu fab	Tap water	153.368	147.703	153.452
Zhubei fab	Tap water	43.959	63.995	65.170
Zhubei fab	Well water	408.248	446.141	554.929
Zhubei fab. 2	Tap water	26.304	28.256	30.031
Hukou fab	Tap water	89.690	81.931	81.437
Tainan fab	Tap water	781.888	943.653	994.405
Tainan fab. 2	Tap water	30.895	56.376	69.829
Total		1,534.352	1,768.055	1,949.253

Note: Consumption of groundwater (well water) is mostly used toward production processes at Zhubei fab. ChipMOS receives license to water right from Hsinchu County Government on an annual basis.

ISO 14046 Water Footprint

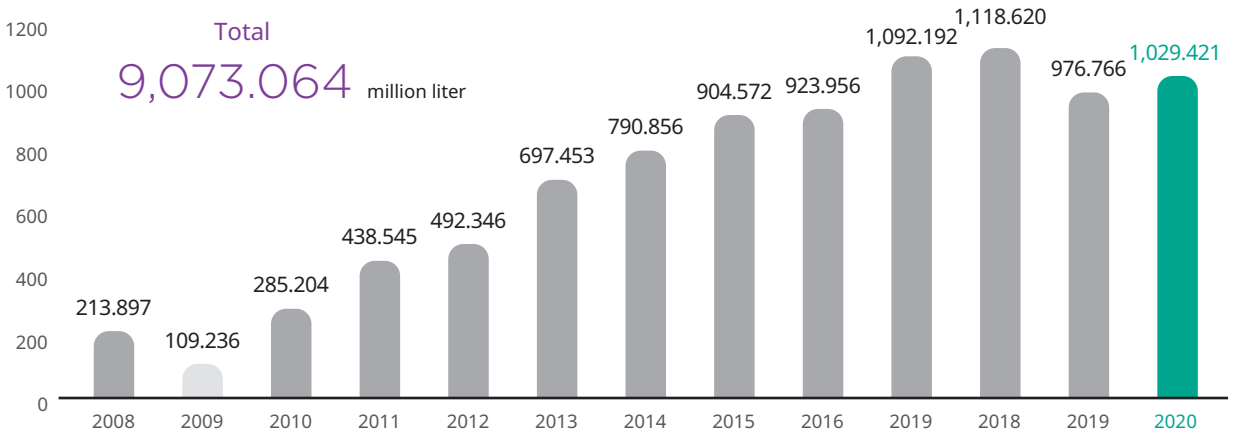
Besides saving and recycling water, we also enhance the water efficiency in our supply chain through Water Footprint inventories as a part of our water resource management. Moreover, the inventory data is also verified by a third-party unit to enhance its credibility. ChipMOS has been completing ISO 14046 Water Footprint inventories and achieving third-party assurance since 2014, which helps us to effectively understand the status of water resources in our production as well as a reference for our customers. Products that have completed these inventories include: LCD driver IC (Bare Die Flip Chip Package); LCD driver IC (Chip on Film, COF); gold bumping; 8 inch and 12 inch Ball Grid Array (BGA); and Quad Flat No Leads (QFN) and more.

Reclaiming Processing Water

Since 2008, ChipMOS has introduced processing water recycling facility by cooperating with supplier and external expert to collect water discharged from dicing process. Moreover, we have introduced second water recycling facility since 2015 for grinding process to reclaim and reuse toward production processes through ultra-filtration membrane. With increased production capacity and increased processing water consumption, ChipMOS invested NT$20,600,000 to build a new 2,700CMD processing water recycling facility in 2020. It is expected to recycle up to 837.2 megaliterss of water in each year and will effectively enhance our water utilization efficiency. Over the past 13 years, we have cumulatively recycled 9,073.064 megaliterss of water, equivalent to saving nearly 3,629 international swimming pools (Note 1).

Statistics on processing water recycling at Tainan fab

(unit: megaliters)



Note 1: Calculation based on 1 standard international swimming pool (2.5 megaliters); (source: Fédération Internationale de Natation; FINA).

Proper Wastewater and Effluents Treatment

Bodies of water serve the important functions of water supply, they are also important habitats to diverse animals that reside along them. Therefore, the commitment to keeping rivers free of pollution is also an important part of ChipMOS's overall environmental program. By using statistical data on discharge water according to water quality and discharge destination, we conduct self-inspection on the quality of processing water discharge and conduct effective management and continuous improvement.

Wastewater is only discharge upon proper treatment throughout all ChipMOS fabs. We comply with current statutory discharge standards and conduct regular inspection in line with the license requirement. In particular, Hsinchu fab, Zhubei fab. 2 and Hukou fab do not generate processing wastewater. Hsinchu fab and Tainan fab are located within science parks, while Hukou fab is situated at an industrial zone. Wastewater is treated by the wastewater treatment within the science park, and uniformly treated by the wastewater treatment center at the industrial zone before discharge. The wastewater at Zhubei fab is also treated by wastewater treatment company, and only discharged to receiving water approved by the environmental competent authority after the discharge standard has been met. Additionally, voluntary online monitoring over the wastewater discharge has been installed at Zhubei fab and Tainan fab at the drainage port to ensure the water quality at discharge. In 2019, in consideration of the risk that pollution may occur to the rainwater drainage ditch when the chemical tank is being filled, Tainan fab began construction of a water gate the at the rainwater outlet that was completed in 2020, thus preventing environmental impacts from spills. In 2020, cumulatively approximately 1,425.007 megaliterss of wastewater was discharged, representing a 9.54% increase YoY. This is mostly attributable to capacity expansion, leading to more water intake.

Statistics on total water discharge

(unit: megaliters)

Fabs/item	2018	2019	2020	Discharge method	Destination of discharge
Hsinchu fab	122.695	118.162	122.762	Uniform treatment at the science park	Keya Creek
Zhubei fab	434.432	492.003	603.619	Discharge outside the plant	Douzhi-pu Creek
Zhubei fab. 2	5.261	5.651	6.006	Discharge outside the plant	Fengshan River
Hukou fab	24.555	23.468	23.626	Uniform treatment at the industrial zone	Jiadong River
Tainan fab	499.497	650.401	654.333	Uniform treatment at the science park	Dazhou Drainage
Tainan fab. 2	7.582	11.177	14.662	Uniform treatment at the science park	Dazhou Drainage
Total	1,094.022	1,300.863	1,425.007	-	-

Note: No processing wastewater is generated at Hsinchu fab, Zhubei fab 2, or Hukou fab, and the only water discharged is domestic wastewater.

Water Consumption

ChipMOS actively monitors the water resource utilization, and stays on top of water storage at our source reservoirs on a weekly basis during the dry season. Additionally, water storage is maintained at a high level of 95% or above throughout all fabs on a daily basis. In case the water level drops below the warning level, the water supply system within and outside of the plant will be immediately checked for normalcy to enable subsequent responses and treatments.

Many factors throughout the production processes will affect the consumption of water, including heat dissipation and evaporation from the air conditioning and more. In 2020, our water consumption totaled 524.246 megaliterss of tap water, representing a 12.21% increase YoY due to increased production capacity and production site expansions, which led to increased water consumption.

Statistics on water consumption (unit: megaliters)

Fabs/item	2018	2019	2020
Total	440.330	467.192	524.246

Statistics on water quality inspection of discharge by water quality

Fabs/item	Guiding standard	pH Value		COD (mg/L)		SS (mg/L)		NH_3-N (mg/L)		Cu (mg/L)		Ni (mg/L)	
		Threshold limit value	Actual value	Threshold limit value	Actual value	Threshold limit value	Actual value	Threshold limit value	Actual value	Threshold limit value	Actual value	Threshold limit value	Actual value
Zhubei fab	Effluent Standards	6~9	7.6~8.1	100	2.8~10.9	30	1.7~2.6	30	1.58~3.44	1.5	ND~0.023	0.7	0.011~0.014
Tainan fab	Approved Sewer-connected Standards	5~10	7.2~7.4	450	26~70.9	250	2.2~19.0	60	6.78~10.90	3	0.023~0.048	1	ND
Tainan fab. 2	Approved Sewer-connected Standards	5~10	7.8~8.4	450	15.1~25.9	250	1.5~1.6	250	5.32~7.90	3	ND~0.026	1	ND

Note 1: Water quality inspection items that ChipMOS pays particular attention for are mostly processing water at Zhubei plant and Tainan plant from processes such as electroplating, etching, and grinding, which generate wastewater from using raw materials including organic substances, ammonia, and electroplating solution.

Note 2: Hsinchu fab, Zhubei fab. 2, and Hukou fab are testing fabs, hence there is no inspection data on processing water discharge.

Note 3: Actual value is the minimum to maximum value of the inspection result ; ND (no data) is lower than the detection limit.

Resource Cycling

103-2, 103-3, 306-1~306-5

Management Approach

Policy / Commitments

ChipMOS strives to conduct source management and waste reduction, and makes sure that waste generated from our processes comply with environmental, safety, and health handling procedures, so as to mitigate the impacts on the environment

Resources

- Assign a dedicated unit for material management and waste management
- Collectively promote joint audit system for waste management with the Industrial Technology Research Institute (ITRI) and members of the assembling team of Taiwan Semiconductor Industry Association (TSIA)

Actions

- Develop reductions at the source of production lines
- Using packaging materials made from recycled materials (e.g. cardboard boxes)
- Implement recycling and reuse mechanism on packaging materials to reduce consumption
- Continuously promote waste audit mechanism to control waste disposal processes

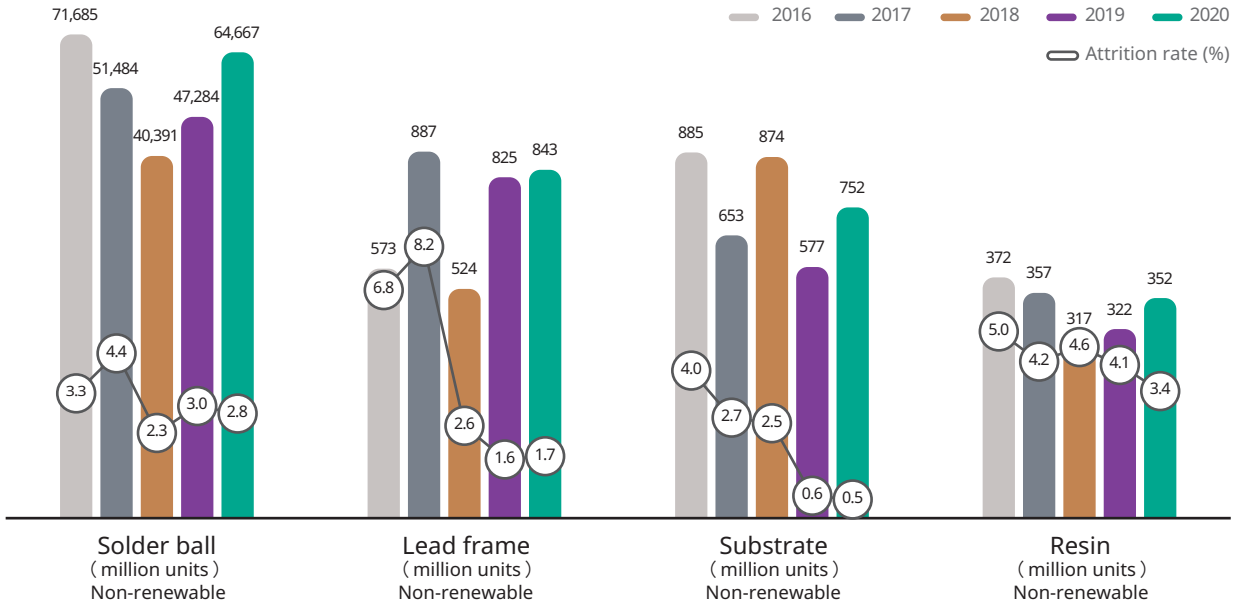
Evaluation Mechanism

- Annual review waste management programs and effectiveness of reusing packaging materials
- Internal and external audits, third-party verification

Material Source Reduction

ChipMOS provides comprehensive semiconductor backend process services, and primary raw materials of our assembly, testing, and materials include solder balls, lead frames, substrates, and molding compounds and more. We continue to improve our production processes and strive to make improvements from the source and to reduce waste. By analyzing material attrition rate in each year, we can understand the usage of each material. In 2020, we continued to optimize the use of substrates and lead frames between the production machinery to reduce material waste. By achieving consolidated material use, we have reduced resin consumption. In the past 5 years, the attrition rate of primary raw materials has gradually declined over the years, indicating the optimized utilization efficiency of the primary raw materials and achieving results in making improvements from the source.

The attrition rate of primary raw materials



Note 1: Attrition rate = (actual usage volume - BOM standardized usage volume)/BOM standardized usage volume X 100%.

Note 2: BOM = bill of material.

Reusing Packaging Materials

ChipMOS provides professional and vertically integrated assembly and testing services. During the shipping process of chips and IC products, wafer cassettes and trays are used to carry the products along with cushioning materials such as cardboard boxes and sponges, which are used to protect the products. To reduce waste generation and to mitigate environmental impacts, packaging materials are recycled and reused.

During the IC testing production processes, we classify the output as either finished goods, degraded products, or defective products. The finished goods are carried on trays and fixed in place using Velcro and would go on to complete all testing processes. Subsequently, we repackage them using polyester strapping and ship out, and the packaging materials are reused. The degraded products and defective products are either re-tested or scrapped based on customer instructions. The trays used are 100% recycled and then reused toward production processes after being screened using material regulation standards. Statistics of reused major packaging materials from 2016 to 2020:

Item (unit)		2016	2017	2018	2019	2020
Trays (pcs)	Purchased volume	1,025,540	1,113,020	1,117,000	1,054,500	1,198,050
	Reused volume	1,329,593	1,567,080	1,551,803	1,584,081	1,411,776
	Ratio of reuse	130%	141%	139%	150%	118%
Cardboard boxes (tons)	Purchased volume	18.7	14.5	16.9	20.8	22.5
	Reused volume	17.9	14.8	17.4	22.1	24.5
	Ratio of reuse	96%	102%	103%	106%	109%
Rubber bands (kg)	Purchased volume	2,034	2,332	2,734	2,122	2,297
	Reused volume	1,786	1,794	2,359	1,877	2,065
	Ratio of reuse	88%	77%	86%	88%	90%
Wafer cassettes (tons)	Purchased volume	-	-	-	-	-
	Reused volume	47.4	58.3	77.98	113.7	137.4

* The recycling and reuse of major packaging materials all took place within ChipMOS fabs.
* Ratio of reuse = reused volume/purchased volume (%).
* The statistical value for the cardboard boxes refers to large boxes used in wafer shipment. 100% of the cardboard materials are made from recycled waste paper.
* Most of the wafer cassettes came from original boxes used in purchases used for customized products and reclaimed scraps that were sliced after the wafer leaves the production line at the assembly plant. ChipMOS designates dedicated personnel to clean them, to eliminate the labels and dust on the cassettes, and recycles them to be used in product shipment. Therefore, there was no initial procurement volume for them.
* Since some of the customers' defective items needed to be shipped along with the finished goods, some of the rubber bands could not be reused in the plant, leading to procurement of rubber bands. As for customers who commission ChipMOS to handle the defective items found in the testing processes, ChipMOS will recycle and reuse their rubber bands and trays after scrapping the defects.
* The increased tray procurement in 2020 was attributable to increased customer demand, leading in procurement of new trays required for product shipment. In addition, the reduction in tray reused volume is because there was a decrease in the customers who outsource backend packaging to subcontractors, leading to reduced number of trays that we receive from subcontractors and hence the reduced reused volume.

Proper Waste Disposal

We regularly review the waste-related impacts from activities throughout our value chain on top of our own operating activities, so as to achieve a thorough understanding of our environmental impacts. Based on 14001, ChipMOS undertakes annual environmental impact assessment and management from a product life cycle perspective, including raw material supply, production processes, and waste disposal.

Waste generated in upstream and downstream to ChipMOS pose relatively low environmental impacts. For the upstream, we use green materials which do not contain substances harmful to the environment (please refer to the chapter on "Safer Material Use"). For downstream, relevant processes are outsourced to qualified vendors and regularly audited in line with the law. Hazardous waste generated from our production pose relatively high environmental impacts, and we have further developed risk/opportunity and action plans or projects to minimize environmental impacts.

ChipMOS promotes waste reduction projects and circular economy within our fabs. Through Reduce, Reuse, and Recycle, we can properly use resources to focus on both economic development and environmental protection. Moreover, we implement "ISO 14051 Material Flow Cost Accounting" to properly manage and to enhance the value of resource cycling, hence reducing environmental impacts.

Waste disposal method

Category		Direct disposal				Transfer disposal			Total
		Biological treatment	Chemical/physical/ solid state	Incineration/ thermal treatment	Landfill	Offshore	Recycle	Reuse	
Non-hazardous	Plastic/ordinary sludge/domestic refuse/liquid waste	202.53	180.60	844.85	0.02	-	-	855.16	2,083.16
	Wood	-	-	-	-	-	-	47.81	47.81
	Paper	-	-	-	-	-	803.82	-	803.82
Hazardous	Electroplating sludge	-	5.14	-	-	-	-	-	5.14
	Liquid waste/mercury lamp	-	177.31	740.11	-	-	-	55.16	972.58
	Mixed hardware waste	-	1.06	-	-	0.21	-	96.85	98.12
Total volume (ton)		202.53	364.10	1,584.96	0.02	0.21	803.82	1,054.99	4,010.63
Ratio		5.05%	9.08%	39.52%	0.00%	0.01%	20.04%	26.30%	100%

Note 1: Waste disposal is all handled "off-site" by qualified disposal/treatment companies in line with the Waste Disposal Act. ChipMOS regularly audits the disposal/treatment companies' form/document filing, surveillance system, and ultimate disposal/treatment destination.

Note 2: Offshore/landfill: (1). Landfill (non-hazardous): Waste furnace dust is disposed of through landfill. (2). Offshore treatment (hazardous): consists of components (waste printed circuit board (PCB)) and waste electronic components scraps and inferior goods (IC/wafer). In line with the Basel Convention, product export agreement form, shipping form, online joint handling form, and receipt from disposal form are al specified for all export of waste materials.(merge with previous line).

Examples of waste reduction improvement in 2020

Project name	Target	Effectiveness
Digitization of all processes related to recruitment of indirect full-time employees and their sign-in procedures	Reduce paper-based interview data and sign-in sheets by 100%	Digitization of documents achieved 100% reduction in paper use
Reduction of paper-based records for product scraps	Reduce paper-based documentation of scraps by 100%	Digitization of documents achieved 100% reduction in paper use
Reduction of mixed waste hardware	Reduce waste slide rail by 20%	By enhancing the utilization efficiency of slide rail, the 20% reduction goal was achieved
Digitization of E Run Card	Reduce paper-based procedure cards in TAPE assembly and production by 60%	Achieved 61.3% reduction, and "E Run Card" was introduced in June 2020, eliminating all relevant paper-based documents
Reduce waste at inspection station	Reduce protection tape by 10,000 units	Enhance utilization efficiency to reduce 1-2 rolls of protection tape, or approximately 10,000 to 20,000 units per year
Reduce waste paper and plastics	Reduce waste cardboard boxes and waste cushion material at the output shipping area by 1 ton	Each unit of cardboard box and cushion material collectively weighs 1.5kg; a total of 3 ton of these materials were recycled after the improvement was implemented

Note: This table is a description of waste reduction proposals initiated by ChipMOS's production departments and their actual implementation results.

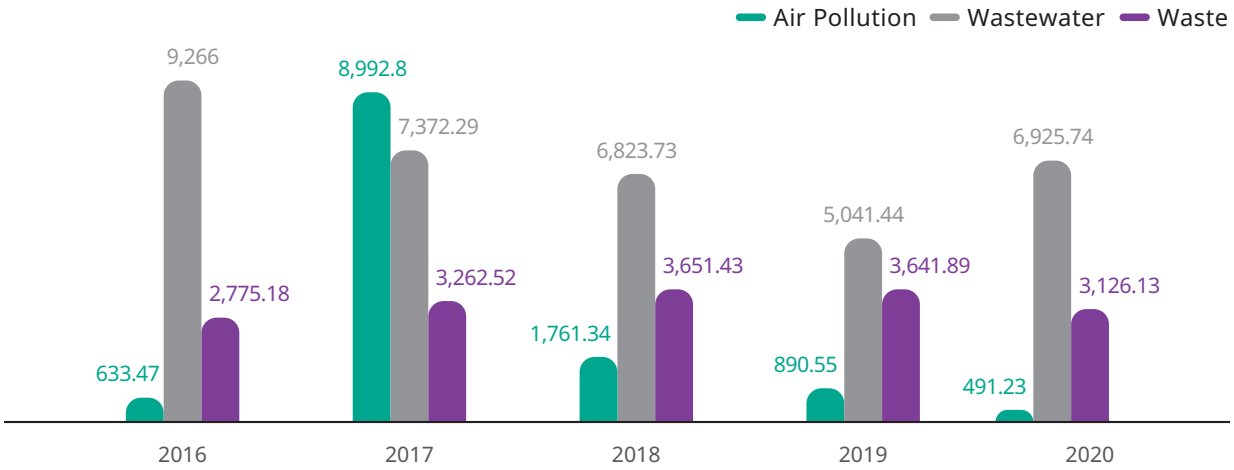
Environmental Expenditures and Investments

Regularly following up and analyzing environmental expenditures helps to evaluate the implementation efficiency and internal cost benefit analysis for environmental protection measures. To mitigate environmental impacts, ChipMOS allocates environmental protection budgets toward investing and maintaining software and hardware facilities related to the environment, including air pollution prevention, wastewater discharge, and waste disposal.

Environmental protection expenditures and investments in 2020 included environmental protection operations and related equipment and maintenance expenditure, totaling approximately NT$105.431 million.

Environmental protection expenditure and investment expense for the past five years

(unit: NT$10,000)



Note 1: A new air pollution high-efficiency treatment facility (Regenerative Thermal Oxidizer; RTO) was installed to treat air pollution from 2017 to 2018. Investments toward air pollution prevention facilities is nearly perfect and can ensure that the density of gas emissions is constantly lower than statutory threshold limit value. Therefore, 2020 expenses only included equipment improvements and operations and maintenance fees.

Note 2: A new water recycling facility for slicing processes was installed in 2020, hence the wastewater expenses are relatively high.

2020 major environmental expenditures and investments

Air pollution prevention investments and maintenance

- Replaced inverter of rotary valve on prevention facility (RTO) system
- Gas fees for prevention facility (RTO)
- Maintenance and repair of ventilation system's rotating equipment
- Maintenance of VOC online continuous automatic surveillance

Water pollution prevention investments and maintenance

- Construction of water recycling facility for slicing processes
- Water recycling fee for grinding processes at Tainan fab
- Dredging processing discharge water pipe and cleaning of wastewater floatation tank cleaning
- Chemicals and calibration maintenance for the first and second wastewater water quality continuous surveillance facility
- Corrosion and settling basin moss growth improvements for BC-LINE preventive facility of wastewater plant

Safer Materials

103-2, 103-3

Management Approach

Policy

Introduce green materials so that products are free from substances harmful to the environment, as well as enhance green competitiveness to pursue for sustainable business development

Commitments

- Adhere to environmental protection laws, bylaws, and customer requirements, and to provide green products that meet material and substance requirements in the environmental management
- Build a comprehensive product environmental assurance system to enhance the employees' awareness for products' environmental quality assurance

Resources

- Establish a dedicated department for hazardous substance management
- Formulate green product management (GPM) system to effectively manage the composition and analysis report of materials from suppliers

Actions

- Implement GPM system
- Suppliers are required to submit certification documents including the Material Composition Declaration
- Establish product testing laboratory
- Achieve third-party assurance for IECQ QC 080000 Substance Process Management system

Evaluation Mechanism

- Internal and customer audit
- Third-party assurance for IECQ QC 080000 Substance Process Management system

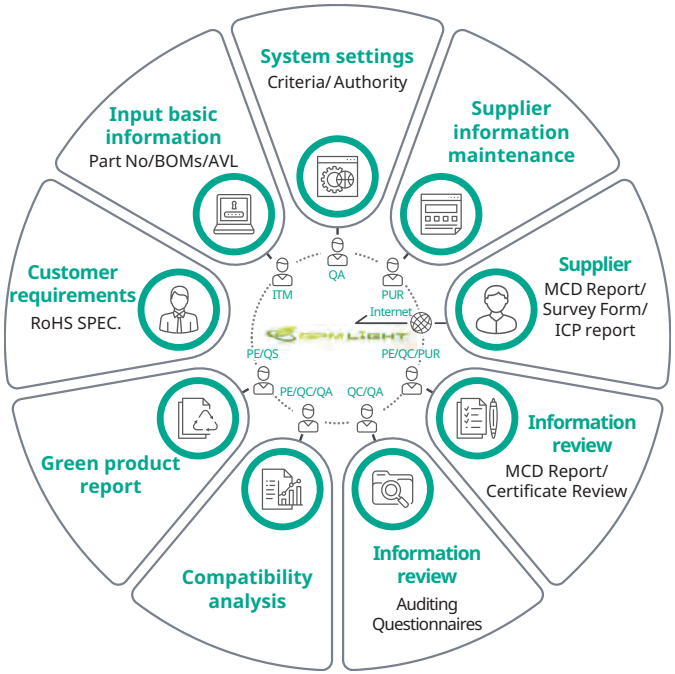
Policy, Commitments, and Goals

ChipMOS has formulated rigorous standards on raw materials used in our products, and conducted annual assessments through third-party institutions to ensure the effectiveness of our hazardous substance management mechanisms. ChipMOS has introduced green products so that products are free from substances harmful to the environment, and enhance green competitiveness to pursue for sustainable business development.

- Adhere to environmental protection laws, customer requirements, and to provide green products that meet the requirements of environmental management substances.
- Build a comprehensive product environmental assurance system to enhance the employees' awareness for products' environmental quality assurance.

As for the goal of our safe managerial management, we set a goal of receiving zero customer complaint of product-related hazardous substances over the next three years. And, 100% compliance with international regulations for material management.

Formulating Green Product Management System



To ensure that products served to customers have met green product laws, source management of the raw materials has always been a topic of our concern. Hence, ChipMOS has formulated the Green Product Management System (GPM) to effectively manage the compositions and analysis reports of materials from suppliers. In addition, we also continue to adjust relevant internal procurement and inspection procedures and processes, and have integrated the GPM system into our automated inspection and review mechanism to ensure that raw materials that do not conform to green product regulations are not purchased nor accepted.

Safe Material Management Procedures

ChipMOS has defined the items in the prohibited and restricted hazardous substance lists based in customers' hazardous substance requirements and international environmental protection laws. These substances are then managed through Advanced Product Quality Planning (APQP), new product introduction, process revisions, and supplier management. Concurrently, regular surveillance mechanisms, including internal audit, third-party assurance audit, and input inspection, are also conducted. In case of abnormality or incompliance, the incident will be handled in line with the abnormality handling procedures. Additionally, suppliers are required to submit relevant hazardous substance investigation chart, material composition declaration (MCD), guarantee letters, and other relevant certification documents.

Scope of Hazardous Substance Management

EU Restriction of Hazardous Substances Directive
(EU RoHS)

Lead, cadmium, mercury, hexavalent chromium Substances including Polybrominated biphenyls (PBBs), (Polybrominated diphenyl ethers (PBDEs), Di(2-ethylhexyl) phthalate (DEHP), Benzyl butyl phthalate (BBP), Dibutyl phthalate (DBP), and Diisobutyl phthalate (DIBP). (Please refer to the EU website)

International environmental protection laws

California Proposition 65
China RoHS
Directive of Packaging and Packaging Waste (PPWD) .....

Customer standards

ChipMOS's customers

EU REACH

Annex XVII , SVHC
(Please refer to the EU website)

Halogen-free product requirement

Halogen-free product requirement

Perfluorooctanesulfonic acid (PFOS)
Perfluorooctanoic acid (PFOA) Control

Receiving Third-party Assurance for IECQ QC 080000 Throughout All Fabs

All ingredients, products, packaging, components, and component sets (collectively, "products") produced by ChipMOS and relevant suppliers and contractors, have met Restriction of Hazardous Substances (RoHS) Directive, regulations from ChipMOS's prohibited and restricted hazardous substance lists, and customer requirements. ChipMOS and related suppliers commit to staying alert to any updates to international laws regarding products' hazardous substance control to ensure continued regulatory compliance.

All ChipMOS operations in Taiwan, including Hsinchu fab, Zhubei fab, Hukou fab, Zhubei fab. 2, and Tainan fab, have achieved IECQ QC 080000 system certifications in line with the IECQ QC 080000:2017 management system standards. These efforts have helped us remove toxic substances from our production and recycling processes, which not only protects our employees and operators, but also prevents pollution to the land, air, and water.


IECQ QUALITY ASSESSMENT SYSTEM (IECQ)
IECQ Certificate of Conformity
Hazardous Substance Process Management

5

Customer Service and Supply Chain Management

Annual Rating No. 1

Received positive recognition from major customers as The Best Testing Supplier in 2020

62%

Support local procurement and the ratio of local procurement has been increasing in the last 5 years

4.12 points (out of 5)

Customer satisfaction is increasing over the years as we strive to provide well-rounded products and technical service

100%

Ensure suppliers to maintain 100% rate of purchasing conflict-free minerals

Customer Service

103-2, 103-3, 418-1

Management Approach

Policy

Upholding the principle of customer service, we provide comprehensive products and services from a customer-oriented perspective with the aim of becoming their trusted, long-term partners

Commitments

ChipMOS promises that products and services delivered to customers can meet their needs, are competitive, and are served on a timely basis

Resources

- Establish a dedicated department to be in charge of customer service and quality management

Actions

- Visit customers
- Conduct customer satisfaction survey
- Customer grievance handling mechanism

Evaluation Mechanism

- Annual customer satisfaction survey
- Customer audits

Meeting Customer Needs to Achieve Service Satisfaction

Timely information ChipMOS is more than just a contracted vendor, but rather a customer-oriented production site and a trusted partner

Effective measures One-stop effective problem-solving measures and meeting customer demand

Instantaneous response achieve customer requests and specifications on a real-time/timely basis

24/7 service Year-round, uninterrupted provision of products and services

Comprehensive thinking Determining customer needs from a customer-oriented perspective

Customer meetings

Regular meetings with customers

Purpose:Understand customer needs and opinions

Frequency: Regular

Onsite visit

Customer visits as needed

Purpose: Listen to the voice of the customer

Frequency: As needed

Outsourced vendor assessment

Assessment data from customers

Purpose: Know more about customer feedback

Frequency: Monthly/Quarterly

Customer satisfaction survey

Initiated by ChipMOS

Purpose: To comprehensively understand the customers' feedback

Frequency: Annually

Contents: 5 major categories

- Quality
- Technology
- Service
- Delivery
- Hazardous Substance Free

Response method: Feedback results are classified as either short-term or long-term improvements

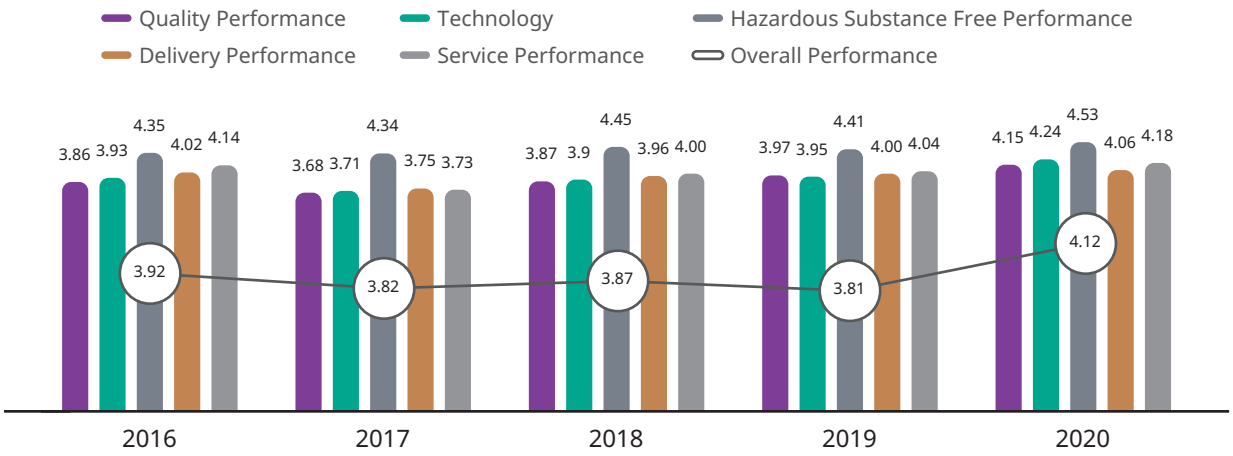
Short-time

Reported at weekly and monthly production line meetings, and relevant responsible department will propose improvement plans for customer feedback and items with scores lowering than 3 points, and to formally respond to the customer

Long-term improvement

Relevant plan will be proposed and followed-up during regular weekly or monthly customer meetings to truly handle and stay on top of customer needs

The Result of Customer Satisfaction Survey



Diverse Communication Channels Enabling Timely & Accurate Response

ChipMOS is focused on customer feedback and suggestions and use them as important references in our internal growth and advancements. We maintain unimpeded channels for customer communications to listen to customers' voices and precise needs, and adopt immediate review, appraisal, and analysis of customers' opinions and recommendations in order to provide substantial improvement plans. In 2020, our customer satisfaction survey results have achieved an average of 3.5 points or more (out of 5), fulfilling our target overall customer satisfaction.

Comprehensive Complaint Handling Mechanism

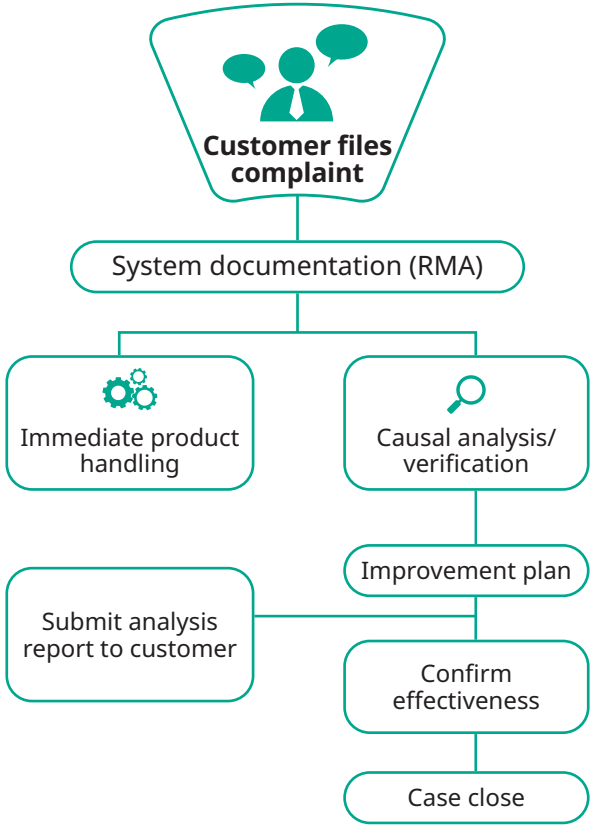
To effectively handle customer complaints and enhance customers' satisfaction for product quality, yield rate, technologies, lead time, and service, ChipMOS has formulated a customer complaint handling mechanism to cautiously and instantly resolve customer-related issues. When a customer problem has been received, it will be immediately logged into our system and the scale of its impact will be investigated so that affected product batches could be separated and labeled. At the same time, we will further relay the customer's message to relevant responsible unit to investigate and verify its cause. Improvement measures will be proposed based on the customer's special need or the Eight Disciplines (8D) problem solving process. Subsequently, the effectiveness of the improvement measure will also be tracked.

ChipMOS is committed to enhancing customer satisfaction and performance. As the diversity of our products and output volume continue to grow over the years, we also continue to improve our product quality and customer service and response by actively reinforcing internal training. The number of customer complaints have decreased over the years, and 100% of complaints received have been solved. Moreover, ChipMOS also actively investigates the underlying causes of customer complaints and reinforces preventive measures to completely solve the complaints. This helps to secure the partnership and trust from customers, thereby creating synergistic growth.

Protecting Customer Privacy and Information

ChipMOS values customer privacy and intellectual property (IP) rights, and treats any customer-related information as confidential and manages them accordingly. An electronic data leak prevention system has been set up to protect customer information, and all confidential customer documents are protected by TrustView, a document security control system. High-risk incidents are effectively handled through conducting vulnerability scanning on a quarterly basis. Furthermore, ChipMOS actively builds information security management mechanism, and third-party accreditation for ISO/IEC 27001:2013 Information Security Management system has been received by all ChipMOS fabs. Additionally, no customer complaint regarding leaked customer information has been received over the past five years.

Customer complaint handling procedure



Number of complaints received over the years

Year	2016	2017	2018	2019	2020
Number	57	39	36	32	24

Product Quality

103-2, 103-3

Management Approach

Policy

Upholding the principle of continuous improvement, we are committed to product quality, product cost, and product lead time to actively fulfill our goals in achieving customer expectation and satisfaction.

Commitments

ChipMOS promises that products and services delivered to customers can meet their needs, are competitive, and are served on a timely basis

Resources

- Establish a dedicated department for quality management
- Process improvement team

Actions

- Achieve various international standard quality management systems
- Continuous promotion of improvement initiatives throughout all fabs
- Quality Concept Announcement activities

Evaluation Mechanism

- Third-party verification
- Customer audit

Third-party Assurance for Quality System

ChipMOS fabs have separately achieved the certifications for ISO 9001 Quality Management System, IATF 16949 Automotive Quality Management System, and ISO 26262 Road vehicles - Functional Safety System. Additionally, the electrical testing field, power and calibration field, and chemical analysis field at our quality laboratory have also achieved ISO/IEC 17025 certification from Taiwan Accreditation Foundation (TAF). ChipMOS's product quality and manufacturing have met the standards and requirements from numerous international quality standards.

System Reliability

Our years of hard work in enhancing product quality and reliability have helped us to formulate a production quality management system capable of maintaining product reliability and high product yield. In addition, we also utilize the most advanced equipment to monitor and control the quality and reliability in manufacturing processes, which include the following:

- **Reliability analysis**: Temperature Cycling Test, Pressure Cooker Test, and Highly Accelerated Temperature and Humidity Stress Test (HAST)
- **Physical failure analysis**: Scanning Acoustic Tomography, Ion Milling System, Scanning Electron Microscope (SEM)
- **Electrical failure analysis**: Semi-Automatic Probe Station, Curve Tracer, and DC Analyzer
- **Chemical analysis**: Atomic Absorption Spectrometer, Inductively Coupled Plasma Optical Emission Spectrometer, and Automatic Potentiometric Titrator

> **ChipMOS promises that products and services delivered to customers can meet their needs, are competitive, and are served on a timely basis**

ChipMOS Quality Policy

- Product Quality: To meet customer's request
- Product Cost: To be competitive on the market
- Product Lead Time: On the delivery

Introducing Smart Production to Enhance Quality

Starting in 2018, all personnel throughout ChipMOS have been mobilized to actively implement automated smart factory concept. Big data, automated process controls, and artificial intelligence (AI) were introduced to the products and environments of each production line and integrated with product logistics, information flow, and HR flow. Through integrating hardware and software technologies, substantial improvements in productivity and product quality have been made. We continue to promote automation projects at each production line to ensure ChipMOS's professional and technical competitiveness, as well as strive to provide customers with advanced, high-quality products and services.

Example of automation projects:

Automated Optical Inspection (AOI)

Reinforce deterrence of product abnormalities using big data and artificial intelligence (AI)

Recipe Management System (RMS)

Systematic instant parameter comparisons to achieve stable control over product quality

Fault Detection and Classification (FDC)

Critical parameter monitoring, detecting health indicators of machinery and equipment, and real-time monitoring and early abnormal detection

Automated Guided Vehicle (AGV)

Control density of suspended particles to maintain a clean environment and ensure quality

Formulating Employees' Quality Concept and Striving for Improvement

Action 1

Quality Concept Announcement

To implement ChipMOS's quality policy and to ensure its effective dissemination to all employees, we began promoting Quality Concept Announcement activities in 2018. Through positive, proactive actions, we continue to advocate quality concept through Quality Concept Announcements and Automotive Quality Promotion and Sharing, which are carried out using physical and e-bulletins. These actions ensure the enhancement of ChipMOS's quality policy and concept in all personnel, as well as convey our determination to create high-quality products to all stakeholders

Action 2

Collective Product Quality Improvement Through Engagement and Innovation

To ensure the effective implementation and continuous improvements of policy and objectives, we have formulated mechanism and activities that foster continuous improvement. Activities are implemented at different ranks of the Company to encourage full participation in quality management activities, and incentives are provided based on the continuous improvement system. Additionally, to encourage employees to propose effective solutions to strengthen our quality culture and continuous enhancement in product quality and productivity, we offer incentives for submitting improvement proposals. In particular, two of our major quality management systems are Process Improvement Team (PIT) and IDEA BOX (ID BOX), which are improvement initiatives and cross-functional teams designed to encourage continuous improvements throughout the fabs.

We received 46 PIT proposals and 511 ID BOX proposals throughout all fabs in 2020. Cumulative benefits achieved by the two systems have amounted to NT$23.88 million, and the achievement rate of PIT proposals have even exceeded 100% over the years. We will continue to encourage employees to share ideas and brainstorm across functions and departments through incentive measures such as incentives for submitting proposals. These communications have inspired innovative thinking and problem-solving capability, and will continue to enhance ChipMOS's high-quality competitive advantage, thus helping us to achieve synergistic growth with our customers.

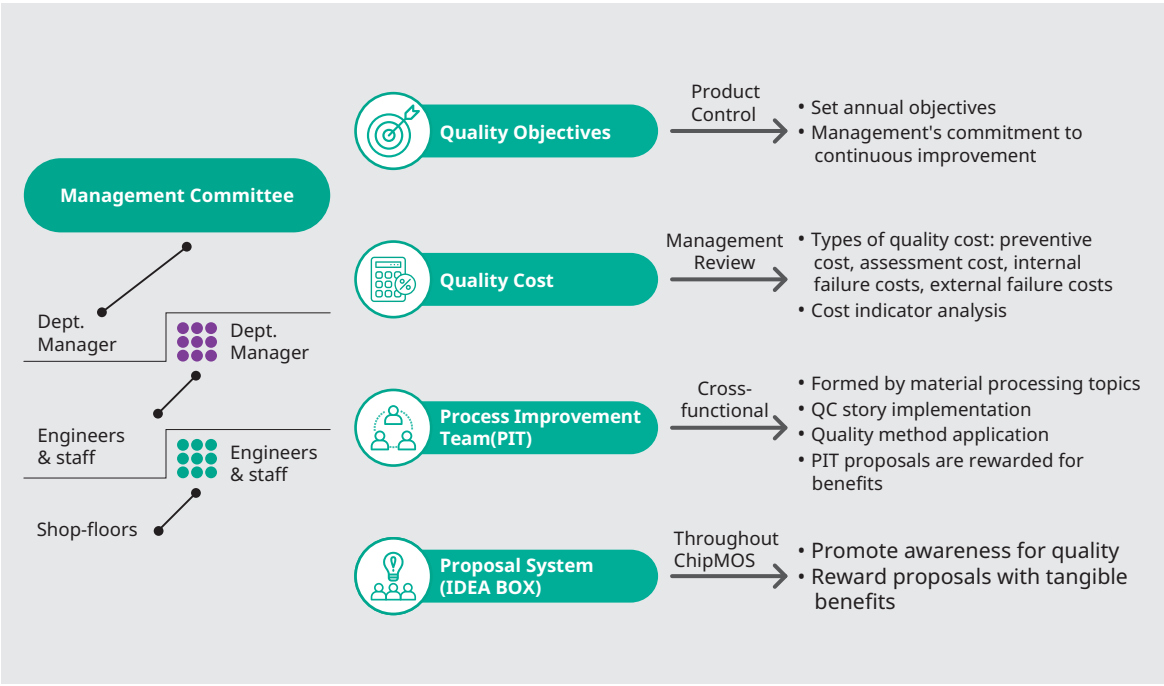
Performance of PIT & ID BOX

Item	Submitting improvement proposals	2018	2019	2020
Target number of proposals	PIT	32	33	33
	ID BOX	145	139	170
Number of proposals received	PIT	59	41	46
	ID BOX	651	718	511
Achievement rate (Note 2)	PIT	184%	124%	139%
	ID BOX	449%	517%	301%
Benefits (Note 3) (NT$10,000/year)	ID BOX	3,450	4,021	2,388

Note 1: Annual target is established for PIT and ID BOX, and performance in terms of proposals received is calculated on a monthly basis.

Note 2: Achievement rate = number of proposals/target number*100%.

Note 3: Benefits refers to the costs saved in each year (cost/year) from implementing the proposals.



RBA Supply Chain Management

102-9, 103-2, 103-3, 204-1, 308-1, 414-1

Management Approach

Policy

ChipMOS sees suppliers as our long-term partners and adheres to the Responsible Business Alliance (RBA) Code of Conduct, which serves as the standard for our supplier management policy. We strive for mutual growth and sustainable development with our suppliers.

Commitments

- We will formulate comprehensive supplier management and lead suppliers to follow the RBA Code of Conduct. Besides necessary skills in terms of quality, technologies, lead time and cost, suppliers shall also fulfill responsible management in terms of taking economic, environmental and social actions.

Resources

- Establish a Supplier Management Committee
- Material management system and Document Control (DCC)

Actions

- New supplier selection
- Quarterly supplier ranking, annual onsite audit, and continuous improvement
- 100% of raw material procurement is conflict-free

Evaluation Mechanism

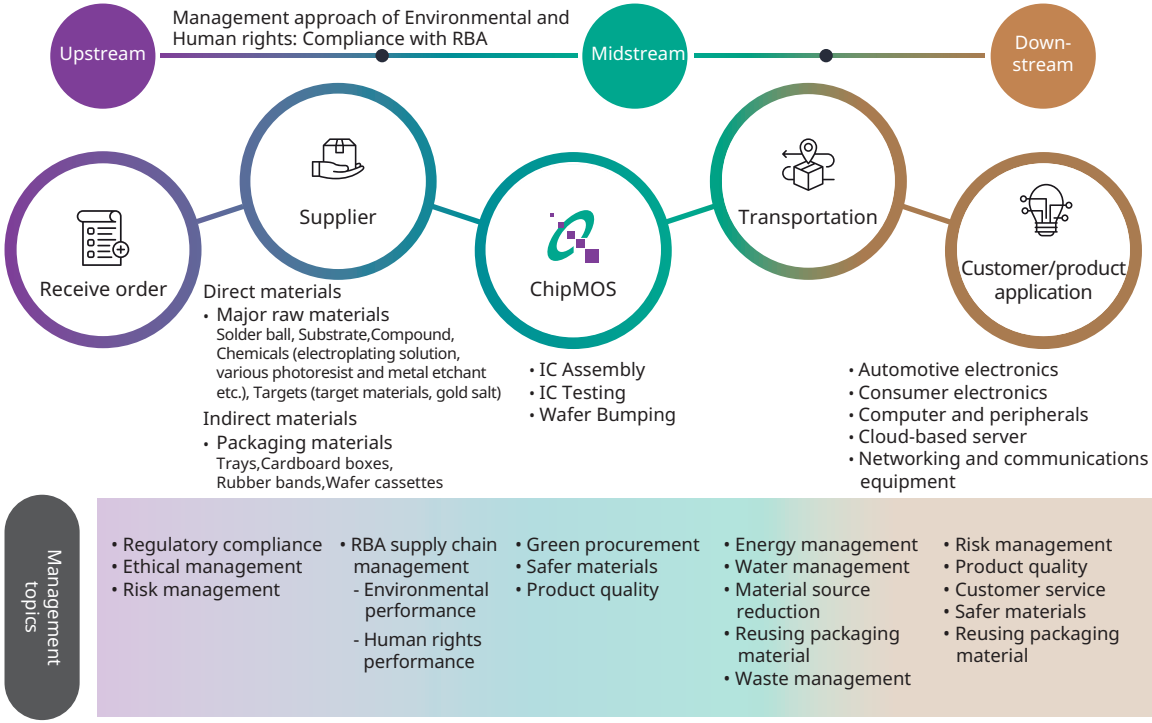
- RBA and customer audits
- Conflict Minerals Statement

Sustainable Supply Chain

On top of creating direct economic values, ChipMOS's production activities are also focused on helping industries throughout our supply chain to create indirect economic values through technical cooperation. By setting the Responsible Business Alliance (RBA) Code of Conduct as the objective of our supplier management policy, we strive to promote local procurement strategy and supplier coaching to enhance overall competitiveness and to create synergistic growth for all.

ChipMOS's major purchases include raw materials, machinery and equipment, component sets, factory engineering facilities, and IT products. In particular, the raw material suppliers hold key influence over the day-to-day operations in the Company's production processes and output quality. Currently, we have formed long-term partnerships with 150 or more suppliers, and based on their natures, raw materials can be classified as direct materials to the product, indirect materials not related to production, and packaging materials.

Supply Chain Framework



“As for strategies related to material procurement, we will make it a priority to first purchase from and to coach local suppliers. Besides reducing carbon emissions related to transportation, we can also support the stable development of local economy and create employment opportunities.”

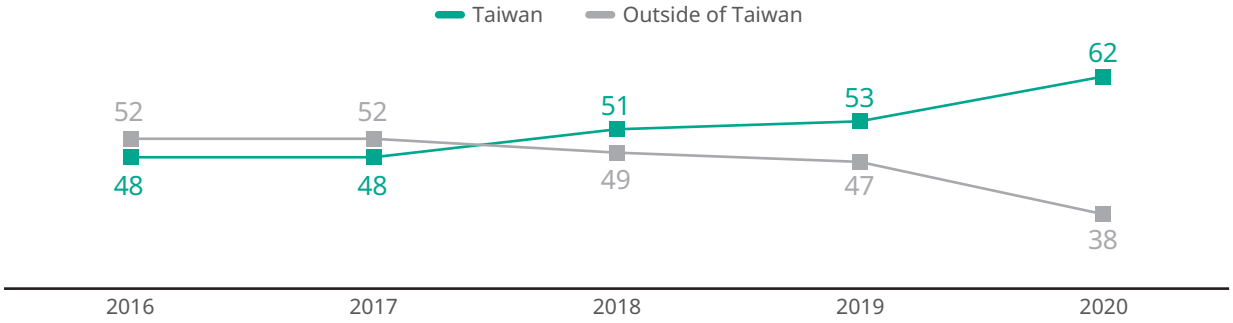
Local Procurement Strategy

ChipMOS strives to enhance competitiveness and supply chain partnerships. By reinforcing local procurement strategy and building thresholds for key material suppliers based on annual procurement (over NT$5 million) and characteristic (sole source of supply or irreplaceable supplier), we can enhance management and guidance over the suppliers to achieve effective management and continuous improvement.

Local supplier refers to a supplier whose production facility is located at the same region as that of ChipMOS. For instance, for ChipMOS's production sites in Taiwan, all suppliers whose production sites are also in Taiwan will be considered as local. In 2020, the ratio of procurement from local suppliers was 62%, and the ratio of local procurement has been steadily growing over the past five years. Looking forward, we will continue to uphold the philosophy and mission of local procurement strategy and to select quality suppliers from Taiwan to increase our local procurement ratio. We also hope to bring more employment opportunities to Taiwan and to achieve more robust local industry development.

The trend of local procurement

(Unit: %)



Supplier Management Committee

By adopting the Responsible Business Alliance (RBA) Code of Conduct as the policy and objectives of supplier environment and human rights management, ChipMOS has clearly specified the scope of five major supplier management aspects, including (1) Labor (2) Health & Safety (3) Environment (4) Ethics (5) Management Systems.

ChipMOS has established the Supplier Management Committee, which comprises of five cross-departmental teams (engineering, contractor, production and material management, procurement, and quality) that jointly implement the aforementioned scope of supplier management in supplier selection, supplier audit, and supplier evaluation and more. We strive to conform to the standards prescribed in the RBA Code of Conduct, and work hand-in-hand with suppliers to practice social responsibility.

Supplier Code of Conduct

Supplier Ethical Management Policy

To ensure that suppliers understand ChipMOS's adherence to honest and integrity in all business activities, we require for additional clauses regarding Regulations Governing Professional Moral Conduct when signing procurement contract with suppliers. In case of illegal conduct from ChipMOS's employees or relevant suppliers, the incident can be reported via our whistleblowing mailbox at Audit_Committee@chipmos.com. To collectively bear the responsibility of ethical practices with our suppliers, ChipMOS will investigate and punish the illegal conduct, while keeping the identity of the whistleblower confidential and to adopt proper protection measures.

Supplier's CSR Statement

ChipMOS strives to comply with the RBA Code of Conduct, and to ensure that suppliers can clearly understand the Code, we request specific suppliers (Note 1) to sign the Statement on Corporate Social Responsibility (CSR) and require our supply chain partners to join us in fulfilling corporate social responsibility. Starting from 2014 and as of December 31, 2020, 287 specific suppliers have signed the Statement on Corporate Social Responsibility, and the signage ratio has been 100%.

Note 1: specific suppliers refer to cleaning personnel, security personnel, long-term onsite vendors, raw material suppliers, and production equipment supplier.

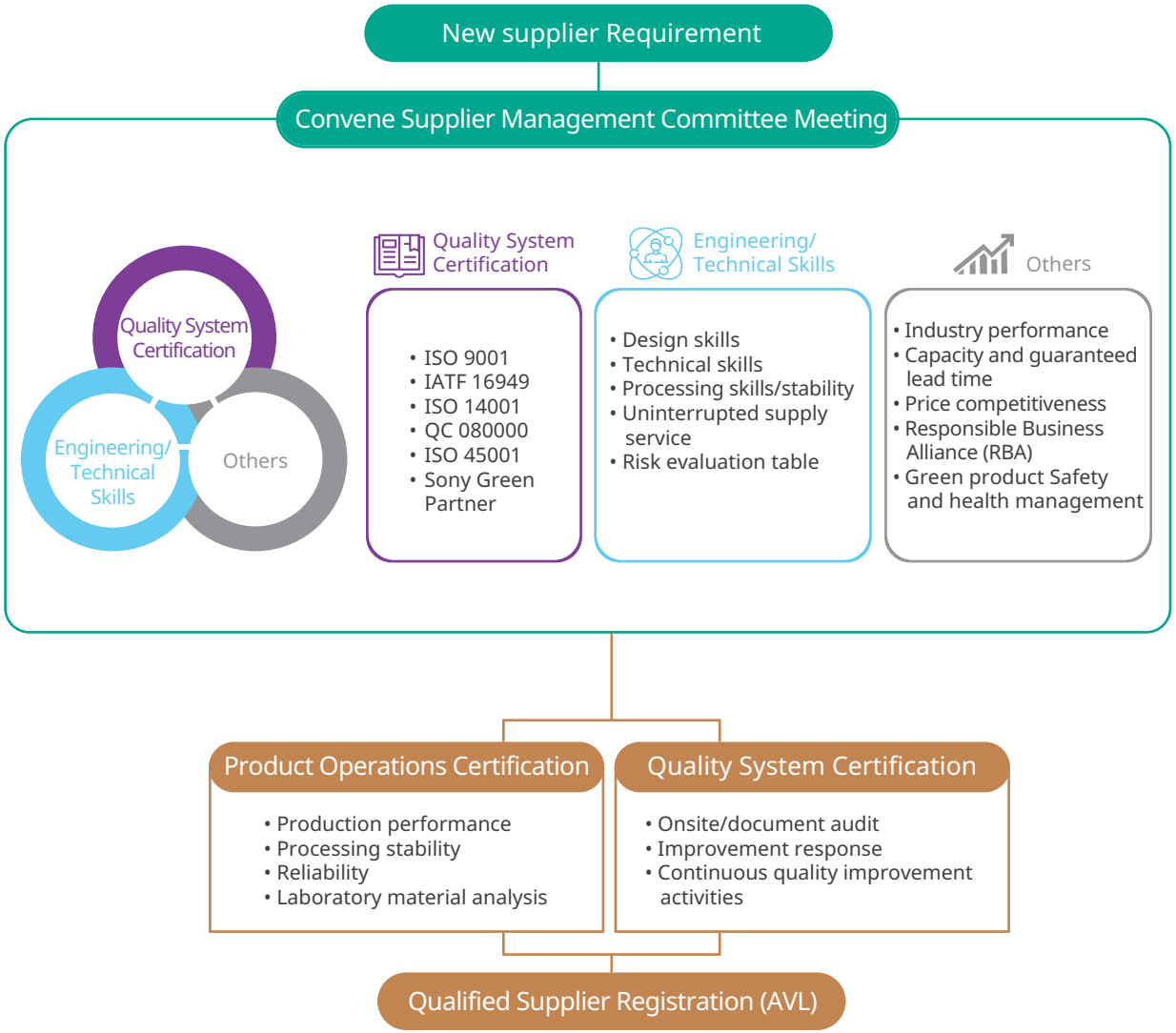
New Supplier Selection

ChipMOS has built a comprehensive new supplier selection process. After a request for new supplier has been issued by one of our departments, evaluation will be conducted by the Supplier Management Committee. The evaluation consists of four dimensions, namely, engineering and technical skills, quality management system, price, and service (including productivity and commitment to lead time). And a thorough evaluation of the risks associated with introducing said supplier will be conducted, including the industry performance of said supplier's current customers.

ChipMOS hopes that suppliers identify with our vision of sustainable development and our requirement for ensuring product quality, and we adopt the highest benchmarks to review suppliers during the evaluation. For new suppliers of major raw materials, we also check to see their qualification status in relevant international quality systems (e.g. ISO 9001, ISO 14001, IATF 16949, and ISO 45001 and more). At the same time, we review the supplier's practices of process management, green products, RBA and safety and health management to ensure that the supplier has met product quality requirements and other relevant requirements such as prohibiting the use of hazardous substances and protecting employee safety.

The new supplier selection process is depicted as the image below. Those who pass the evaluation will be entered into the ChipMOS Approved Vendor List (AVL) for subsequent day-to-day management. To increase the flexibility in allocating material sources and meeting customer needs, we have introduced 7 new suppliers in 2020. All of whom have passed the evaluation and meet ChipMOS's regulations for environmental and labor practices.

Process of New Supplier Selection



Supplier Ranking

In 2020, ChipMOS's suppliers (Total 67) have scored B rating or higher in ChipMOS quarterly supplier ranking. We will work together with suppliers to continuously make progress.

- Evaluation timing: Quarterly
- Target: Qualified major direct material and indirect material suppliers
- Ranking parameters:

Items	Ratio
Quality	40%
Delivery	20%
Engineering Capability	20%
Price	20%

- Method:Corresponding treatment and measures will be undertaken for suppliers who score A, B, C, or D ranks to meet expectations from the society and ChipMOS Suppliers with C ratings (evaluation scores are between 60 to 69 points) are required to submit improvement measures within 7 days, and a review will be conducted by a team within the Supplier Management Committee;
  - In case a supplier has received C ratings in two consecutive evaluations, appraisal will be made on whether its status as a qualified supplier will be rescinded;
  - In case of a D rating (evaluation score below 60 points), a supplier will be immediately appraised on whether its qualification will be rescinded

Supplier Audit

As a part of the Supplier Management Measures, ChipMOS formulates annual audit plans to audit and review the suppliers on each dimension of the RBA Code. Moreover, the audit plan specifies the timing of evaluation for each supplier as well as the scope of the audit. Document review was conducted for 85 suppliers in 2020, and onsite evaluation was also carried out for 24 key direct material suppliers.

- Evaluation timing: Annually
- Target: Major material suppliers
- Method:
  - Document review
  - Regularly conduct supplier onsite evaluation processes
  - In case of unqualified supplier or deficiency has been found, the Company will actively coach and train them for improvement

Supplier's compliance with RBA Code of Conduct per supplier audit in 2020:

Item	Northern Suppliers (31 suppliers)	Southern Suppliers (50 suppliers)
Labor	100%	100%
Health & Safety	99%	99%
Environment	96%	98%
Management Systems	99%	92%
Ethics	98%	100%
Average	98%	98%

Supplier Assistance and Training

Encouraging suppliers to achieve certification for international standard

ChipMOS maintains a positive and open mindset in discussing with suppliers and carries out relevant promotions and training through the evaluation and audit, or while making improvements for deficiencies found in the suppliers' order placement process. ChipMOS and suppliers learn and grow together to ensure that deficiencies will not reoccur. Extra points will be assigned for any supplier who has received certification for international standard, and ChipMOS continues to actively coach suppliers to acquire various certifications to international standards.

Status of international standard certifications received by suppliers

International Standard	ISO 9001	ISO 14001	ISO 45001	IATF 16949
Northern Suppliers	97%	81%	35%	19%
Southern Suppliers	96%	85%	29%	48%

Note: ISO 45001 is a standard related to occupational safety and health, while IATF16949 is related to automotive requirements. These two are relatively more challenging to achieve, but ChipMOS is actively coaching suppliers to achieve these goals.

Supplier coaching and improvement flowchart

Disimproved

Continue Coaching

(Suspension/termination in case of material deficiency)

Improved

Case Closed & Continue Monitoring

Conflict Minerals Management

Conflict minerals refer to minerals extracted under conditions of armed conflicts and infringements on human rights, especially gold, tin, tantalum, and tungsten (collectively referred to as the "3TG") that are mined in the Democratic Republic of the Congo (DRC) and its neighboring countries. Based on our corporate social responsibility and to fulfill international justice, as well as to meet the Dodd-Frank Act of 2020 (H.R.4173), ChipMOS avoids the use of conflict minerals in raw materials and production processes.

Our goal is to procure 100% conflict-free minerals in sourcing for raw materials. We continues to focus on the issue of conflict minerals and makes the following statements:

- ChipMOS is in full support of the boycott on conflict minerals and commits to adhere to the RBA principle of using conflict-free minerals. We do not accept any minerals that will be used to directly or indirectly support the armed conflicts of the DRC and its neighboring countries.
- ChipMOS has clearly conveyed this message to our suppliers and strive for their adherence. Suppliers are required to immediately inform ChipMOS in case they become aware of any conflict minerals used in their products. Suppliers are also required to sign the "RMI Conflict Minerals Reporting Template" and the "Conflict-free Minerals Policy Statement".

Note: The non-conflict mineral management policy has also been disclosed on ChipMOS website.

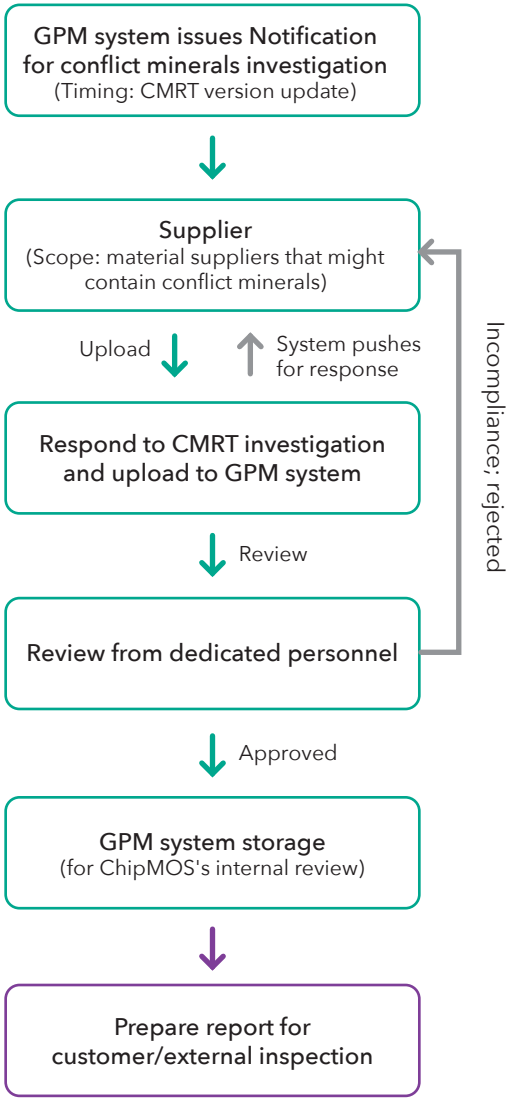
Meets SEC Annual Reporting Procedures

Conflict minerals is a regulated issue in the United States, one that all U.S. listed companies are bound to comply with. ChipMOS has been submitting Conflict Minerals Statement along with the SEC annual financial reports since 2014 to clearly describe our investigation processes and their results.

Drive suppliers to maintain 100% rate of not purchasing conflict minerals

ChipMOS respects and continues to pay attention to international human rights issues. At the same time, we also lead our supply chain partners to conduct due diligence research over the sources of minerals used in their products to ensure that gold, tin, tantalum, and tungsten do not come from mines affected by armed conflicts or high-risk areas. ChipMOS scrutinizes over the information in response reports submitted by suppliers to ensure that all of their smelters are included on the Responsible Minerals Initiative (RMI) qualified smelters or refineries list.

Confirm smelters/refineries maintain qualified RMI status on a quarterly basis



Note: CMRT refers to Conflict Minerals Reporting Template.

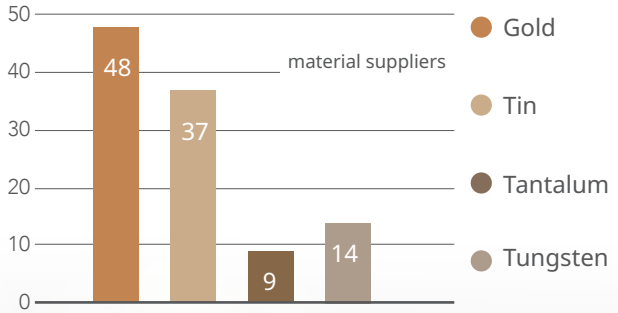
100% of Mineral Sources Comply with Conflict-free smelter Program

All sources of materials and minerals throughout ChipMOS's supply chain have complied with the conflict-free mineral policy, and all smelters have participated in and passed the Responsible Procurement Process Certification from the Conflict-free Smelter Program (CFSP). Going forward, ChipMOS will continue to encourage suppliers to practice and to participate in the Conflict-free smelter Program.

ChipMOS will also investigate suppliers whose materials are more likely to contain conflict minerals by using the Conflict Minerals Reporting Template (CMRT). The investigation report is summarized as follows:

- Upon investigating raw material suppliers in 2020, 41 of the Taiwanese suppliers are within the boundaries of the conflict minerals management
- For raw material suppliers related to conflict minerals, their smelters are categorized as: 48 gold vendors, 37 tin vendors, 9 tantalum vendors, and 14 tungsten vendors
- Sources of minerals contained in the materials come from: Gold is mostly from Japan and China; tin is mostly from Indonesia and China; tantalum is mostly from China; and tungsten is mostly from China and Japan. None of the materials come from conflict mineral smelters in the Democratic Republic of the Congo (DRC) or its neighboring countries

For raw material suppliers related to conflict minerals



6

Employee Care and Social Inclusion

73.58%

Our internal transfer rate is 73.58%, expanding a broader career for employees and stimulating their poten= that the right talent in the right place

428 Employees

Developing key talent development program, and 428 employees have received personality assessment

FSI 0.04

Frequency-Severity Indicator (FSI) is much lower than industry average, and committed to providing a healthy and safe workplace

Special Contribution Award

Sponsored Hsinchu County's Clean Air Zones for 7 consecutive years to continuously improve quality of living environment in the communities

Talent Attraction and Retention

102-8, 103-2, 103-3, 202-2, 401-1, 405-1

Management Approach

Policy

- Comply with local laws and international labor and human rights standards to protect the interests and rights of employees
- Build diverse recruitment channels and to hire based on merits, enabling employees to realize their potentials and growth

Commitments

- Comply with national and local laws regarding employment and the Responsible Business Alliance (RBA) Code of Conduct, fulfill and protect employees' basic rights and to build a friendly workplace environment and realize work-life balance.

Resources

- Dedicated unit at the Human Resources Department

Actions

- Regularly review relevant employee systems for compliance with local labor laws
- Use diverse recruitment channels to actively recruit aspiring youths
- Talent recruitment and retention mechanisms

Evaluation Mechanism

- Regular internal audit and inspection
- Third-party assurance agencies, RBA, client audits

Equal Workplace Environment

We are committed to equality and strive to provide equal employment opportunities. We protect the rights of our workers and respect every employee, and we have created a positive and friendly workplace environment.

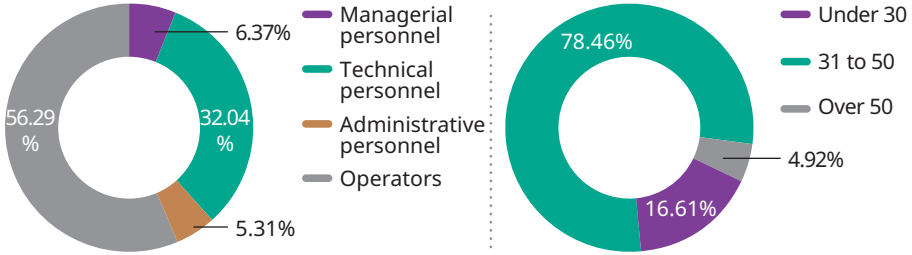
Lawful recruitment | Freedom of employment | Employees' work-life balance

Human Capital Structure

The semiconductor grew in spite of the raging COVID-19 pandemic in 2020, and increased demands for consumer electronics including digital set-top box, automotive electronics, mobile devices drove the demand for ChipMOS's production capacity. At the same time, by actively seizing 5G development trends and planning diverse developmental strategies, ChipMOS continued to expand the capacity for driver IC and RAM packaging and testing, promoting local economic growth and creating more competitive job opportunities.

As of December 31, 2020, ChipMOS has a total of 5,496 employees. The statistical boundaries for the chapter below only include the 5,465 employees in Taiwan, and do not encompass the 4 people at ChipMOS's US subsidiary, 3 people at Shanghai subsidiary, or the 24 part-time employees.In terms of the age structure of employees, most of ChipMOS's employees are young adults, with the age group 31 to 50 years old forming 78.46% of all employees; additionally, 16.61% of employees are below 30 years old, and 4.92% of whom are 51 years or above. Due to the nature of the technology industry, ChipMOS's workforce structure is comprised mostly of operators at 56.29%; followed by technicians at 32.04%. The ratio of managers is 6.37%, while the administrators make up 5.31% of all employees.

Employee category and age distribution



Employee Distribution by Category

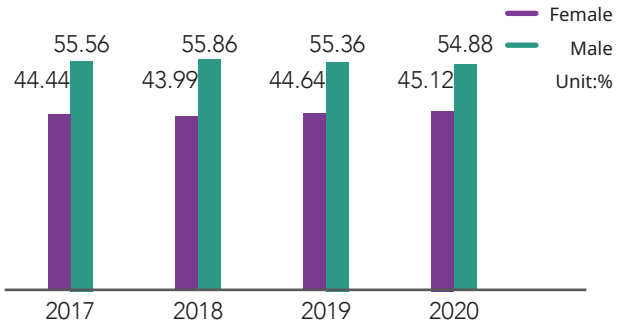
		Male	(%)	Female	(%)	Total
Employment	Full-time employees	2,466	100	2,998	99.97	5,464
	Part-time and contract employees	-	-	1	0.03	1
	Total	2,466	100	2,999	100	5,465
Position	Management	279	11.31	69	2.3	348
	Engineering	1,425	57.79	326	10.87	1,751
	Administration	159	6.45	131	4.37	290
	Technical	603	24.45	2,473	82.46	3,076
	Total	2,466	100	2,999	100	5,465
Age	Under 30	313	12.69	595	19.84	908
	31 to 50	2,030	82.32	2,258	75.29	4,288
	Over 50	123	4.99	146	4.87	269
		2,466	100	2,999	100	5,465

Note 1: Part-time or contract employees who are not full-time workers of ChipMOS.
Note 2: ChipMOS has 24 contract employees, including 17 mentally or physically challenged contract employees and 7 project and short-term contract employees, and such employees are not included in the workforce structure and relevant calculations.

Female Workers

We strive to build an equal and respectful workplace environment, and recruit based on a merit-based principle. The ratio of female workers account for 54.88% of all workers in 2020, while the ratio of employees by gender was close to 1:1 over the years. Such data indicates that gender is not a factor in our recruitment selection and that all hiring is based on individual professionalism. In the future, ChipMOS will continue to focus on issues relevant to female workers, and while respecting the goals and pursuits of all employees, we will continue to optimize employee benefit system to allow for long-term retention of female workers, thereby enabling them to realize their personal values and to contribute to ChipMOS and the society.

Ratio of Employees by Gender over the Years

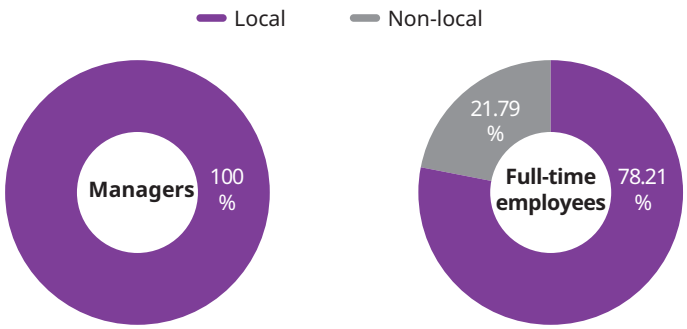


Diversification and Inclusion

ChipMOS persists in merit-based recruitment and our management team is also comprised of local workers. All of ChipMOS' managerial officers are local residents. In terms of general employees, local residents account for 78.21% while foreign workers, who are predominantly Filipino, account for 21.79%. Proper care and attention has been paid to the Filipino workers, and the rate of continued employment for foreign workers from 2018 to 2020 have reached 80% or above.

Legal recruitment of migrant workers, and audits are regularly conducted.	A total of 12 public meetings are organized in each year for migrant workers to speak their minds. Contents of these meetings are detailed in meeting minutes, which are publicly announced.	No under the table payment in hiring Filipino workers.	To protect the workers' human rights, conferences are organized for Filipino workers before their arrival to specify their rights and interests.

Ratio of hiring local residents as managers or full-time employees in 2020

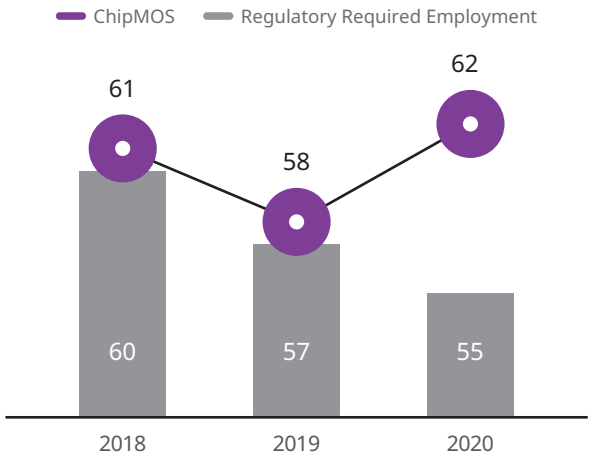


Note: Local residents refer to Taiwanese nationals; managerial officer refers to ranks of employees who are divisional heads or above.

Providing Job Opportunities for the Disabled

ChipMOS actively recruits physically and mentally challenged people and continue to collaborate with relevant institutions to provide job opportunities. As of December 31, 2020, we have hired 40 physically or mentally challenged workers, and cumulatively, 62 physically or mentally challenged workers have been hired. All in all, we have hired 7 workers more than the legally stipulated employment (no less than 1% of total employees) to provide diverse employment opportunities to those in need. Additionally, ChipMOS strives to build an accessible and friendly workplace environment and welcomes guide dogs in assisting the physical safety of visually impaired people at our grounds.

Number of Diabled Workers



With the emergence of a new generation of talents, we have adjusted our strategies, strengthened digital recruitment channels, formulated a good reputation as an employer, and taken initiatives to interact with these emerging talents!

To manage key technical personnel, we manage social platforms to interact with candidates, and to seek for the right people with precision and in time!

Talent Management

In line with ChipMOS's operational development strategies, we are actively planning for the 5G market. To continuously drive for ChipMOS's competitive strengths, besides understanding market trends and product growth opportunities, we are also developing our talent pool for innovation and growth. In terms of managing recruitment channels, ChipMOS utilizes job banks, its website, campus recruitment activities, government projects, as well as social media platforms including Linkedin and Facebook. By actively building connections with high-performing individuals from all industries, we can better focus our recruitment efforts to find suitable talents.

In 2020, ChipMOS has had 328 new employees, accounting for 6% of all employees. In particular, 42.38% of whom are aged 30 or below, thereby injecting a new breeze of vitality and passion to company operations. A total of 220 employees were hired via digital media platforms, accounting for 67.07% of all new employees in 2020.

Diverse Recruitment Channels

- Diverse recruitment channels Job banks
- Company website
- Industry-Academia Collaboration
- On-campus recruitment
- Government projects
- Employment services
- Social recruitment platforms (Linkedin, Facebook)

Number of new employees in 2020

Age	Male		Female		Total	
	People	Percentage (%)	People	Percentage (%)	People	Percentage (%)
Under 30	83	40.49	56	45.53	139	42.38
31 to 50	120	58.54	67	54.47	187	57.01
51 or above	2	0.98	0	0	2	0.61
Total	205	100	123	100	328	100

Using Campus Resources to Recruit Young Workers

On-campus recruitment

Campus job fair is a key battlefield for enterprises, ChipMOS included. We invest in campus recruitment activities in each year, and besides promoting our corporate brand and image, we also aim to recruit more high-performing students. We hope to use these opportunities to introduce more students to industry trends and career paths suitable to their aptitudes and aspirations, and to provide a platform for these young people to realize their potentials.

In terms of campus job fairs, we compile results from past participation and expand our reach to new universities and colleges to form more partnerships. Our Tainan fab reached out to universities and colleges from neighboring cities and counties in 2020, and formed partnerships with National Yunlin University of Science and Technology and I-Shou University. Due to the COVID-19 pandemic in 2020, the planned campus job fairs have been pushed back to 2021, and ChipMOS is scheduled to participate in 7 campus job fairs in 2021.

Campus Job Fair

Engage in campus activities

Cooperate with new schools

National Yunlin University of Science and Technology, I-Shou University

Enterprise Seminar

Cooperate with Southern Taiwan Science Park

2020 Enterprise Seminars

- **Targets:** mostly STEM students in colleges and universities in southern Taiwan
- **Purpose:**
  - Help students to acquire an early understanding to corporate operations
  - Understand the packaging and testing industry and to introduce students to ChipMOS
- **Partners:** Southern Taiwan Science Park
- **Approach:**
  - Experience-sharing sessions from ChipMOS managers and alumni
  - Increase interactions through team-based competitions and games

2020 Enterprise Seminars

Industry-Academia Collaboration

> ChipMOS is committed to cultivating the youth by leveraging the core competence of the company and continuing to work with schools to integrate knowledge-action, and bringing in more talents for the semiconductor packaging and testing industry.

By upholding ChipMOS mission for talent cultivation, we extend our reach to college and university campuses through Industry-Academia collaboration so that students can put their theoretical learning to the practical experience, and will be more competitive when they enter the workplace.

We have been actively working industry-academia collaboration with universities and colleges since 2013. We inspire the students and help them to bridge the gaps between theory and practice through these projects. Each project is mutually discussed and initiated by ChipMOS and respective schools focusing on the students' professional skills, thereby preparing them for any challenge ahead. Looking ahead, our goal is to continue to search for collaboration opportunities with new schools, and to jointly promote application opportunities of integrating knowledge-action.

Industry-Academia Collaboration Projects

Project	Description of project	school	Department	Starting from	Total participants	Retention people Note 1	Retention rate Note 2
Internship	Provide summer internship to enhance practical experience	Chung Yuan Christian University	Mechanical Engineering Chemical Engineering Information Engineering Information Management	2013	59	18	30.51%
		National University of Kaohsiung	Electrical Engineering Chemical Engineering Materials Engineering				
Scholarship	Provide scholarships to motivate students	Chung Yuan Christian University	Mechanical Engineering Chemical Engineering Information Engineering Information Management	2013	15	11	73.33%
Career program	Enhance knowledge of semiconductor packaging and testing through course lectures	Chung Yuan Christian University	College of Engineering	2013	211	11	5.21%
Industry-academic program	4-year course and production practices to integrate knowledge-action	TransWorld University	Business Administration	2015	40	17	42.50%
		Far East University	Information Engineering				
		Kao Yuan University	Information Management				
		Kun Shan University	Electronic Engineering				

Note 1: *Retention rate of interns, career programs, and industry-academic programs: refers to the number of people who have participated in that programs and are currently working for ChipMOS. *Scholarship: Number of employees who have stayed with ChipMOS for one year or more after their required years of service, and are still currently working at ChipMOS

Note 2: Retention ratio = number of retention people / total participants *100%

Note 3: Statistical data for the industry-academic program was from 2015 to 2018. We have continued to sign partnership agreements with the schools, but due to changes in the overall job market, the recruitment efforts have been lower than expected. In 2020, we have planned to the channels of school-year internship and pre-hire system to enhance the effectiveness of the industry-academia program.

Focus on Talent

Regularly review talent retention measures

Promote Internal Talents Transfer

Improve employee referral program

Key Talent Development

Cultivate talents from all levels and fulfill the right talent for the right place

Invigorating the Organization and Inspiring Employees

ChipMOS is continuing to strengthen operational framework and sees its talent pool as the basis for competitiveness. By providing quality workplace environment, competitive benefits, comprehensive training plans and a healthy and safe work environment, employees are more willing to stay and to refer ChipMOS to others, as well as to build more close-knit relations with the Company.

We strive to fulfill internal transfer system and to provide well-rounded and flexible development opportunities to our employees, who can also learn diverse professional skills and to build their career paths. To inspire our personnel, ChipMOS' internal referral mechanism, which aims to encourage employees to refer external talents through incentive measures, was improved in 2020. In addition, the mechanism also boosted employees' willingness for internal transfer. In 2020, the success rate for internal transfer was 73.58%, showing a 5.6% improvement from 2019. We have a fair and transparent promotional mechanism, in which high-performing employees will be provided with more challenging work opportunities. We began a series of key talent development plans starting in 2019, in which talents from all ranks are being developed. By understanding employees' potential, we can promote internal personnel transfer and fit the right person at the right place of work, while effectively reducing turnover and enhancing talent retention.

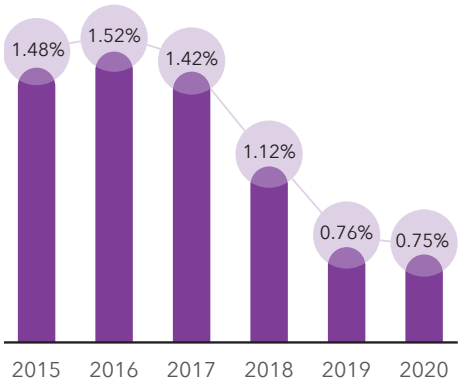
ChipMOS values talent. We regularly review and strengthen talent retention measures and our turnover rates have continued to decrease over the past five years. This shows ChipMOS has achieved enormous progress in terms of retention. We will continue to promote internal transfer to invigorate the organization; moreover, extra attention will be paid to new employees to help them understand the Company and to adapt to the organization. Additionally, extra efforts will be made during turnover interview to review the causes and to maintain our talent pool. By maintaining unimpeded channels for communication and effectively listening to employees' feedback and opinions, we can build an even better workplace environment.

Turnover in 2020 was 498 people, accounting for 9.11% of the total employees of the year

Age	Male		Female		Total	
	People	(%)	People	(%)	People	(%)
Under 30	62	23.75	79	33.33	141	28.31
31 to 50	182	69.73	149	62.87	331	66.47
51 or above	17	6.51	9	3.80	26	5.22
Total	261	100	237	100	498	100

Note: turnover rate = total turnover for the year/average current employees [(employees at the beginning of the year + employees at year-end)/2]x100%/12.

Turnover Rate from 2015 to 2020



Compensation and Benefits

103-2, 103-3, 201-3, 401-2, 401-3, 405-2

Management Approach

Policy

- Provide competitive and fair compensations to attract, incentivize, and retain talent
- Implement fair compensation and consistent compensation policy in all sites
- Promote employees' well-being and work-life balance to build a healthy and happy enterprise

Commitments

- Strive to realize equal pay for female and male workers
- Build good compensations and benefits system to care for employees
- Plan retention measures to encourage long-term retention

Resources

- Dedicated units for compensation and benefit

Actions

- Regularly participate in external compensations research
- Align compensations with duties through establishing ranks for different responsibilities
- Implement incentive programs for employee referral, and encourage job rotation
- Plan benefits and incentives and employee welfare programs

Evaluation Mechanism

- Third-party external salary benchmarking and the system of ranks for different responsibilities
- Regularly report the results of employee welfare programs at labor-management meetings

Competitive and Fair Compensation System

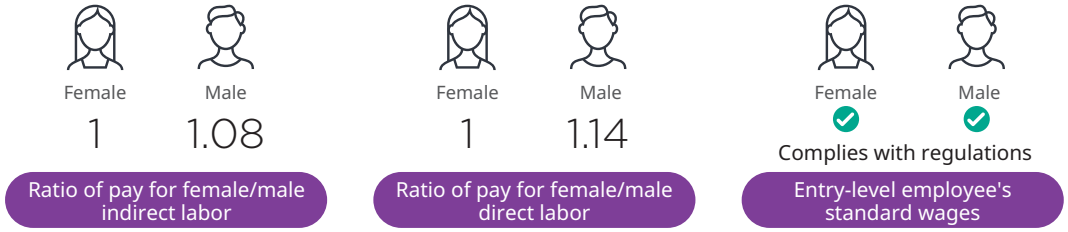
Employees are the key to ChipMOS's continued progress and growth. We hope to attract, inspire and retain partners who can grow with ChipMOS through formulating comprehensive incentives system and good work conditions.

Fulfilling Equal Pay Policy

To implement fair and just compensations in practice, consistent compensations policy is adopted by all operating sites of ChipMOS. We continue to maintain fair compensations measures through a rigorous and consistent standard.

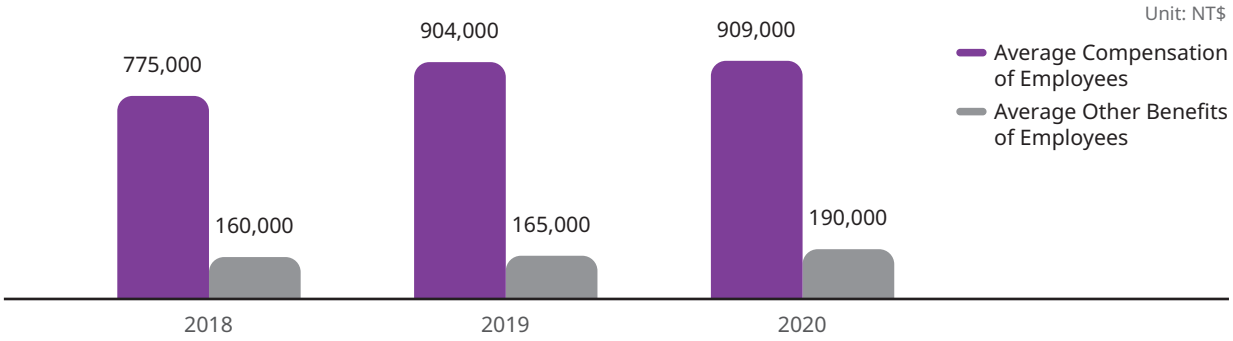
- **Realizing equal pay value:**
  During the recruitment process, we uphold a non-discriminatory principle against gender, race, religion, age, marital status, and workplace location, and offer consistent packages and equal treatment for all employees performing equal work.
- **Gender-equal compensations policy:**
  Same evaluation standards are executed for equal work; in other words, while creating performance and value for ChipMOS, employees performing equal work will be equally assessed on their performance whether they are male or female.

By employment category, ChipMOS' compensations for indirect labor was 1:1.08 for females to males, while the ratio for direct labor was 1:1.14 for females to males in 2020. The variance is mostly attributable to work performance and employees' years of service. The standard pay for entry-level personnel for both females and males have complied with the legally stipulated minimum wage of NT$23,800 in 2020.



Note 1: Pursuant to laws in Taiwan, the basic standard wage was NT$23,800 in 2020.

Salaries and benefits expense



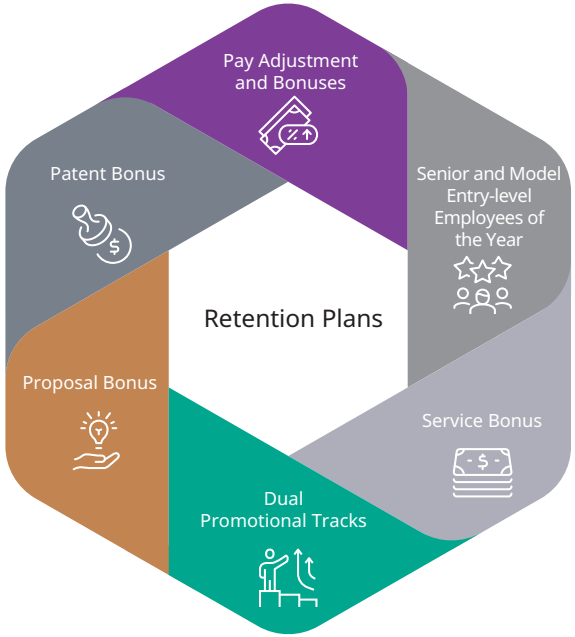
Number of full-time employees in non-managerial functions and average and median wages in 2020, and any discrepancy between the figures from 2019:

Total pay for full-time employees in non-managerial functions (Unit: NTD)			
Item	**2019**	**2020**	**Comparison with 2019**
People	5,644	5,364	-4.96%
Total average pay	856,366	913,411	6.66%
Total median pay	789,476	845,227	7.06%

Long-term Incentive Measures

"Human capital is the key to ChipMOS's sustainable management and enhanced competitiveness. To recruit and retain high-performing employees, we continue to optimize various retention plans to promote employees' long-term service."

Our annual pay adjustment has been approximately 3% to 5% for more than five consecutive years. To encourage outstanding employees, the actual adjustment is correlated with individual performance. Model employee nomination is carried out in each year to honor exemplary performances from entry-level employees. Additionally, bonuses and awards are given to senior employees at year-end parties to show our appreciation for their years of commitment and contributions to ChipMOS. Besides internal encouragements, we also actively refer employees to partake in external competitions such as the "Selection and Awards Ceremony for Outstanding Operators at Southern Taiwan Science Park".



- Pay Adjustment and Bonuses
  - Pay adjustment approximately 3%-5%
  - Allocation of incentive bonuses
- Senior and Model Entry-level Employees of the Year
  - Recognize long-term contributions to ChipMOS
  - Award outstanding employees who serve as benchmarks of conduct to their teams
- Service Bonus:
  - Enhance competitive strengths; recruit and develop talent
- Dual Promotional Tracks
  - Promotion to either managerial/project roles or technical roles through capabilities and performance
- Proposal Bonus:
  - Recognize employees who submit improvement plans for processes, technologies or systems
  - Strengthen technical and processing improvements to promote positive internal cycle
- Patent Bonus
  - Encourage employees to brainstorm and innovate

Superior Benefits and Leave System

By providing a benefit system that is superior to statutory requirements and extending the coverage of group insurance to employees' families, our employees can be more focused on their work while taking good care of the health and safety of their families.

Item	Statutory requirements	ChipMOS's measures
Insurance	Labor insurance and national health insurance are filed for the employee from an employee joins the Company.	1. Group insurance benefits including life insurance, accident insurance, medical insurance, and cancer insurance. 2. ChipMOS covers all insurance expenses for employees and their families (including parents, spouses, and children).
Funeral leave	1. Six days of paid leave is permitted for bereavement of one's grandparents, children, spousal parents, spousal adoptive parents, or step parents. 2. Three days of paid leave is permitted for the bereavement of great grandparents, siblings, and spousal grandparents.	1. Six days of paid leave is permitted for bereavement of one's grandparents, spousal grandparents. 2. Three days of paid leave is permitted for the bereavement of other direct relatives.
Other leaves	None	1. Paid management leave is permitted for executives undergoing health examinations. 2. Employees who arranged by the Company not to be on duty from the eve of Lunar New Year to January 3rd (Lunar New Year Calendar) will be given paid management leave.
Epidemic prevention subsidies	None	To protect the health and safety of all employees, ChipMOS encourages employees to cooperate with the epidemic prevention management measures: • Epidemic prevention subsidy NT$2,000 to NT$5,000 • ChipMOS epidemic prevention kit • Allowances for purchasing face masks • Office workers - allowances for purchasing reusable utensils • Workers on quarantine are permitted for paid management leave. • New foreign workers: Centralized quarantine period (14 days): NT$1,500 subsidy; 7-day home quarantine after the centralized quarantine: paid management leave

Retirement System

ChipMOS has formulated the Employee Retirement Measures in line with the Labor Standards Act and the Labor Pension Act, and has set up the Pension Reserve Supervisory Committee. Pension funds are allocated on a monthly basis, and except for employees who joined ChipMOS prior to June 30, 2005 (inclusive), who may freely choose whether to adopt the new pension scheme, all full-time employees partake in relevant pension scheme. To protect the rights of employees in filing for pension in the future, professional accountants and consultants are commissioned in each year to undertake actuarial accounting of the pension reserve. Additionally, the Pension Reserve Supervisory Committee also regularly inspect the pension account and study topics relevant to retirement. As of 2020, the reserve funds under old pension scheme has amounted to approximately NT$430 million.

Pension Schemes	Proportion of pension allocation to salary	Proportion of employees
Old scheme: company pension account	Employer: 2% / Employee: 0%	100%
New scheme: personal pension account	Employer: 6% / Employee: 0 to 6%	

ChipMOS also provide "preferred retirement" plan more favorable than the statutory retirement age to thank our senior employees have made during their long years of service, and to provide them the best care post-retirement.

Number of employees filing for retirement from 2018 to 2020: (Unit: Person)

Year	Statutory Requirement for Retirement	Preferred Retirement	Total
2018	0	10	10
2019	1	18	19
2020	5	28	33

Comprehensive Insurance Plan

ChipMOS provides social insurance and also provides better group insurance, covering life insurance, accident insurance, medical insurance, and cancer insurance, as well as travel insurance for business. In addition, we has been providing family-oriented group insurance that covers employees' family members for over 15 years. We pay for all insurance expenses for employees and their families (including parents, spouses and children), and our average insurance expense amounts to over NT$20 million in each year.

ChipMOS has arranged specialists to provide weekly consultation at each fab, so employees can further understand the relevance rights of group insurance and to increase the efficiency of filing for claims by face-to-face consultation.

Status of employees' group insurance in 2020:

Obligor	Applicants	Insurance expense paid by ChipMOS	Number of applicants who received claims	Actual sum of claims	Claim rate
Employee	5,474	17,643,828	742	14,406,739	82%
Parents	4,610	6,030,945	614	4,617,713	77%
Spouse	2,002	1,352,951	152	1,748,048	129%
Children	3,284	994,558	188	765,063	77%
Total	15,370	26,022,282	1,696	21,537,563	83%

Note1: Claim rate = sum of claims / insurance expense

Note2:The number of applicants is based on the insurance registry as of December 2020, and includes new employees/ turnover for the month.

Encouraging Childbirth

ChipMOS strives to build a equal and respectful workplace, and we are dedicated to provide necessary support to employees during childbirth and childcare.

Maternal health protection

- **Maternal health protection system**
  We have formulated a "maternal health protection plan" and established the health protection system to manage maternal protection on case-by-case. Health risk assessment and hazard verification are conducted on dedicated females, and recommendations or work adjustments are then implemented based on the risk level in order to protect the health and safety of both mother and her child.2020 Level 1 management (risk assessment/health consultation): 93 mothers.

- **Lactation room**
  We dedicate to provide a comfortable breastfeeding environment, including provide pumping breaks to nursing mothers. Lactation rooms have been set up throughout all fabs, and medical-grade breast pumps and sterilizers are provided for the workers. In 2020, 30 mothers have used the lactation rooms, and 4 mothers have continuously breastfed more than one year.

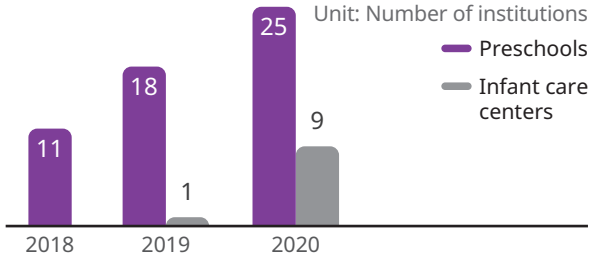
Parental leave

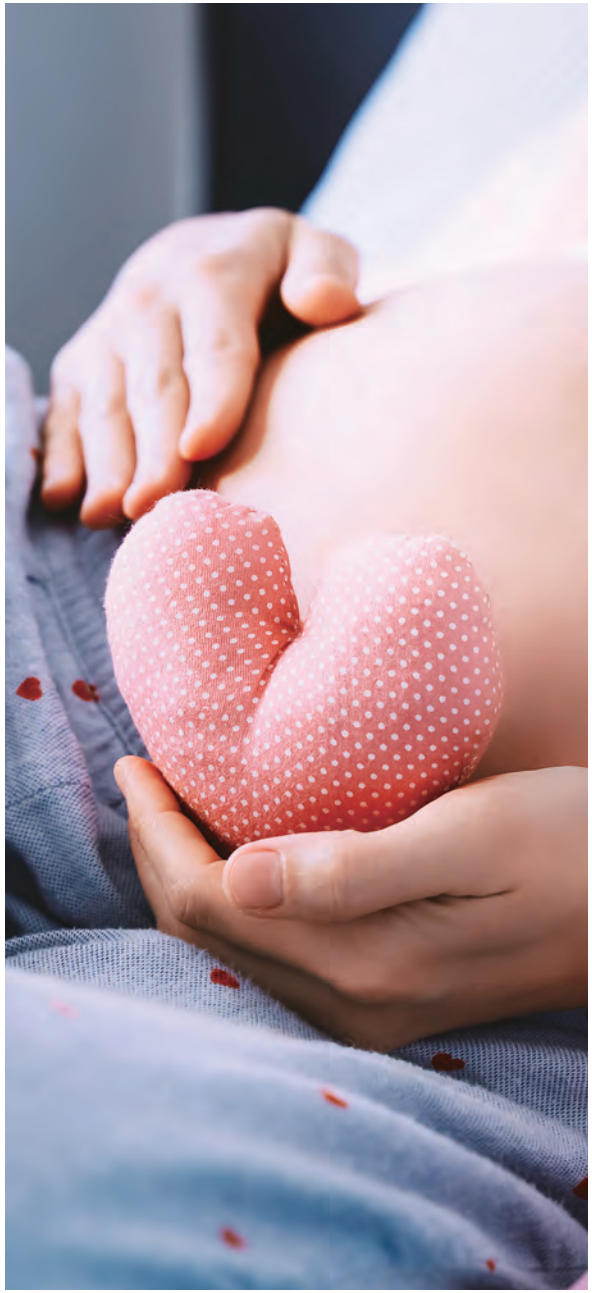
ChipMOS strives to safeguard the employees' right to work. In line with the regulations, both male and female workers are eligible for unpaid parental leave after having served at ChipMOS for six months. In 2020, 12 male workers (17%) and 60 female workers (83%) have filed for parental leave. Before the expiration of the parental leave period, we will actively contact the worker to confirm his/her intention to resume work and to arrange for affairs related to his/her reinstatement. Upon reinstatement, adequate training is also arranged to assist the employee to quickly adapt to his/her previous duties.

The retention rate of employees reinstated in 2019 and have stayed with ChipMOS for one year has been 88.89%; the reinstatement rate in 2020 has been 50%; most workers who chose to give up the reinstatement opportunity was due to continuing family needs in spite of their expiring parental leave. We believe that by allowing employees to choose their own paths, they can work hard while caring and nurturing their children.

Incentive measures

We provide various incentives to encourage childbirth from our employees and their spouses. In addition, we also actively partner with postnatal care centers, preschools, and infant care centers to provide childcare resources for our employees. In 2020, our partner preschools and infant care centers have expanded to 25 institutions, showing nearly 40% growth.





Statistics on unpaid parental leave

Item	Male		Female		Sum
	People	Ratio	People	Ratio	
[A] Eligible for unpaid parental leave in 2020	251	60%	170	40%	421
[B] Number of actual applicants in 2020	12	17%	60	83%	72
[C] Expected to be reinstated in 2020	15	20%	61	80%	76
[D] Number of actual reinstatements in 2020	9	24%	29	76%	38
[E] Number of actual reinstatements in 2019	6	13%	39	87%	45
[F] Number of employees reinstated in 2019 after parental leave and have worked continuously at ChipMOS for one year	5	12.5%	35	87.5%	40
Application rate	4.78%		35.29%		17.10%
Reinstatement rate	60.00%		47.54%		50.00%
Retention rate	83.33%		89.74%		88.89%

Note: Calculation method: Application rate = [B]÷[A] X 100%; Reinstatement rate = [D]÷[C] X 100%; Retention rate = [F]÷[E] X 100%

"As the pandemic eased in the second half of 2020, we planned company travel for employees and their families. The event integrated social welfare and environmental education, and employees enjoyed spending precious time in the nature with loved ones."

Employee Benefits

ChipMOS's employee activities are focused on Team-building, Family Lohas, and Healthy Life. To form even tighter bonds between employees and their families and to achieve a better work-life balance, a portion of our annual events are designed to be family-friendly. The ratio of employees bringing family members to Company events in 2020 was 1:1.3; in other words, each employee on average brought one or two loved ones to attend corporate activities, thereby strengthening family relations while building cohesion.

Our Employee Welfare Committee invested over NT$68.83 million toward employee welfare in 2020. The funding of which came from Company revenues and allocations from employee salaries, and ChipMOS also contributed an additional NT$450 thousand toward employee welfare events. The employee participation rate in such activities was 64.6% (Note 1).

Note 1: In line with epidemic prevention policies from the government and the Company, crowd-based events including family day and movie day were canceled in an effort to protect the health of all employees.

Team-building

Team competitions	Exciting and fun team competitions that utilized teamwork and strategic analysis were carried out build group cohesion and consensus.
Sports clubs	To promote balanced mental and physical development, we encourage employees to take part in club activities, and provide subsidies to clubs on a quarterly basis. Total subsidies amounted to NT$451 thousand in 2020, while the prizes for club evaluations reached NT$115 thousand.
Team competitions	Allowances for departmental gatherings are provided in every six months to effectively build relations within each department. Such allowances amounted to approximately NT$8.61 million in 2020.
Department travels	Employees jointly plan the itinerary in these department-based and inter-departmental travels, designed to promote interactions and relations. Allowances are granted once per year, and 2020 allowances reached NT$4.38 million.

Family Lohas

Loka Day	By integrating local culture and science education, local agricultural knowledge and farming workshop activities are arranged at Loka Farm, allowing employees and their families to enjoy an entertaining holiday.
Farming Day	ChipMOS partnered with neighboring sheltered workshop to organize a natural ecology education event, in which employees learned about the farming process of organic, toxic-free produce and visited the unique farming environment. The event was as entertaining as it was educational.

Healthy Life

	• Friendly measures – Onsite convenience store and charity coffee machine – Lactation rooms, library, snooker room and table tennis room – Designated outdoor smoking area
Day-to-day entertainment	• Convenient daily life Canteen – Meals are catered at employee cafeteria – Free nighttime snacks and breakfasts are provided to employees on night shifts Employee dormitories – 105 in-house dorm rooms and 183 leased dorm rooms Shuttle buses – Free shuttle buses are provided for technicians, foreign workers and workers at Kaohsiung Free car and motorcycle parking – Special parking spaces are reserved for pregnant workers and employees with special needs
Health promotions	• Free annual health examination (once/year) • Monthly contracted onsite physician service
Benefits system	• Bonuses: birthdays, holidays, and end-of-year • Incentives: attendance, performance-based, and rewards • Others: subsidies for weddings and funerals/free group insurance
Relieve stress	• Employee Assistance Program • Free massage services provided by visually-impaired massage therapists
Experiences	• Festive workshops and seminars from renowned figures • Promotions and discounts at specific stores (748 stores total)

Talent Development

404-1, 404-3

Strategic Talent Development, Bulding Talent Diversity

Human capital is the most valuable asset to ChipMOS as well as the key to realizing sustainable operations. In dealing with a VUCA (volatile, uncertain, complex and ambiguous) environment, ChipMOS has set up comprehensive talent development framework and system and invested sufficient resources toward the training for Leadership, Technology, General Management, Quality, and for Newcomer Orientation. At the same time, talent development strategies have also been formulated to achieve talent development goals.

In 2020, we have formulated standardized talent qualifications for key positions to build the ChipMOS talent pool. By understanding employees' potentials and promoting their feasible developments in the organization, we can demonstrate the diverse values of human capital. We strategically train personnel to develop talent to meet organizational needs in the future, thereby achieving talent circulation and realizing our goal of "realizing human capital, creating growth drivers and creating values".

The standardized talent qualifications include work-related skills, personality traits, and knowledge and experience, which are all important factors for enhancing competencies, development, and performance, as well as for building an internal, diverse HR reserve. We have built consensus among stakeholders related to different positions regarding the functions, qualities, knowledge, and experiences required for specific positions through scientific tools and systematic discussions and meetings, and consequently formulated standardized talent qualifications for those specific positions.

We invested NT$2,570,400 to introduce the personal traits assessment in 2020, allowing 428 employees to acquire more in-depth understanding of themselves through evaluations, and the evaluation results also gave more defining features and references to the personal traits in the standardized talent qualifications. ChipMOS's talent pool has integrated standardized talent qualifications and HR data, allowing us to precisely and quickly find suitable candidates from our organization, who will be provided with personalized development plans and job rotations, and can efficiently meet future talent demands. In 2020, our internal transfer rate (rotation/promotions/inter-departmental transfers) was 73.58%, and the percentage of managerial roles that were promoted internally has even reached 76.19%. Besides having access to more developmental opportunities, the employees can also achieve rapid growth along with ChipMOS.

Approximately NT$1,681,206 was invested toward employee training and development in 2020. On average, each employee received around 97.09 hours of training, and the satisfaction score for the courses was 4.8 points (out of 5). Looking ahead, our short and medium-term goal is to provide 30% of the courses included in our annual training plan using diverse training models. As we continue to encourage self-learning and real-time learning opportunities, our goal is to increase the number of self-learning for internal lecturers to 6 or more times (inclusive), and to increase employees' annual self-learning opportunities to 180 or more times (inclusive).

Average Hours of Training

Position	Item	Female	Male	Sum
Management	Actual num ber of people trained	69	279	348
	Hours of training	4,743.83	37,434.74	42,178.57
	Average hours of training per person	68.75	134.17	121.20
Engineering	Actual number of people trained	326	1,425	1,751
	Hours of training	43,390.22	166,014.68	209,404.90
	Average hours of training per person	133.10	116.50	119.59
Administration	Actual number of people trained	131	159	290
	Hours of training	12,600.25	5,661.33	18,261.58
	Average hours of training per person	96.19	35.61	62.97
Technical	Actual number of people trained	2,473	603	3,076
	Hours of training	220,214.66	40,530.20	260,744.86
	Average hours of training per person	89.05	67.21	84.77
Total number of employees participating in training	People	2,999	2,466	5,465
	Hours of training	280,948.96	249,640.95	530,589.91
Average hours of training received by each employee	Hours of training	93.68	101.23	97.09

Note 1: Average hours of training received by each employee = Total hours of training/Total number of employees participating in training
Note 2: Managerial officer refers to ranks of section heads and above
Note 3: To encourage internal rotation and the initiation of developing talent programs have led to an increase in the number of hours for on-the-job training; therefore, average hours of training received by employees have increased YoY.
Note 4: There is a high ratio of female administrative workers in new employees and transfer personnel, and on-the-job training hours are also longer. Therefore, the training hours of female administrative workers have exceeded those of male workers.

Leadership Training for Management Team

To effectively promote succession of management experiences and corporate culture, we continue to implement learning roadmap required for all new managers. All courses are instructed by experienced managers who are approved by internal instructors. Through learning and teaching, members of the organization's management team can also foster closer connections.

Number of Managers Cultivated

Learning roadmap required for all new managers

Professional Talent Cultivation

In terms of cultivating professional fields, we have been developing professional competences for employees through the Business Unit Roadmap since 2015. In response to emerging artificial intelligence (AI) trends in 2019, talent cultivation for AI and automation began to meet the strategic demand for smart factory transformation. Beginning with introducing AI concepts, to advanced algorithms and big data processing; finally, ChipMOS encouraged sharing of experiences and ideas from employees through AI automation sharing session. In 2020, 571 employees were trained, and total training hours reached 1,865 hours.

571
1,865

AI and automation

- Introducing AI concepts
- Algorithm
- Big data processing

AI automation sharing session

- Sharing experiences of AI projects
- Applications and ideas for automation
- Feedback

Diverse Learning Channels and Self-learning Resources

Due to effects of COVID-19 in 2020, we immediately adjusted our approach to talent development and reduced the ratio of in-class sessions, replaced by video conferences, online courses and self-learning. This allows employees to continuously enhance their knowledge and skills even during the pandemic.

To achieve the goal for diverse learning and fostering self-learning, we continue to launch themed learning resources designed to enhance work efficiency. Each theme includes multiple learning methods ranging from online courses, videos, articles, to e-papers.

+31.50%

2019: 127 self-learning opportunities
2020: 167 self-learning opportunities

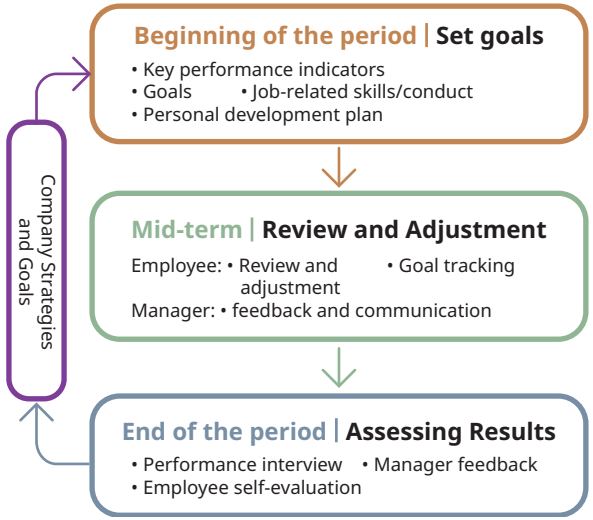
91 E-papers	English, Management Skills, Presentation, Excel, Communication, Internal lecture, AI)
75 Online courses	General Management, Leadership, Technology
1 Sharing session	AI sharing session

> **The goal of designing self-learning resources is to be concise and brief, so that employees can learn even at odd moments and continuously improve.**

Performance Management and Development

The performance management system is the core of ChipMOS's talent development and incentives design. Based on Management by Objectives, we actively utilize performance management in our human resources.

We conduct annual performance evaluation for all full-time employees (regardless of gender or job). By setting annual objectives, promoting bilateral communications between employees and managers, and aligning the efforts of all employees, we can achieve enhance corporate overall performance. In addition, the results from performance evaluations are truthfully reflected on internal transfer, promotions management, and compensations. For underperforming employees, managers will assist them to draft improvement plans to improve their performance, and then to achieve the goal of performance along with their team and the organization.



Performance evaluation method

Target : All employees

Method	Objects management and skills management
Purpose	To align the efforts of all employees with ChipMOS's future development and enhance organizational performance
Practice	• Beginning of the period: set performance plan and substantive performance indicators; • Mid-term: review and feedback; in case of change to work/goals, performance plan can be flexibly adjusted • End of the period: self-evaluation from employees and performance interview with managers

Target : Management Positions

Method	270-degree evaluation
Purpose	To foster integrated work progress between departments and enhance communications and teamwork between departments to enhance organizational efficiency
Practice	Feedback and recommendations from related supervisors and peers will be used as references and sources of performance indicators

Implementation results

All full-time ChipMOS employees who meet the provisions for performance evaluation measures should receive regular performance evaluation. In 2020, 5,072 employees (92.83%) received regular performance evaluation. If further differentiated by gender, 2,338 male employees (94.81%) received performance evaluation at the end of the reporting period; 2,734 female employees (91.19%) received the performance evaluation.

Position	Male			Female			Sum		
	Total number of employees (A)	Number of performance evaluation (B)	Ratio (C)=B/A	Total number of employees (D)	Number of performance evaluation (E)	Ratio (F)=E/D	Total number of employees (G) = A+D	Number of performance evaluation (H) = B+E	Ratio (I)=H/G
Technical	603	584	96.85	2,473	2,229	90.13	3,076	2,813	91.45
Administration	159	156	98.11	130	126	96.92	289	282	97.58
Engineering	1,425	1,322	92.77	326	312	95.71	1,751	1,634	93.32
Management	279	276	98.92	69	67	97.10	348	343	98.56
Sum	2,466	2,338	94.81	2,998	2,734	91.19	5,464	5,072	92.83

Note 1: Annual performance evaluation period is from January 1 to December 31 in any year.

Note 2: Performance evaluation is not required for indirect labor who have not yet worked at ChipMOS for more than three months, or direct labor who have not yet worked at ChipMOS for more than one month.

Note 3: Total number of employees at the end of the reporting period does not include part-time employees or contract employees.

Human Rights

102-41, 402-1, 408-1, 409-1, 412-1, 412-2, 406-1

ChipMOS is dedicated to protecting all employees and maintaining their human rights, and also follows the laws on the shortest announcement time for any and all operational changes. Concurrently, we have extended our impacts to suppliers to protect the rights and interests of all members of our supply chain. We guide suppliers of ChipMOS to jointly follow the Responsible Business Alliance (RBA) Code of Conduct through comprehensive supply chain management mechanism, so as to respect workers, undertake ethical management, be environmentally-friendly, and to provide a safe and worry-free workplace environment.

Measures to Protect Human Rights

Item		Action
✓	Child labor	• Strictly forbid any hiring of any person under the age of 15 • Employees under the age of 18 are not allowed to perform any work that could potentially threaten their health and safety, including night shifts
✓	Forced labor	• Strictly forbid any forced labor, prisoner labor, or workers bound in servitude to offset debts • Strictly forbid any condition involving pledging of identification documents, taking or receiving deposits, or using wages to offset debt
✓	No discrimination	• Respectful of all employees, and no form of discrimination will be tolerated during the recruitment process • Implement equal pay and gender-equal compensations policy • Conduct hazard identification and risk assessment for lawful infringement arising in the workplace to educate employees on discrimination prevention
✓	Freedom of association	• Respect the employees' freedom of association and ChipMOS will not intervene

Training related to human rights

For all employees to clearly understand their own rights and interests as well as ChipMOS's sustainability policy and practices, all ChipMOS employees are required to receive human rights training during newcomer orientation. The total hours of human rights training such as RBA given to new and current employees in 2020 reached 3,028.3 hours, or 60.82% of all employees.

“We adhere to the international labor and human rights standards stipulated by the Labor Standards Act and the Responsible Business Alliance Code of Conduct, and strive to safeguard the rights and interests of all employees and all members of our supply chain.”

Complete Human Rights Risk Assessment for All Fabs

We have been conducting annual RBA Self-Assessment Questionnaire (SAQ) since 2016. Through active self-assessment, we can substantially improve measures related to human rights and build an equal and fair workplace environment. The assessment results are rated on a scale of 0 to 100 and divided into three ranges of risk, and higher scores are associated with lower risk according to RBA 6.0 SAQ. The scales are as follow: (1) 85 points or above = low-risk; (2) ≥65 points ≤ 85 points = moderate risk; (3) ≤ 65 points = high risk. The assessment results showed that all operating sites, including Hsinchu fab, Zhubei fab, Zhubei fab. 2, Hukou fab, and Tainan fab, have scored 85 points or above and have low risk.

Diverse Communications and Appeal Systems

ChipMOS has always been committed to the employees and strive to provide a harmonious work environment. Though ChipMOS has not established a union, but all employees are protected by their respective employment contracts, and enjoy the freedom of association based on their legal rights. The Company will not intervene in their freedom of association.

ChipMOS provides diverse and open channels of communication that facilitate interactions and employees' opinions. Such channels include employee email/physical mailbox; EAP hotline; employee interviews and regular labor relations meetings, Employee Welfare Committee meetings, production line meetings, and foreign worker monthly meetings, exemplifying our efforts in promoting communications and friendly management based on human rights.

Additionally, comprehensive internal and external grievance mechanisms have been set up, including employee mailbox, Chairman's mailbox, Audit Committee mailbox, and Information Security Committee mailbox. Such channels ensure the rights and interests of employees, customers, and contractors, and help to effectively communicate and solve problems.

No major labor dispute has occurred in 2020. A total of 33 employee opinions and feedback have been received in 2020, including employee grievances, meeting communications, and suggestions for new employees interviews. All feedbacks have been immediately responded to and handled, showing 100% case reception and closure rate. Of the 9 employee grievances received, none of the cases were special incidents (Note 1), and none of the case handling was delayed or accumulated from past periods. In case of any grievances concerning sexual harassment, the relevant handling committee will investigate, review, and complete the case in line with applicable laws and regulations. The nurse's station will also share articles related to gender issues and conduct hazard identification and risk assessment for lawful infringement arising in the workplace pursuant to provisions from Article 6 of the Occupational Safety and Health Act, to educate employees on gender discrimination prevention.

Note 1: An incident will be evaluated and judged whether it is a special incident, such as an incident that violates national laws, the Company's regulations, or a matter that may affect Company operations, based on its actual occurrence.

Statistics on employee opinions and feedback in 2020

- General grievances: 9
- Employee mailbox/website: 12
- Meeting communications: 11
- Interview feedback: 1

Case handling and closure rate:
100%

Diverse Communication Channels

Employee mailbox/hotline

- Mailbox: At the cafeteria of each fab
- E-mail: HR_HsinChu@chipmos.com
- EAP hotline: 0800-025-008 (24hrs)

Chairman's Talks

Chairman's Talks are held from time to time in each year. Three sessions were held in 2020. Besides achieving face-to-face communications with our staff, the Chairman also shares future operational strategies and directions in these talks to offer encouragements and strength to our employees.

Meetings and communications

Chairman's Talks are held from time to time in each year. Three sessions were held in 2020. Besides achieving face-to-face communications with our staff, the Chairman also shares future operational strategies and directions in these talks to offer encouragements and strength to our employees.

- 36 production meetings/year
- 12 labor relations meetings/year
- 4 Employee Welfare Committee meetings/year
- 4 foreign worker meetings/year

Factory divisional head luncheons

To closely listen to the work-related concerns of entry-level managers, 4 factory divisional head luncheons were organized in 2020. By meeting with and having lunch with divisional heads, the Chairman listened to the voices of entry-level managers and offered them assistance and encouragement for their work.

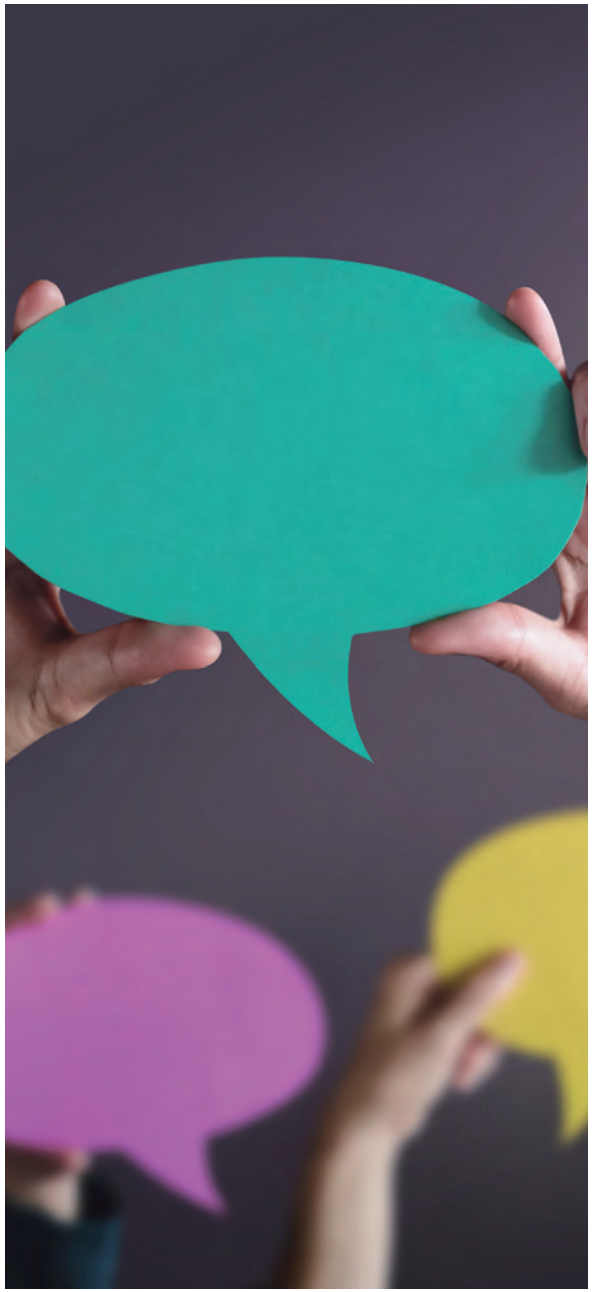
Employee interviews

- We take active measures to care for new employees, and interviewed 254 new employees and 75 employees who underwent internal transfers in 2020. We received interview feedback from one individual, and immediately offered assistance.
- The subject of interviews are key personnel and special cases; 106 employees were interviewed and given feedbacks in 2020 to assist in reducing effects that would lower their productivity

ChipMOS publication

Beginning in 2001, we have currently published 80 volumes over the past twenty years. Each quarterly publication contains selected articles including important Company policies, patents and technologies, interviews with executives, CSR, and Company events and activities

Note: Due to COVID-19 in 2020, the frequency of foreign worker meetings was reduced to prevent the risk of crowd gatherings. Sufficient communication was achieved since employees may still raise questions and concerns on a timely basis through other communication channels.



Healthy and Safety Workplace

103-2, 103-3, 403-1~403-7, 403-9, 403-10

Management Approach

Policy

Strive to provide a safe and healthy workplace environment and to safeguard the physical and mental well-being of workers

Commitments

- Continue to promote occupational safety and health management system and implement day-to-day safety and health management and reforms
- Implement health management and health promotions and continue to create a well-rounded healthy workplace

Resources

- Formulate the Occupational Safety and Health Committee
- Establish occupational safety and health, and dedicated safety management department
- Invested NT$22,015,042 toward safety management in 2020

Actions

- Implement ISO 45001 Occupational Health and Safety Management System throughout all fabs
- Regularly conduct emergency response and practice drills
- Implement health management in all aspects and enhance the employees' awareness for self-health management

Evaluation Mechanism

Competent authority, third-party assurance institutions and customer audits

Safe Workplace Environment

ChipMOS is committed to the safety and health issues concerning our employees and all workers throughout our fabs. We regularly examine management goals and operations and continue to implement ISO 45001 Occupational Health and Safety Management System. In 2020, the OHSAS 18001 certification has been alternated with ISO 45001 operations for all ChipMOS fabs, and third-party assurance has been achieved, helping us to better achieve workplace health and safety management.

Occupational Safety & Health Committee

ChipMOS has formulated the Occupational Safety & Health Committee (OSH Committee), which convenes quarterly meetings that are chaired by senior managers and attended by all department heads in addition to the OSH Committee members. The task of the OSH Committee is to draft environmental, safety and health (ESH) promotional strategies, establish ESH promotional objectives, and to foster continuous improvement plans in related areas.

Item	Hsinchu fab.	Zhubei fab.	Zhubei fab. 2	Hukou fab.	Tainan fab.
Number of total members in committee	15	15	15	15	18
Number of employee representatives	5	5	5	5	8
Ratio of employee representation	33%	33%	33%	33%	44%

Worker Participation, Consultation, and Communication on Occupational Health and Safety

In 2020, the objective of ChipMOS's ESH management is to achieve full participation from all workers in terms of reviewing procedures, participation in operational environment monitoring, investigating incidents and reports, and hazard identification and more. A management system that includes communications of opinions has also been set up. We strove to enhance the ESH awareness in employees and to enhance the safety and health in workplace environment through organizing activities and to inspire employees through rewards.

Hazard Identification, Risk assessment, and Incident Investigation

Employees' awareness for safety and health during operations is enhanced through the prevention model and self-training in the risk management. The rate of occurrence and severity of risks is identified through hazard identification management procedures by each department on an annual basis. Hazards that can be improved upon are sought out to reduce relevant risks. In case of immediate danger in the workplace, workers may autonomously stop operations and to retreat to safe locations without affecting the safety of other workers. The Company will not give any unfavorable treatment. All incidents that occur will be investigated and improved based on corresponding procedures, and the incidents will be reviewed at the OSH Committee meeting to prevent similar occurrences.

To strengthen the safety and health management at our fabs, ChipMOS has implemented management mechanisms for chemicals, procurement, machinery and equipment, contractors, and emergency response drills, as described in the following:

Chemical Safety Management

Review procedures need to be established for all chemicals at the fabs to ensure regulatory compliance and conformity to ChipMOS's standards. A comprehensive user list in both English and Chinese have been formulated for all chemicals. Moreover, proper protective facilities and personal protective equipment are provided to protect the employees' health.

Anti-spill device is set up at the storage area of the chemicals, and individual partitions are set up for storage areas of solvents and gases, while strict control over use and storage method are also implemented. Furthermore, tiered chemical management system is implemented, and the chemical storage and usage safety and protective measures are reviewed to comprehensively enhance the operating safety of employees.

Machinery and Equipment Safety Management

Appraisal application needs to be submitted before the introduction of any machinery or equipment to the fabs. Hazard identification and safety protection (e.g. emergency stop button, safety interlocks) inspection are carried out in each step from introduction, installation, to acceptance of work. In addition, equipment vendors are required to meet provisions of the contractor safety management during the installation process, and to establish various safety and management measures and procedures to meet the operational safety and health requirements. Furthermore, warning labels in both English and Chinese are required on equipment/ machinery undergoing maintenance, so that all national and foreign workers will understand the hazards involved and to adopt proper safety protection measures.

Contractor Management

ChipMOS is committed to contractor management. Besides implementing a review and management system from contractor qualifications, training, and onsite management, a separate set of construction safety and health management procedures have been implemented for processes that pose increased danger (e.g. involve open flame, height, suspension, stackers or confined space). To prevent accidents, contractors are required to comply with safety regulations before, during, and after construction. We continued to conduct the contractor evaluation system in 2020. Evaluation over quality, lead time, safety, cooperation and discipline are conducted based in the contractor management system based on contractors' onsite conduct. Moreover, contractors are effectively management and relevant management risks are reduced through contractual ranking mechanism.

Procurement Safety Management

ChipMOS has formulated a set of procurement safety management procedures, in which safety and health requirements are specified during the outsourcing and procurement procedures for engineering and labor. To ensure the safe operation of all processes, the procedures are used as references for safety and health requirements, confirmation and acceptance of work during contract signing, implementation, and inspection of finished work.

Emergency Drills

ChipMOS strives to enhance the employees' awareness for safety and health. We implemented self-management and self-training, and expanded the training objectives for each rank to enhanced the organizational responsiveness. Besides statutory requirements, we also required contractors to implement relevant training to prevent management risks from contractors' personnel. Moreover, we also reinforced the compulsory pre-work ESH training and toolbox meeting.

All emergency drills, including fire, earthquake, typhoon, and chemical disaster preventions, are all implemented by three major indicators, prevention, early warning, and action. ChipMOS conducts emergency drills by situation simulation and implementation to ehance the employees' awareness of hazards and emergency response capabilities, thus significantly reducing disasters and losses. Meanwhile, members of the emergency response team will receive training in every six months to enhance their capabilities.

Fabs	Hsinchu fab.	Zhubei fab.	Zhubei fab. 2	Hukou fab.	Tainan fab.	Tainan fab. 2
Frequency of drill	4	6	3	4	12	7

Note: Since Tainan fab (including Tainan fab. 2) has more employees and it is a packaging and testing plant as opposed to the risks of other testing fabs, more drills have been carried out at Tainan.

Occupational Hazard Management

Through effective operations of the safety and health management mechanisms and systems, there have been 0 incidents of work-related deaths from employees and non-employee workers at ChipMOS in 2020. There were 4 incidents of serious occupational injuries (Note 4), and none of which involved non-employee workers. The Company's average values of Frequency-Severity Indicator (FSI), disabling severity rate (SR) and disabling frequency rate (FR) are all superior than industry competitors' rates, indicating the effectiveness of ChipMOS's safety management performance. Besides implementing ISO 45001 management system as indicated in the table below, the Company also continues to strengthen employees' hazard identification skills and to build a culture of safety, so that each and every ChipMOS employee can be rest-assured of their safety and well-being.

Note 1: severe occupational injury incident refers to occupational injury reported to competent authority in line with the law

Statistics on disabling frequency

Disabling frequency rate (FR)	Disabling severity rate (SR)	Frequency-Severity Indicator (FSI)
0.35	5.00	0.04

Note 1: Disability injury frequency (FR) = number of disability injuries × 10^6 / total working hours

Note 2: Disabling severity rate (SR) = (Total lost work time x 10^6) / Total working hours.

Note 3: Frequency-Severity Indicator (FSI) = $(FR \times SR/1000)^{1/2}$

Note 4: Total working hours from all employees in 2020 was 11,276,088 hours, while total working hours from non-employee workers was 183,008 hours

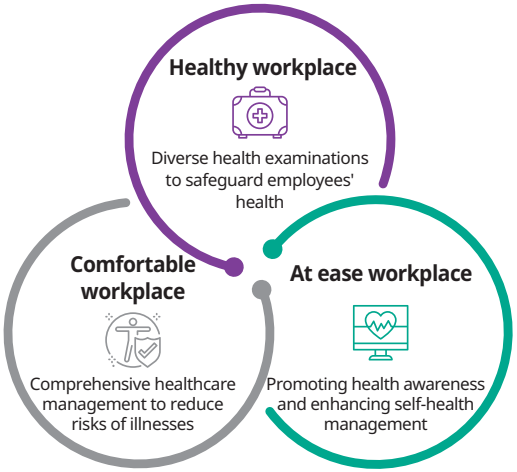
Injury Cases and Working Days Lost

Injury Cases	Working Days Lost
4	55

Note1: Types of employee injuries: Collision: 2, Fall: 1, Sprain: 1

Note2: Number of non-employee injury cases and working days: 0

Comprehensive Advocacy for A Healthy Workplace



ChipMOS is dedicated to employees' health and plans comprehensive health management programs to implement employees' health management. At the same time, to ensure the health of all non-employee workers at our fabs, ChipMOS also provides necessary medical consultation and assistance, and makes medical resources accessible to all workers.

ChipMOS strives to protect the health-related rights and interests for workers. Besides following laws related to medical personnel, confidentiality clauses are also specified on contractors' agreements to protect the privacy of workers' health information. We formulate "Worker Health Service Programs" in each year, and the status of which are reviewed at the OSH Committee in each quarter, and we continue to create a well-rounded workplace environment that is healthy, comfortable, where the workers can be at ease.

Healthy workplace

Diverse health examinations to safeguard employees' health

ChipMOS conducts health examinations for employees on an annual basis. We have been offering more diversified test items at higher frequency than industry competitors for 18 consecutive years to safeguard our employees' health and achieve our goals of early detection and timely treatment. We also value the health of non-employee workers at our fabs, and to fulfill our supervisory role over the plant, we have also requested outsourced vendors and contractors to implement health examinations and care for their workers in line with the laws. This will help us to reach the goal of caring for the physical and mental well-being of all workers.

Supervisor's health examination

Supervisors' health examinations are fixed allowances granted in every year. The onsite physician will evaluate the physical status of each person and provide suggestions for examinations. Moreover, various examination packages will be provided for the supervisors to choose from, hence achieving effective health benefits.

New employee physical examination

The Company will pay for new employees' physical examination before they begin any work, and rigorously specifies that employees are required to complete and confirm their health conditions before their arrival in order to reduce the risk of infectious diseases at the fabs to safeguard the health of all employees.

Special hazard health examination

In line with the Occupational Safety and Health Act, examinations are conducted to personnel whose work involves dust particles, nickel, n-Hexane, and long-term night shifts. To reduce risks of occupational hazard, those under Rank 2 management have all completed evaluations from onsite physician, health instruction, follow-up examination, and work distribution measures.

ChipMOS e-Health System

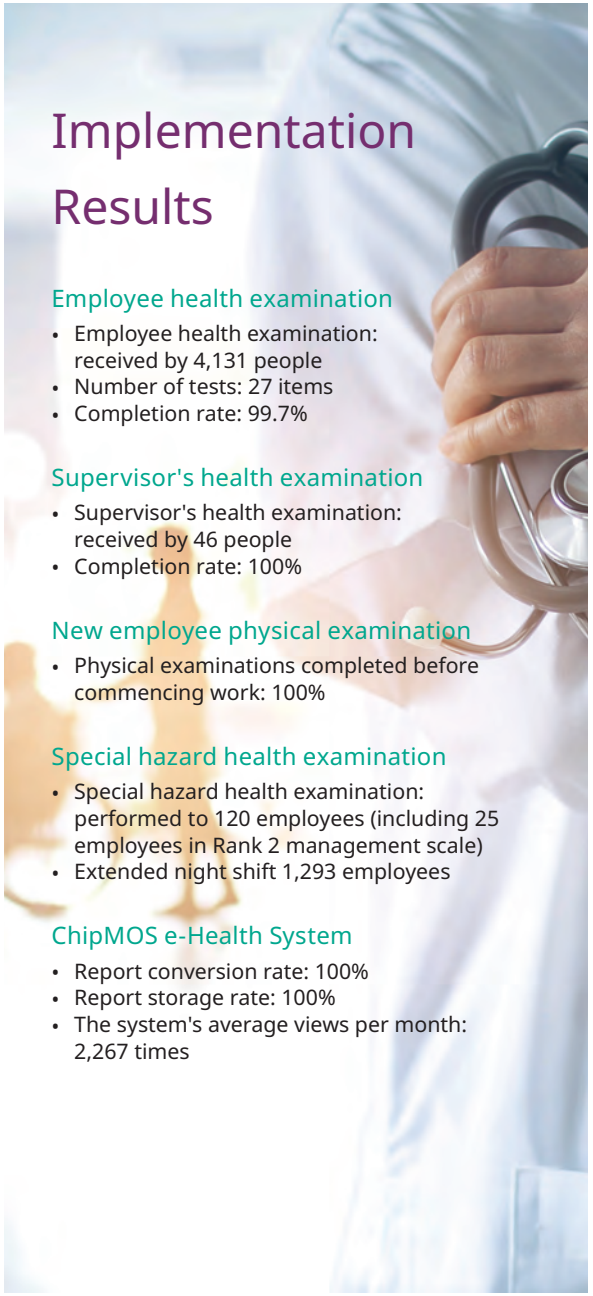
"ChipMOS e-Health System" online platform was implemented since 2020 to comprehensively safekeep employees' health examination reports over the years and to provide employees the option to look up their own results, seek for medical advice, and to register and manage their healthcare services.

Employee health examination

We discuss with professional occupational physicians and establish more examinations than statutory requirements in each year to care for employees' medical health, including eye air puff test, abdominal ultrasound, ECG for middle-aged and senior employees, and screening for various cancers and more.

Employee feedback

I found that the figures of my cancer index screening were relatively high during the Company's annual health examination and immediately arranged for follow-up. The results indicated that it was a tumor. Thankfully after laboratory test, it was found to be endometrioma. I am so grateful that the Company arranges for health examinations in every year, so that I could detect and treat any problems early.



Implementation Results

Employee health examination

- Employee health examination: received by 4,131 people
- Number of tests: 27 items
- Completion rate: 99.7%

Supervisor's health examination

- Supervisor's health examination: received by 46 people
- Completion rate: 100%

New employee physical examination

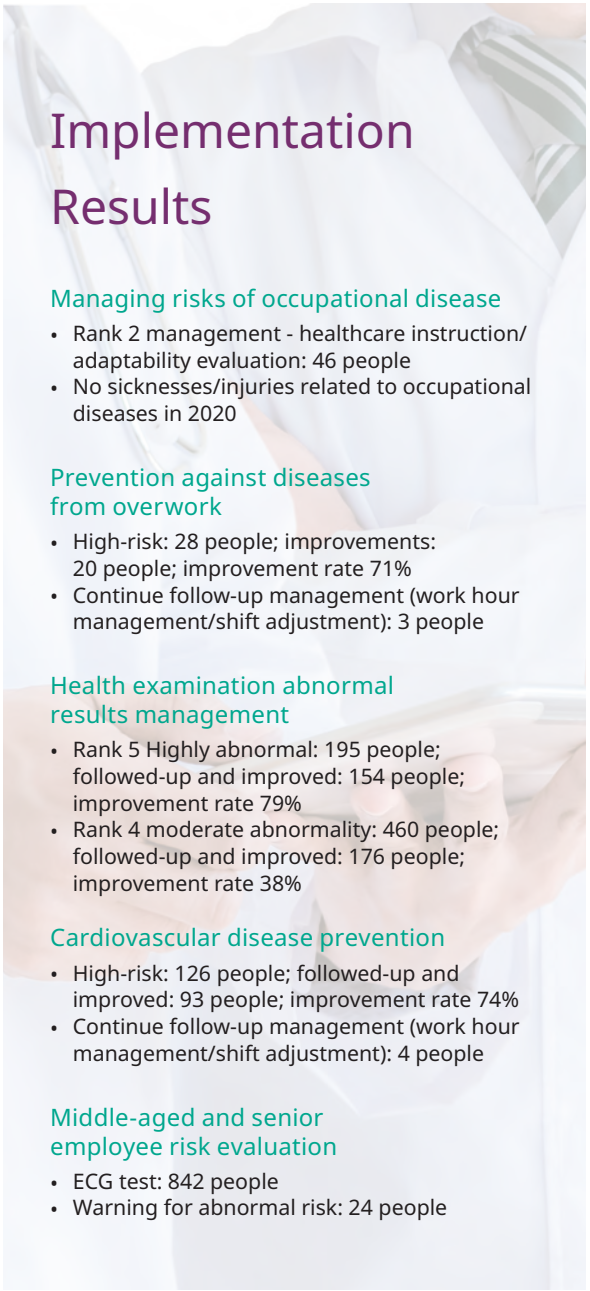
- Physical examinations completed before commencing work: 100%

Special hazard health examination

- Special hazard health examination: performed to 120 employees (including 25 employees in Rank 2 management scale)
- Extended night shift 1,293 employees

ChipMOS e-Health System

- Report conversion rate: 100%
- Report storage rate: 100%
- The system's average views per month: 2,267 times



Implementation Results

Managing risks of occupational disease

- Rank 2 management - healthcare instruction/ adaptability evaluation: 46 people
- No sicknesses/injuries related to occupational diseases in 2020

Prevention against diseases from overwork

- High-risk: 28 people; improvements: 20 people; improvement rate 71%
- Continue follow-up management (work hour management/shift adjustment): 3 people

Health examination abnormal results management

- Rank 5 Highly abnormal: 195 people; followed-up and improved: 154 people; improvement rate 79%
- Rank 4 moderate abnormality: 460 people; followed-up and improved: 176 people; improvement rate 38%

Cardiovascular disease prevention

- High-risk: 126 people; followed-up and improved: 93 people; improvement rate 74%
- Continue follow-up management (work hour management/shift adjustment): 4 people

Middle-aged and senior employee risk evaluation

- ECG test: 842 people
- Warning for abnormal risk: 24 people

Comfortable workplace

comprehensive healthcare management to reduce risks of illnesses

To implement well-rounded healthcare management, the Healthcare Management Operations Guidelines and the Prevention Plan for Diseases from Overwork have been formulated to protect employees' safety and health and to prevent occupational diseases.

Managing risks of occupational disease

Annual health examinations and onsite environmental inspections are conducted for employees operating in workplaces with special hazards to control potential health risk factors. Moreover, healthcare management measures such as proper personal health instructions, follow-up examination and monitoring, and proper work allocations, are also implemented to detect and treat any problem early on to reduce risks of occupational disease. No occupational disease has occurred in 2020.

Prevention against diseases from overwork

ChipMOS continues to pay attention to the problem of overwork. We have been screening and selecting employees with higher risks and evaluating their workload along with their respective supervisors since 2014. The onsite physician would identify hazardous factors, adjust their loading and complete follow-up improvement tracking to ensure employees' physical and mental health and work-life balance.

Health examination abnormal results management

A ranked abnormality management mechanism is practiced, and corresponding measures are implemented according to the level of the abnormality. Clinical examination and monitoring is implemented for Rank 5 (highly abnormal) personnel, and physicians will evaluate their adaptability to work and give recommendations on work adjustment. Follow-up examination or onsite medical consultation will be arranged for Rank 4 (moderate abnormality) personnel.

Cardiovascular disease prevention

Employees with higher risk of cardiovascular disease is analyzed through screening tools, and arranged for health instruction and adaptability evaluation from physicians. Work adjustment and follow-up tracking is also conducted to enhance the employees' self-health management skills.

Risk evaluation for middle-aged and senior employees

To ensure the safety and health of middle-aged and senior employees, electrocardiogram (ECG) test is conducted for all employees aged 45 and over to screen for risks of cardiovascular diseases. Personal health risk and workplace risk evaluation processes will also be planned for middle aged and senior employees in the future, so preventive and improvement measures could be implemented based on the evaluation results.

At ease workplace

Promoting health awareness and enhancing self-health management

To ensure the physical and mental health of employees, we hope employees can acquire relevant knowledge, and continue to monitor their own health and practice activities that promote healthier lifestyles to achieve better physical and mental well-being.

Inspire health knowledge and awarenes

To inspire employees' health awareness, we plan to launch health education topics according to the annual ranking of employees' health problems, and announce them on the healthcare bulletins. We hold health seminars to effectively and accurately provide employees with health knowledge, and share the correct health knowledge with family and friends to create a healthy life together.

Illness/injury management

We will continue to provide care for the sick and injured until the case is closed. And each fab is equipped with AEDs for use by factory workers for any emergencies to achieve timely treatment and prevention and to reduce the risk of sickness and injury.

Flu vaccination

To increase the convenience of vaccination, annual flu vaccination program has been organized since 2010. The number of vaccinated employees continues to rise in each year, demonstrating the effectiveness of promoting healthcare awareness.

Cancer screening

The employees' health examinations include screening tests of cancers. We offer superior cancer screening tests than statutory requirements, and continue to advocate for these tests in line with the Health Promotion Administration, Ministry of Health and Welfare.

Employee assistance program

EAP has been implemented since 2011, we collaborated with external consultancy to provide employees to solve work, family, and mental health issues. We distributed EAP folders and cards to newcomers and introduce EAP during orientation.

Badge of Accredited Healthy Workplace

ChipMOS actively implements the Accredited Healthy Workplace policy in line with the Health Promotion Administration. We have been proactively applying for the Badge of Accredited Healthy Workplace since 2009, and the Badge has been received by all fabs.

Implementation Results

Inspire health knowledge and awareness

- 10 healthcare education articles
- Healthcare lecture attended by 125 people, satisfaction rate 4.74 (out of 5)

Illness/injury management

- Onsite nursing station served 1,721 people
- Caring for work-related injuries/illness/unpaid leave 46 people

Flu vaccination

- 267 people vaccinated

Cancer screening

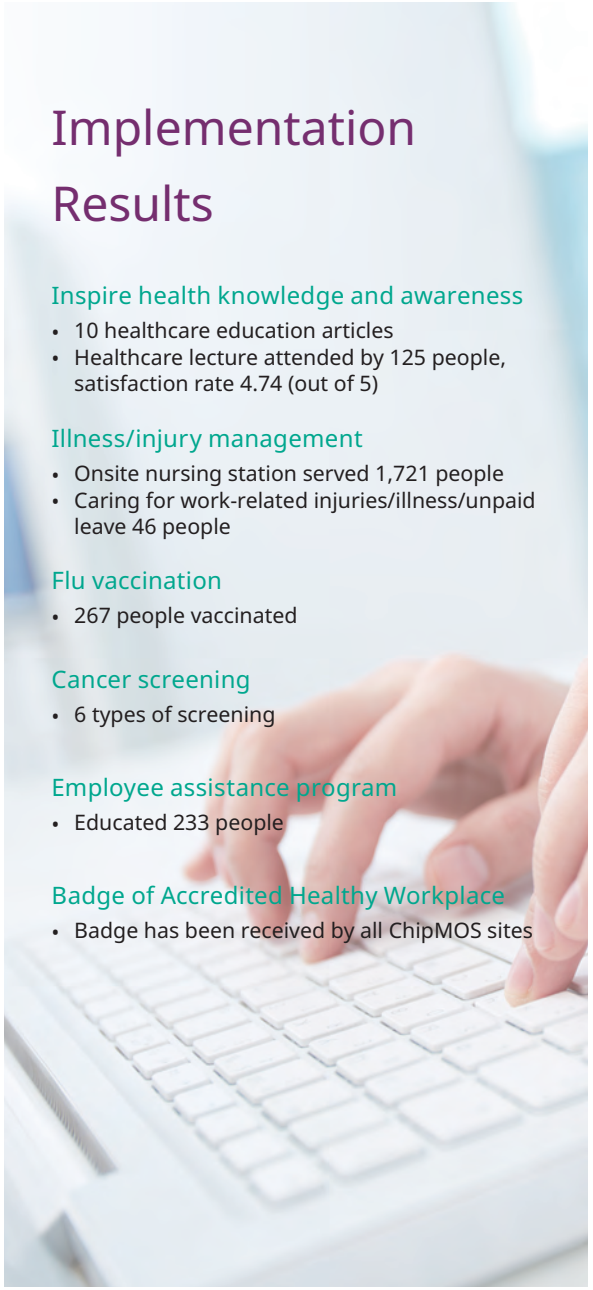
- 6 types of screening

Employee assistance program

- Educated 233 people

Badge of Accredited Healthy Workplace

- Badge has been received by all ChipMOS sites



Social Engagement

Major activities during epidemic prevention period in 2020

"In spite of the effects from COVID-19 in 2020, we continued to work with our employees to endure these tough times in Taiwan through alternative methods in place of physical activities."

Industrial and economic revitalization

- Revitalizing traditional crafts industry (ceramic mugs)
- Epidemic prevention kits
- Totaled NT$4,878,734

Non-stop income for disadvantaged

- Though massage services from visually-impaired massage therapists were suspended during severe epidemic period (February 2020 to May 2020), we continued to pay wages to our 17 massage therapists
- Assisting local small farms: purchased 900 packs of toxic-free vegetables and 1,200 tw-catty of traceable guava

Offering continuous learning for the children

- Donated 11,555 books to benefit 11 schools/social welfare institutions
- Donated 21 sets of computers so children in remote areas can learn in spite of geographical constraints

Safeguarding the community

- Donated NT$200 thousand to MacKay Memorial Hospital to purchase thermal imaging equipment to safeguard the community residents

Major results from social engagement in 2020

Total social engagement expenses	**NT$14,341,672**
Number of volunteers	**13,213 people**
Environmental impacts	• Reduced carbon emissions 22 ton/year • Received positive recognition for adoption of air quality purification zones for 7 consecutive years
Social impacts	• Benefited 64 organizations • Number of direct beneficiaries: 664 people

Stakeholder feedback:

Supervisor Mr. Li
Tainan City South District Branch of TFCF

Since our establishment, we have been very grateful of the continued support from local residents, enterprises, and ChipMOS in helping the children.

We first began to collaborate with ChipMOS in a Christmas event in 2015. I can still remember the smiles on the children's faces when they received the presents. The event bring hope and strength to the children, it was wonderful!The children also learned a lot from ChipMOS's Earth Day event, which was consistent with the philosophy from TFCF.

Thank you ChipMOS for organizing such educational events for the children on top of offering financial support. It has been very meaningful!

Founded on the visions of environmental sustainability and social care, ChipMOS focuses on the four dimensions of "Environmental Friendliness", "Giving Back to the Community", "Care for the Disadvantaged", and "Talent Development", which correlate to 17 of the United Nations' Sustainable Development Goals (SDGs), in which we have chosen on five, including SDG2, SDG3, SDG4, SDG11, and SDG14. We refer to London Benchmarking Group (LBG) Framework to calculate the benefits and impacts of the four dimensions to spread love to each and every corner of the society along with our colleagues, and to exert greater impacts through ChipMOS's social engagement and actions.

By referencing the systematic analysis in the LBG Framework, we have classified relevant investments under cash contributions, volunteering costs, physical contributions, and management costs based on our two visions of environmental sustainability and social care.

Type of activities	Total investments (NTD)	Ratio (%)
Cash contributions	11,890,437	82.9
Volunteering costs	571,657	4.0
Physical donations	1,725,974	12
Management costs	153,604	1.1
Total	14,341,672	100

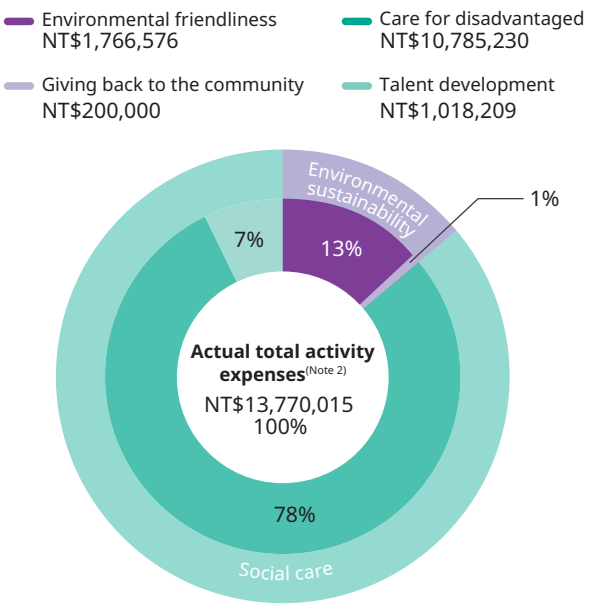
Note: Volunteering cost is estimated at time invested x basic wage (hourly wage) of the year rather than actual monetary investment

Continuing to uphold the principles of "take it from the society and give back to the society", ChipMOS strives to care for disadvantaged, local farmers, the youth and local hospital. In 2020, the total expenses of social engagement were NT$14,341,672 (benefited 64 institutions), 13,213 volunteers, and 3,618 volunteering hours (Note 1).

Note 1: Total hours are estimated from hours of activity participation in the past. Due to COVID-19, physical events were canceled, and the number of volunteers and volunteering hours had decreased accordingly.

We classified various activities into four dimensions, and strove to engage in each dimension. In 2020, the actual activity expenses amounted to NT$13,770,015 (Note 2). We hope to create an even better social environment through caring for the environment and the community, caring for the disadvantaged and youth education.

Note 2: Actual total activity expenses = total social engagement expenses - volunteering costs



Implementation effectiveness

Vision	Dimension	Description	Company benefits	Social benefits
Environmental sustainability	Environmental friendliness	• Community reforms, creating a clean environment • Environmental protection pioneers: ChipMOS leads employees to promote conservation • Low-carbon footprint lifestyle & worry-free diet	• 1,100 volunteers • Enhanced corporate image and won 2 awards	• Directly benefited 46 people • Reduced carbon emissions 21.84 tons/year • Benefited 38 organizations
	Giving back to the community	• Building friendly social care & sustainable medical resources	• 82 volunteers	• Donated 1,400,000 cc of blood through blood drive • Benefited 2 organizations
Social care	Care for disadvantaged	• Caring for rural elementary schools and children • Providing equal opportunities for the disabled	• 12,243 volunteers • 1 News article report • Enhanced corporate image and received 12 thank you letters	• Directly benefited 537 people • Benefited 23 organizations
	Talent development	• Industry-Academia Collaboration • Enhanced awareness for environmental protection for the children	• 48 volunteers	• Nurtured 81 youths • Benefited 1 organization

Impact

Vision	Dimension	Description	Company benefits	Social benefits	External impact
Environmental sustainability	Environmental friendliness		• Improve employee cohesion • Enhance customer satisfaction • Received positive recognition from stakeholders • Attract talent	Government agencies, rural elementary schools, local farmers	• Creating environmental co-prosperity • Enhancing biodiversity • Promoting awareness for healthy diet
	Giving back to the community			Medical organization	• Improving medical equipment and environment • Sustainable medical resources
Social care	Care for disadvantaged			Rural elementary schools and social welfare organizations	• Increasing social engagement • Promoting diverse employment opportunities
	Talent development			Universities and colleges, high schools and vocational high schools	• Enhancing professional knowledge and skills • Enhancing employability

Environmental sustainability

We are living in the midst of global warming, climate change, and many pollutions. ChipMOS understands the strengths and impacts of an enterprise and as such, we encourage our employees to launch a series of initiatives to be more friendly and to give back to the environment. To implement these strategies, we began at the core of the organization and began outward. Starting from the Company, we gradually extended the caring to our surroundings, and finally, to all the land. To exert the greatest benefits, we took the initiative to observe local needs and to encourage employees to undertake responsible environmental actions to counter climate change and global warming in practice.

2020 Environmental Education

Environmental Friendliness

2020 Goals	2020 implemental results	2021 Goals
• Continue to carry out environmental protection plans • Promote environmental awareness activities, increase number of such activities from 8 to 9	**Environmental protection plans:** • Hsinchu County's air quality purification zones: Received "Special Contribution Award for Sponsoring Air Quality Purification Zone" and "Outstanding Enterprise for Adoption of Air Quality Purification Zone" from the Hsinchu County Government in 2020 • Road cleanliness: sponsored 2.8 km of roads at Hsinchu County • Hsinchu Science Park/Southern Taiwan Science Park. - sponsored public areas • Sponsored public restrooms in Tainan City • Terrazzo tile coaster workshop: 100 participants **Promoting environmental awareness and formulating positive ideals:** • Purchasing local produce: purchased vegetables at Hsinchu and guava at Tainan • Collaborated with suppliers to implement low-carbon diet	• Continue to carry out environmental protection plans • Promote 9 rounds of environmental awareness activities

Giving Back to the Community

2020 Goals	2020 implemental results	2021 Goals
• Building friendly social care & sustainable medical resources • 5% growth in number of total volunteers in 2019 to 2020 compared to 2018	**Building friendly social care & sustainable medical resources** • Donated NT$200 thousand in medical facilities to nearby hospital • Donated 112 bags of blood through blood drive **Total number of volunteers in social engagement** • Total number of volunteers in 2019-2020 grew 49% compared to 2018	• 5% growth in number of total volunteers in 2021 compared to 2020 (Note 2)

Note 1: Actual number of activities hosted in 2020 was 8 rounds and the goal of hosting 9 rounds was rendered impossible by the pandemic; therefore, the 2021 goal is to host 9 rounds of activities

Note 2: Considering that the number of social volunteers has nearly reached the maximum number of participants possible, the 2021 goal is set at a 5% increase

Environmental friendliness

Community reforms, creating a clean environment

- The Company received positive recognition from the Environmental Protection Administration, Executive Yuan for many years, and has even received the "Special Contribution Award for Sponsoring Air Quality Purification Zone" in 2020 (Note 1)
- Received "Outstanding Enterprise for Adoption of Air Quality Purification Zone" from the Hsinchu County Government in 2020

Air quality purification at Zhubei, Hsinchu County

To improve air quality and to enhance the living standard of our neighborhood, we have been sponsoring 3.9 hectares of the air quality purification zone at Doulun Village at Zhubei, Hsinchu County since 2014. Environmental protection is achieved through regular environmental sanitation, weeding, caring for the fabs, and maintaining the facilities; moreover, our continuous efforts have been recognized and awarded by external parties on numerous occasions. We will continue to commit to this piece of land and to provide our employees and community residents with a clean recreational environment.

Maintaining cleanliness of the road at Zhubei, Hsinchu

ChipMOS has sponsored Xintai Road and Zhonghua Road in Zhubei, Hsinchu since 2014. The roads are cumulatively 2.8 km in length, and are regularly cleaned and maintained on a weekly basis to effectively reduce fly dust. We are working with the Hsinchu County Government Environmental Protection Bureau to keeping the city clean and to maintaining a decent living environment.

Sponsoring public areas at Hsinchu Science Park and Southern Taiwan Science Park

We began sponsoring the parks and public areas at the science parks when our Hsinchu fab and Tainan fab were established. The fabs at our sponsored areas are regularly cared for and the environment is also routinely cleaned. By contributing toward the surrounding environment, we are also providing our employees and local residents a recreational space.

Sponsoring public restrooms at Tainan City

ChipMOS has actively joined the "public restroom adoption program" initiated by the Environmental Protection Administration (EPA), and has been sponsoring the restrooms at Jiali District Public Library in Tainan City since 2018. We provide free cleaning supplies including toilet paper and hand sanitizers to maintain the hygiene and sanitation of the environment, so that residents may enjoy a more hygienic and comfortable restroom environment and public educational site.

Environmental protection pioneers: ChipMOS leads employees to promote conservation

- Reusing reservoir sludge to organize Terrazzo tile coaster workshop for 100 participants

ChipMOS is committed to ecological environment. We collaborated with traditional craftsmen in 2020 to reform reservoir sludge (Note 1) to make Terrazzo tiles, which are used as materials for DIY workshop. While having fun at crafting, employees also learned about knowledge on ecological conservation and supported the reuse of resources to reduce the burden on the environment.

Sponsoring Tainan City coastline

We continued to join EPA's "coastline adoption program" in 2020 and sponsored one kilometer of the coastline along Sunset Platform in Tainan. Garbage along the coast is regularly cleaned to provide a more beautiful environment and a recreational space to the residents. ChipMOS has been encouraging employees to bring their families to join the beach cleanup event organized by local environmental protection bureaus for 15 consecutive years. However, beach cleanup had to be suspended due to COVID-19 in 2020, and will resume again post-pandemic.

Note 1: Special Contribution Award: Given to those who participate in adoption program for four consecutive years and have received the Excellent Enterprise Award

Note 2: Reservoir sludge is relatively difficult to recycle and requires hundreds of years to treat. Currently, some experts have developed a sludge reformation technique to generate commercial use applications, which accelerates the sludge processing at the reservoirs and helps to achieve sustainability of the reservoir environment.

Low-carbon footprint lifestyle & worry-free diet

- Support toxic-free farming and invest NT$452,856 during 2015-2020 to support local farmers and promote sustainable agriculture
- During 2017-2020, working with suppliers to reduce approximately 88 tons of carbon emissions through low carbon diet

Series of adopting local crops

ChipMOS has collaborated with local farmers in 2015 by the Company adoption and partial adoption from employees, we directly purchase from the farmers to directly help the local farmers in Taiwan. Over the past six years, we have invested NT$452,856 to support toxic-free vegetation to conserve land and reduce food carbon footprint. Besides, we also donated some of the crops to social welfare institutions to spread the love to more people in need.

Purchasing toxic-free vegetables

- Partners: Sheltered workshop for physically challenged people at Taoyuan
  - Total 150 participants; 900 packs of toxic-free vegetables; 47.6% of which was donated to Hsinchu Jen-Ai Children's Home.
- Adopting traceable guava
  - Partners: Loka Farm
  - Total 120 participants; adopted 1,200 tw-catty of guava

Utilizing social network, and partnered with suppliers to begin low-carbon diet

Since 2017, ChipMOS has hold farmer's market every month, and we bridged the distance to farmers by using social media, and provided them a platform to sell fresh vegetables. And our employees can effectively reduce their food-related carbon footprints via the low-carbon diet lifestyle of consuming local fresh products. As of 2020, the number of participating vendors have increased to more than 100, and the cumulative revenues has reached NT$117,295, which provides a stable source of income for the farmers and supports environmental friendliness and promotes a healthier diet.

We have partnered with catering suppliers since 2017 to introduce CAS-certified organic vegetables into Company meals. We can support organic farming to protect the land and jointly promote an awareness for healthy diet, as well as reduce carbon to save the planet through action.

Note : Basis of calculation: approximately 36.4 kg of carbon dioxide will be emitted by every 1 kg of meat produced. Source of information comes from the Ministry of Health and Welfare https://www.mohw.gov.tw/cp-16-25465-1.html

Giving Back to the Community

Building friendly social care & sustainable medical resources

- Since 2008, we have cumulatively donated NT$4,000,000 to nearby hospitals to purchase medical equipment
- 4,071 people have joined the blood drive for 20 consecutive years; totally donated 5,600 bags of blood

Caring for the community; donating medical equipment to nearby hospital

ChipMOS has been supporting nearby hospitals in Hsinchu, including Hsinchu MacKay Memorial Hospital and National Taiwan University Hospital Hsin-Chu Branch, to replace worn medical equipment and to achieve high-quality medical services, so that people can receive proper care. In response to COVID-19 in 2020, ChipMOS has donated NT$200,000 to Hsinchu MacKay to purchase JP Thermal Imaging System to stay on top of the body temperature of all visitors and to maintain a safe medical environment.

Joining blood drive to spread love and care

ChipMOS has been collaborating with Hsinchu/Tainan Blood Center since 2001 and regularly organizes blood drives every year to encourage employees to get into the philanthropic habit of blood donations. Starting from 2001, 4,071 employees have joined, and cumulatively donated 5,600 bags of blood.

Note : In line with the Company's epidemic prevention policy, the farmer's market events were suspended from February to June 2020

Social care

Fulfilling the Chairman's vision of "giving back what we have used from the society", ChipMOS continues to be engaged in social welfare activities and to initiate activities based on the dimensions of "care for the disadvantaged" and "youth education". By collaborating with local communities, schools, and social welfare institutions we engage in social welfare through innovative and diverse methods in the hopes of contributing what limited resources we could to help and to care for the society, and to focus on groups that required the most care at the corners of our community. By contributing toward charitable causes along with our colleagues, we have put our love in action to create social co-prosperity and to fulfill corporate social responsibility.

Christmas Wish Adoption Project

Care for the Disadvantaged

2020 Goals	2020 implemental results	2021 Goals
• Collaborate with social welfare institution to help local disadvantaged children and groups: Increased the number of welfare events from 8 to 9 sessions	• Epidemic prevention and industry revitalization: benefited 2 industries and relevant investments totaled NT$4,878,734 • ChipMOS book donations: benefited 11 schools/social welfare groups • Realized the wishes of 422 children for Christmas • Raised NT$61,320 through charity coffee project • Offered diverse employment opportunities to visually-impaired massage therapists: cumulatively benefited 93 massage therapists (head count)	• Continue to organize 9 rounds of welfare events

Youth Education

2020 Goals	2020 implemental results	2021 Goals
• Industry-academia collaboration • Fostering environmental awareness for the children	• 25 students participated in Industry-academia collaboration and investments totaled NT$962,000 • Food & Farming Education Day: enhanced the awareness for environmental friendliness in 56 children	• Continue to organize 9 rounds of welfare events

Note 1: Actual number of activities hosted in 2020 was 8 rounds and the goal of hosting 9 rounds was rendered impossible by the pandemic; therefore, the 2021 goal is to host 9 rounds of activities

Care for the Disadvantaged

Epidemic prevention and industry revitalization

- Benefited 2 industries and relevant investments totaled NT$4,878,734

The COVID-19 outburst in 2020 had enormous effects on the world economy. Many industries were significantly affected, and some of the worst hit included the aviation industry, travel industry, and the cultural and creativity industry. To help revitalize the industries, ChipMOS chose to cooperate with local ceramics workshop for our anniversary gift, in which approximately 5,600 ceramic mugs were made. Besides helping the hardworking traditional industries in Taiwan during the epidemic prevention period, we also hoped to convey the warmth and thoughtfulness of traditional craftsmanship to all of our employees.

When COVID-19 affected Taiwan the most, we also prepared epidemic prevention kits, which contained locally produced epidemic prevention products, for all employees. On top of properly caring for the health of our employees, we also wanted to care for the society and to revitalize relevant industries.

Christmas wish adoption project

- Held for 6 consecutive years, ChipMOS realized the wishes of 1,635 children, reached 846 hours of volunteering work, and total investments reached NT$677,073

Starting from 2015, we partner with local social welfare groups and rural elementary schools right before Christmas to sponsor the children's wishes for Christmas gifts, which ranged from stationery sets to sports equipment and more. The children drew their Christmas wishes by hand, and our employees picked out the gifts, wrapped them, and signed Christmas cards that went along the gifts, which were then hand-delivered to the kids by ChipMOS volunteers. We hope to bring encouragement and support to the kids through these gifts, and to plant seeds of hope in them so that, one day, after they're grown, they may continue to extend a helping hand to those in-need.

For 2020, we collaborated with HsinChu I-Link Community Care Association, rural elementary schools at Hsinchu (Gien Shih and Mei-Hua), and rural elementary schools at Tainan (Rueifong, Sipu, Shuangchun, Wunshan, and Beiliao), and the kids' wishes were fulfilled by 422 employees, who helped us to spread our love to rural areas.

ChipMOS book donations

- Cumulatively donated 21 sets of computers and 11,555 books, benefiting 11 schools/social welfare groups

ChipMOS values the education, learning and growth of schoolchildren. By taking inventories of our internal resources, our engineers compiled sets of idle computer sets, which were then reactivated and donated to Hsinchu Gien Shih Elementary School and Hsinchu County Mei-Hua Elementary School. Additionally, in response of our promotions of an e-library, we have compiled a total of 11,555 books throughout our fabs, which were donated to suitable organizations including rural elementary schools in Hsinchu and Tainan, universities and colleges, hospitals, and social welfare groups based on the nature of the books. In particular, 2,961 books were donated to charity secondhand bookstore managed by disadvantaged groups in Taipei in order to foster sustainable use of educational and learning resources.

Charity coffee project

- Raised a total of approximately NT$470,230 over 5 years, benefiting 5 rural schools/social welfare groups

The vision behind the charity coffee project is to do a good deed whenever possible. Since its beginning in 2016, we have combined day-to-day operations with charity so that employees could contribute toward a good deed whenever possible. A NT$10 coin did not merely earn a person a warm cup of coffee, but through joining everyone's collective effort, it also helped to benefit more people in need.

Offering diverse employment opportunities to visually-impaired massage therapists

- Cumulatively benefited 93 massage therapists (head count) since 2014

ChipMOS has been partnering with the Hsinchu chapter and Tainan chapter of the Taiwan Light House to invite visually-impaired massage therapists for onsite services for seven consecutive years since 2014. Free massage sessions are offered for employees as a part of our employee benefits policy, which also creates stable job opportunities for these visually-impaired individuals. Over the past seven years, we have cumulatively benefited 93 massage therapists, and to create a safe and worry-free work environment for the massage therapists, guide dogs are allowed to enter our grounds and to serve them at work. In line with the Company's epidemic prevention policy, massage services were suspended from February to May 2020 when the pandemic was raging in Taiwan; however, we continued to pay wages to ensure that the massage therapists could maintain stable sources of income.

Example of our actions in 2020

Located at the back of the mountains in Jianshi Township, Yufeng Elementary School is challenged with maintaining its electrical appliances in the cold and wet winter time with high humidity. Moreover, its located in a very remote setting with insufficient resources. To make sure that the students' learning would not be interrupted, we used the coffee funds toward enhancing the school's educational facilities. Four sets of desktop computers, totaling NT$61,320, were donated so that children in rural areas can bring the world closer in spite of geographical constraints.

Youth Education

Industry-Academia Collaboration

Founded on the principle of "meeting industry needs and providing care through technology", ChipMOS first began to form industry-academia collaboration projects with nearby colleges and universities in 2013. These projects included summertime internship, scholarships, career programs, and industry-academic programs. To offer substantial help to underprivileged students and to relief the economic burden on their families, we provided scholarships and internship incentives. Having launched industry-academia collaboration projects for 8 years, NT$962,000 was invested to relevant programs in 2020, and we continue to inspire high-performing youths and students to apply their knowledge to practice and to achieve diversified growth.

Food & Farming Education

Eco-friendly, toxic-free land and farmland tour

We purchased toxic-free vegetables and traceable guavas in 2020 to advocate for toxic-free fruits and vegetables and to enhance employees' understanding of different ways to be environmentally friendly. Moreover, employees were invited to bring their families to visit the farmland of the fruits and vegetables we purchased. Ecological and environmental education was conducted to our employees and 56 children at the farmland. Besides enhancing employees' and their families' knowledge regarding eco-friendly vegetation, we also hope our employees can continue to join us in caring for the planet, and to extend this positive influence to their families and beyond.

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102-55

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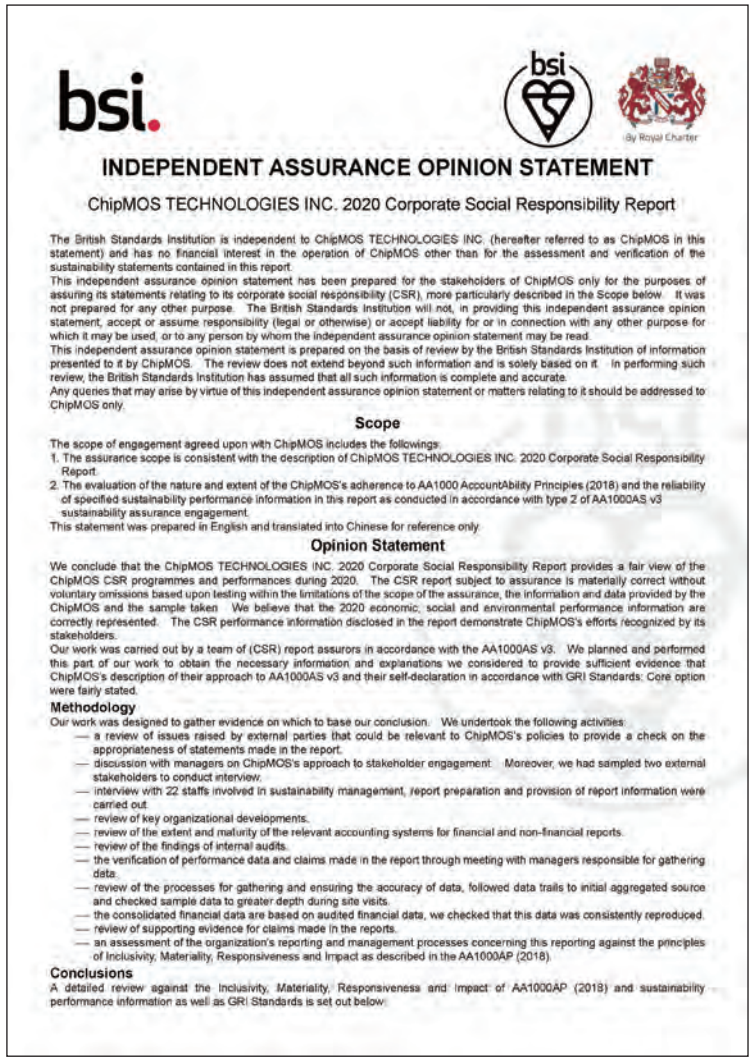
	★	201-3	Defined benefit plan obligations and other retirement plans	Business Performance Compensation and Benefits	45 106
	★	202-2	Proportion of senior management hired from the local community	Talent Attraction and Retention	99
GRI 204: Procurement practices 2016		204-1	Proportion of senior management hired from the local community	RBA Supply Chain Management	91
GRI 205: Anti-corruption 2016	★	205-1	Operations assessed for risks related to corruption	Regulatory Compliance and Ethical Management	54
	★	205-3	Confirmed incidents of corruption and actions taken	Regulatory Compliance and Ethical Management	54
GRI 206: Anti-competitive behavior 2016	★	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Regulatory Compliance and Ethical Management	54
GRI 300: Environmental Disclosures					
GRI 302: Energy 2016	★	302-1	Energy consumption within the organization	Climate Change and Energy Management	64
	★	302-3	Energy intensity	Climate Change and Energy Management	64
	★	302-4	Reduction of energy consumption	Climate Change and Energy Management	64
GRI 303: Water and effluents 2018	★	303-3	Water withdrawal	Water Resources Management	73
	★	303-4	Water discharge	Water Resources Management	73
	★	303-5	Water consumption	Water Resources Management	73
GRI 305: Emissions 2016		305-1	Direct (Scope 1) GHG emissions	GHG Inventories	70
		305-2	Energy indirect (Scope 2) GHG emissions	GHG Inventories	70
		305-4	GHG emissions intensity	GHG Inventories	70
		305-5	Reduction of GHG emissions	GHG Inventories	70
		305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	GHG Inventories	70
GRI 306: Waste 2020	★	306-3	Waste generated	Resource Cycling	77
	★	306-4	Waste diverted from disposal	Resource Cycling	77
	★	306-5	Waste directed to disposal	Resource Cycling	77
GRI 307: Environmental compliance 2016	★	307-1	Non-compliance with environmental laws and regulations	Environmental Protection	63
GRI 308: Supplier environmental assessment 2016	★	308-1	New suppliers that were screened using environmental criteria	RBA Supply Chain Management	91
	★	308-2	Negative environmental impacts in the supply chain and actions taken	RBA Supply Chain Management	91

GRI Standards	Management Approach	Disclosure	Chapter/Explanation	Chapter/Explanation	Page
GRI 400: Social disclosures					
GRI 401: Employment 2016	★	401-1	New employees hire and employee turnover	Talent Attraction and Retention	99
	★	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Compensation and Benefits	106
	★	401-3	Parental leave	Compensation and Benefits	106
GRI 402: Labor/management relations 2016		402-1	Minimum notice periods regarding operational changes	Human Rights	119
GRI 403: Occupational health and safety	★	403-9	Work-related injuries	Health and Safety Worplace	122
	★	403-10	Work-related ill health	Health and Safety Worplace	122
GRI 404: Training and education 2016		404-1	Average hours of training per year per employee	Talent Development	115
		404-3	Percentage of employees receiving regular performance and career development reviews	Talent Development	115
GRI 405: Diversity and equal opportunity 2016	★	405-1	Diversity of governance bodies and employees	Corporate Governance Talent Attraction and Retention	48 99
	★	405-2	Ratio of basic salary and remuneration of women to men	Compensation and Benefits	106
GRI 406: Non-discrimination 2016		406-1	Incidents of discrimination and corrective actions taken	Human Rights	119
GRI 408: Child labor 2016		408-1	Operations and suppliers at significant risk for incidents of child labor	Human Rights	119
GRI 409: Forced or compulsory labor 2016		409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights	119
GRI 412: Human rights assessment 2016	★	412-1	Operations that have been subject to human rights reviews or impact assessments	Human Rights	119
	★	412-2	Employee training on human rights policies or procedures	Human Rights	119
GRI 414 Supplier social assessment 2016	★	414-1	New suppliers that were screened using social criteria	RBA Supply Chain Management	91
	★	414-2	Negative social impacts in the supply chain and actions taken	RBA Supply Chain Management	91
GRI 418: Customer privacy 2016	★	418-1	Substantiated complaints regarding concerning breaches of customer privacy and losses of customer data	Information Security Management Customer Service	59 85
GRI 419 Socioeconomic compliance 2016	★	419-1	Non-compliance with laws and regulations in the social and economic area	Regulatory Compliance and Ethical Management	54

Appendix 2: SDGs Comparison Table

Sustainable Development Goals (SDGs)	Target	Corresponding Chapter	Page
 **SDG2 Zero Hunger** End hunger, achieve food security and improved nutrition and promote sustainable agriculture	2.1 End hunger and ensure access by all people, in particular the poor and people in vulnerable situations 2.3 Increase productivity and market for small-scale food producers	Social Engagement	128
 **SDG3 Good Health and Well-Being** Ensure healthy lives and promote well-being for all at all ages	3.8 Access to quality essential health-care services 3.d Early warning, risk reduction and management of national and global health risks	Compensation and Benefits Health and Safety Worplace Social Engagement	106 122 128
 **SDG4 Quality Education** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	4.4 Increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment 4.7 Ensure that all learners acquire the knowledge and skills needed to promote sustainable development 4.a Upgrade education facilities	Talent Attraction and Retention Talent Development Social Engagement	99 115 128
 **SDG6 Clean Water and Sanitation** Ensure availability and sustainable management of water and sanitation for all	6.3 Improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials 6.4 Increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater 6.a Wastewater treatment and recycling	Water Resources Management	73
 **SDG8 Decent Work and Economic Growth** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.3 Promote development-oriented policies that support productive activities and creativity and innovation 8.5 Achieve full and productive employment and decent work, including for young people and people with disabilities, and equal pay for work of equal value 8.7 Take immediate and effective measures to eradicate all forms of child labor 8.8 Protect labor rights and promote safe and secure working environments for all workers	Corporate Governance Compensation and Benefits Talent Attraction and Retention Human Rights Health and Safety Worplace	48 106 99 119 122
 **SDG9 Industry, Innovation, and Infrastructure** Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency	Business Performance Climate Change and Energy Management	45 64
 **SDG11 Sustainable Cities and Communities** Make cities and human settlements inclusive, safe, resilient and sustainable	11.6 Reduce the adverse per capita environmental impact of cities, including air quality and more	Social Engagement	128
 **SDG12 Responsible Consumption and Production** Ensure sustainable consumption and production patterns	12.2 Achieve the sustainable management and efficient use of natural resources 12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse	Climate Change and Energy Management Resource Cycling	64 77
 **SDG14 Life Below Water** Conserve and sustainably use the oceans, seas and marine resources for sustainable development	14.1 Prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities	Social Engagement	128
 **SDG17 Partnerships for the Goals** Strengthen the means of implementation and revitalize the global partnership for sustainable development	17.14 Enhance policy coherence for sustainable development 17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships	Information Security Management Customer Service RBA Supply Chain Management	59 85 91

Appendix 3: Independent Third Party Assurance Statement



bsi.

By Royal Charter

INDEPENDENT ASSURANCE OPINION STATEMENT

ChipMOS TECHNOLOGIES INC. 2020 Corporate Social Responsibility Report

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

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

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

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

Scope

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

1. The assurance scope is consistent with the description of ChipMOS TECHNOLOGIES INC. 2020 Corporate Social Responsibility Report.
2. The evaluation of the nature and extent of the ChipMOS's adherence to AA1000 AccountAbility Principles (2018) and the reliability of specified sustainability performance information in this report as conducted in accordance with type 2 of AA1000AS v3 sustainability assurance engagement.

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

Opinion Statement

We conclude that the ChipMOS TECHNOLOGIES INC. 2020 Corporate Social Responsibility Report provides a fair view of the ChipMOS CSR programmes and performances during 2020. The CSR report subject to assurance is materially correct without voluntary omissions based upon testing within the limitations of the scope of the assurance, the information and data provided by the ChipMOS and the sample taken. We believe that the 2020 economic, social and environmental performance information are correctly represented. The CSR performance information disclosed in the report demonstrate ChipMOS's efforts recognized by its stakeholders.

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

Methodology

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

- a review of issues raised by external parties that could be relevant to ChipMOS's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on ChipMOS's approach to stakeholder engagement. Moreover, we had sampled two external stakeholders to conduct interview.
- interview with 22 staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the extent and maturity of the relevant accounting systems for financial and non-financial reports.
- review of the findings of internal audits.
- the verification of performance data and claims made in the report through meeting with managers responsible for gathering data.
- review of the processes for gathering and ensuring the accuracy of data, followed data trails to initial aggregated source and checked sample data to greater depth during site visits.
- the consolidated financial data are based on audited financial data, we checked that this data was consistently reproduced.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000AP (2018).

Conclusions

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

Inclusivity

In this report, it reflects that ChipMOS has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for economic, social and environmental information in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the ChipMOS's inclusivity issues and has demonstrated social responsible conduct supported by top management and implemented in all levels among organization.

Materiality

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

Responsiveness

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

Impact

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

Performance information

Based on our work described in this statement, specified sustainability performance information such as GRI Standards disclosures disclosed in this report, ChipMOS and BSI have agreed upon to include in the scope. In our view, the data and information contained within ChipMOS TECHNOLOGIES INC. 2020 Corporate Social Responsibility Report are reliable.

GRI Sustainability Reporting Standards (GRI Standards)

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

Assurance level

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

Responsibility

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

Competency and Independence

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

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan

AA1000 Licensed Assurance Provider 000-4

...making excellence a habit.™

Statement No: SRA-TW-2020083

2021-05-31

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

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Appendix 4: ISO-Certified Fabs at ChipMOS as Verified by Third-Party Assurance Institutions

Item	Hsinchu fab.	Zhubei fab.	Zhubei fab. 2	Hukou fab.	Tainan fab.
ISO/IEC 27001:2013 Information Security Management System	✓	✓	✓	✓	✓
ISO 9001 Quality Management System	✓	✓	✓	✓	✓
IATF 16949 Automotive Quality Management System	✓	✓	✓	✓	✓
ISO 26262 Road vehicles - Functional Safety Standard System	✓	✓	✓	✓	✓
IECQ QC 080000 Hazardous Substance Process Management System	✓	✓	✓	✓	✓
ISO 17025 Laboratory Management System (Calibration)					✓
ISO 17025 Laboratory Management System (Reliability)					✓
ISO 17025 Laboratory Management System (Chemical)		✓			
SONY Green Partner		✓			✓
ISO 14001 Environmental Management System	✓	✓	✓	✓	✓
ISO 14064-1 Greenhouse Gas Emission	✓	✓	✓	✓	✓
ISO 50001 Energy Management System	✓				✓
ISO 45001 Occupational Safety and Health Management System	✓	✓	✓	✓	✓
ISO 14051 Material Flow Cost Accounting					✓
ISO 14067/PAS 2050 Carbon Footprint					✓
ISO 14046 Water Footprint on Oct. 29, 2015					✓
Water Footprint (WFN) on Dec. 11, 2014		✓			✓
Taiwan Green Building Label from the Ministry of Interior	✓				✓ (Silver Grade)
Taiwan Green Factory Label from the Ministry of Economic Affairs					✓

Note 1: The boundaries of assurance for Tainan fab also covers Tainan fab. 2

Note 2: certification of ISO 17025 Laboratory Management System is only implemented on Zhubei fab and Tainan fab, which are the only two fabs with laboratories

Note 3: Hsinchu fab, Zhubei fab. 2 and Hukou fab are testing fabs, and due to the nature of their products, they are excluded from the scope of assurance for SONY Green Partner

Appendix 5: Awards and Recognition

No.	Date	Name of the award	Organizer
Economy & Society			
1	1998	Quality Institution Award (Manufacturing Enterprise)	Chinese Society for Quality
2	2001	Health Promotions Benchmark	Institute of Labor, Occupational Safety and Health, Ministry of Labor
3	2002	Hazard-Free Work Hours Record	Industrial Safety and Health Association (ISHA) of the R.O.C.
4	2006	No. 10 in Export Growth Rate, International Trade Awards	The Executive Yuan
5	2006	Ranked 1st by growth in exports to Thailand (a key market for Taiwanese exports) in the International Trade Awards	The Executive Yuan
6	2006	Industrial Technology Advancement Award—Excellent Enterprise Innovation Award	Ministry of Economic Affairs
7	2010	Award for Creating Employment Opportunities	The Executive Yuan
8	2011	Award for Creating Employment Opportunities	The Executive Yuan
9	2012	Outstanding Career Program Enterprise	Chung Yuan Christian University
10	2014	Outstanding Career Program	Chung Yuan Christian University
11	2016	Silver Medal from National Invention and Creation Award	Intellectual Property Office, Ministry of Economic Affairs
12	2016	Badge of Accredited Healthy Workplace	National Health Administration
13	2016	Certification of Friendly Workplace for Nursing Mothers	Hsinchu County Government
14	2016	Bronze Medal, Talent Quality-management System	Workforce Development Agency, Ministry of Labor
15	2017	Taiwan Corporate Sustainability Awards	BSI British Standards Institution Taiwan
16	2017	Best Employment Program	Chung Yuan Christian University
17	2017	Taiwan Corporate Sustainability Awards, Top 50 Sustainable Corporate Sustainability Awards	Taiwan Institute for Sustainable Energy (TAISE)
18	2017	Taiwan Corporate Sustainability Awards, Top 50 Corporate Sustainability Report Awards	Taiwan Institute for Sustainable Energy (TAISE)
19	2017	Silver Medal, Talent Quality-management System	Workforce Development Agency, Ministry of Labor
20	2018	4th Corporate Governance Evaluation: Ranks among 21-35% in terms of evaluation results	Taiwan Stock Exchange (TWSE)
21	2018	Excellence in Corporate Social Responsibility Award, Top 50 Large Enterprises, CommonWealth Magazine	CommonWealth Magazine
22	2018	Taiwan Corporate Sustainability Awards, Top 50 Sustainable Corporate Sustainability Awards	Taiwan Institute for Sustainable Energy (TAISE)
23	2018	Taiwan Corporate Sustainability Awards, Top 50 Corporate Sustainability Report Awards, Platinum Award	Taiwan Institute for Sustainable Energy (TAISE)
24	2018	Taiwan Corporate Sustainability Awards	BSI British Standards Institution Taiwan
25	2018	iCAP certification (ETET0059-18)	Workforce Development Agency, Ministry of Labor
26	2018	Gold Medal for Contributions to Education	Ministry of Education
27	2018	Badge of Accredited Healthy Workplace	Health Promotion Administration, Ministry of Health and Welfare
28	2018	Award of Excellence for the Promotion of Workplace Equality	Hsinchu Science Park Bureau
29	2019	2019 Excellent Enterprise for Adopting Electronic Invoice	National Taxation Bureau of the Northern Area, Ministry of Finance
30	2019	5th Corporate Governance Evaluation: Ranks among 21-35% in terms of evaluation results	Taiwan Stock Exchange (TWSE)
31	2019	Excellence in Corporate Social Responsibility Award, Top 50 Large Enterprises, CommonWealth Magazine	CommonWealth Magazine
32	2019	Taiwan Corporate Sustainability Awards, Top 50 Sustainable Corporate Sustainability Awards	Taiwan Institute for Sustainable Energy (TAISE)
33	2019	Taiwan Corporate Sustainability Awards, Top 50 Corporate Sustainability Report Awards, Gold Medal	Taiwan Institute for Sustainable Energy (TAISE)
34	2019	Corporate Sustainability Award	BSI British Standards Institution Taiwan
35	2019	Silver Medal, Talent Quality-management System	Workforce Development Agency, Ministry of Labor
36	2019	Award of Excellence for the Promotion of Workplace Equality	Southern Taiwan Science Park Bureau, MOST
37	2020	Top Green Companies in Asia	MORS Group
38	2020	Taiwan Corporate Sustainability Awards, Top 50 Sustainable Corporate Sustainability Awards	Taiwan Institute for Sustainable Energy (TAISE)
39	2020	Taiwan Corporate Sustainability Awards, Top 50 Corporate Sustainability Report Awards, Platinum Award	Taiwan Institute for Sustainable Energy (TAISE)
Environment			
1	1999	Outstanding Award for Going Green in the Factories	Hsinchu Science Park Bureau
2	2000	Excellent Award for Going Green in the Factories	Hsinchu Science Park Bureau
3	2000	Excellent Environmental Friendliness in Office Space	Environmental Protection Administration, Executive Yuan
4	2000	No. 3 in Creative Use of Recycled Waste in Environmental Conservation Month	Hsinchu Science Park Bureau
5	2001	Occupational Safety and Health Excellence Enterprise	Hsinchu Science Park Bureau
6	2001	Occupational Safety and Health Excellence Enterprise	Southern Taiwan Science Park Bureau, MOST
7	2002	Excellent Award for Going Green in the Factories	Hsinchu Science Park Bureau
8	2003	Honorable Mention for Going Green in the Factories	Hsinchu Science Park Bureau
9	2003	Continued Performance for Going Green in the Factories	Southern Taiwan Science Park Bureau, MOST
10	2006	Outstanding Performance in Environmental Protection Competition	Hsinchu Science Park Bureau
11	2007	Honorable Mention in Environmental Protection Competition	Hsinchu Science Park Bureau
12	2008	Honorable Mention in Environmental Protection Competition	Hsinchu Science Park Bureau
13	2009	Service Innovation for Sponsoring Science Park Areas	Hsinchu Science Park Bureau
14	2013	Green Building	Ministry of the Interior
15	2014	Green Factory	Ministry of Economic Affairs

No.	Date	Name of the award	Organizer
16	2015	Good Enterprise for Sponsoring Air Quality Purification Zones	Environmental Protection Administration, Executive Yuan
17	2015	Air Quality Purification Zones - Excellent Sponsor	Hsinchu County Government
18	2016	The 25th ROC Enterprises Environmental Protection Award - Bronze Medal	Environmental Protection Administration, Executive Yuan
19	2016	Excellent Enterprise for Sponsoring Air Quality Purification Zones	Environmental Protection Administration, Executive Yuan
20	2016	Occupational Safety and Health Excellent Business and Personnel	Southern Taiwan Science Park Bureau, MOST
21	2016	Air Quality Purification Zones - Excellent Sponsor	Hsinchu County Government
22	2016	Product Environmental Footprint and Resource Sustainability Promotions	Industrial Technology Research Institute
23	2017	The 26th ROC Enterprises Environmental Protection Award - Silver Medal	Environmental Protection Administration, Executive Yuan
24	2017	National Sponsor of Air Quality Purification Zones	Environmental Protection Administration, Executive Yuan
25	2017	Outstanding Environmental Protection Business - Environmental Protection Benchmark	Southern Taiwan Science Park Bureau, MOST
26	2017	Taiwan Green Building certificate	Ministry of the Interior
27	2017	Green Factory certificate	Industrial Development Bureau, Ministry of Economic Affairs
28	2017	Excellent Enterprise for Green Procurement	Hsinchu County/Tainan City Government
29	2017	Air Quality Purification Zones - Excellent Sponsor	Hsinchu County Government
30	2018	The 27th ROC Enterprises Environmental Protection Award - Gold Medal	Environmental Protection Administration, Executive Yuan
31	2018	Taiwan Corporate Sustainability Awards: Sustainable Water Management Award	Taiwan Institute for Sustainable Energy (TAISE)
32	2018	Business and Personnel for Promotions of Occupational Safety and Health	Southern Taiwan Science Park Bureau, MOST
33	2018	Outstanding Environmental Protection Business and Personnel	Southern Taiwan Science Park Bureau, MOST
34	2018	Excellent Enterprise for Green Procurement	Environmental Protection Bureau of Hsinchu County and Tainan City
35	2018	Outstanding Contribution Award for Sponsoring Air Quality Purification Zone	Environmental Protection Administration, Executive Yuan
36	2018	Outstanding Enterprise for Road Adoption	Hsinchu County Government
37	2018	Air Quality Purification Zones - Excellent Sponsor	Hsinchu County Government
38	2018	Evaluation of Dedicated Personnel for Fixed Pollutant Sources	Hsinchu County Government
39	2019	1st Annual Enterprises Protection Award and Excellent Enterprises for Environmental Protection	Environmental Protection Administration, Executive Yuan
40	2019	Outstanding Contribution Award for Sponsoring Air Quality Purification Zone, Silver Medal	Environmental Protection Administration, Executive Yuan
41	2019	Continued Performance for Going Green in the Factories	Southern Taiwan Science Park Bureau, MOST
42	2019	Business and Personnel for Promotions of Occupational Safety and Health	Southern Taiwan Science Park Bureau, MOST
43	2019	Excellent Enterprise for Green Procurement	Environmental Protection Bureau of Hsinchu County and Tainan City
44	2019	Energy-Saving Benchmark Award	Environmental Protection Bureau, Tainan City Government
45	2019	Adoption of Air Quality Purification Zones	Hsinchu County Government
46	2019	Promotion of Environmental Friendliness - Eco-friendly Vehicles	Hsinchu County Government
47	2020	Special Contribution Award for Sponsoring Air Quality Purification Zone	Environmental Protection Administration, Executive Yuan
48	2020	Excellent Enterprise for Green Procurement	Hsinchu County Government/ Tainan City Government
49	2020	Excellent Enterprise for Air Quality Maintenance and Low-Carbon and Energy Conservation - Energy-Saving Benchmark Award	Tainan City Government
50	2020	Adoption of Air Quality Purification Zones	Hsinchu County Government
Customers			
1	2001	Excellent Performance	Mosel Vitelic Inc.
2	2003	Appreciation Award	CYPRESS
3	2003	Outstanding Subcontractor Award	ISSI
4	2005	Best Supplier Award	CYPRESS
5	2005	Outstanding Supplier Award	CYPRESS
6	2005	World Class Supplier Spotlight Award	SPANSION
7	2005	Best Group Award	Outsourcing Committee of Macronix International Co., Ltd
8	2006	The Best Supplier Of The Year	Oki Electric Industry Co., Ltd.
9	2006	World Class Supplier Supplier Of The Year Award	SPANSION
10	2006	Best Service Award	MXIC
11	2006	Best Quality Award	MXIC
12	2006	Best Efficiency Award	MXIC
13	2007	World Class Supplier Achievement Award	SPANSION
14	2007	Best Efficiency in Testing and Producitivyt Award	MXIC
15	2007	Testing Group Service Award	MXIC
16	2011	Best Partners Award	MXIC
17	2012	Best Partners Award	MXIC
18	2013	Best Partners Award	MXIC
19	2014	No. 1 in Annual Assessment	MXIC
20	2015	plaque of appreciation-Q1	CYPRESS
21	2015	plaque of appreciation-Q4	CYPRESS
22	2016	No. 1 in Annual Assessment	MXIC
23	2016	Best Quality	MXIC
24	2018	Best Partners Award	Asahi KASEI Microdevices Corporation
25	2019	Best Supplier Award	CHIPONE
26	2019	Excellent Partner Award	Asahi KASEI Microdevices Corporation
27	2019	No. 1 in Annual Assessment	MXIC
28	2020	No. 1 in Annual Assessment	MXIC

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