



2020

# Corporate Social Responsibility Report

PLANET Technology Corporation



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## About This Report

### Reporting Period

From January 1, 2020 to December 31, 2020

### Scope of the Report

PLANET Technology Corporation's operating performance and activities related to social, environmental, and economic aspects of the Taiwan region. The company is located in New Taipei City, Taiwan.

### Management of the Report

The matters presented in this report were identified with "Materiality Analysis" (the analysis of priorities) through Stakeholder Engagement Process, and discussed by the "Corporate Social Responsibility (CSR) Committee". This final report was reviewed and approved by the chairman of the committee.

The information and data disclosed in this report were from the company's own statistics. However, the financial data were based on the public financial reports issued by the accountant. Some events or data were dated back to the reports of the previous years and were for reference only.

Compared with the previous report, this report presented a complete identification procedure and other material issues. Changes of disclosure made in this report as compared to the report of the previous year were also highlighted.

### Reporting Principles and Guidelines

The sustainability issues, strategies, goals and measures presented in this report were based on GRI Standards 2016 published by Global Reporting Initiative while responding to "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and the UN's Sustainable Development Goals (SDGs). At the same time, the contents of this report were discussed and categorized using the AA1000 APS-compliant procedure.

### Assurance

An independent third party with credibility, ANFOR Asia Ltd., was engaged to provide assurance for this report in accordance with the AA1000 AS (2008) Type 1 moderate level accountability principles and the "Core Option" of GRI Standards. A third-party assurance statement was attached as an appendix to this report.

### Publication Date

- First issue: published in 2011
- Current issue: published in June 2021
- Previous issue: published in June 2020
- Next issue: scheduled to be published in June 2022

For environmental protection, the digital Chinese and English versions of the report are published in the CSR section of the official website of PLANET Technology.

Website for the Chinese version: <https://www.planet.com.tw/tw/csr/csr-reports>

Website for the English version: <https://www.planet.com.tw/en/csr/csr-reports>

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## Message from the Chairman & CEO



The COVID-19 pandemic has spread across the world since the beginning of 2020, posing great challenges to global economic growth and business operations. As an international brand specializing in network and communication equipment, PLANET Technology Corporation (PLANET) is committed to ensuring its business operations run as smoothly and effectively as before, and embedding CSR values into its corporate culture. At PLANET, we strive to put the best interests of its shareholders, employees, customers, partners and the society at the heart of all decisions. In the face of external challenges, we are still actively improving the performance of ESG practices, enhancing the global competitiveness of our own brand, and making great efforts to realize the sustainable development of the enterprise.

As for its global branding, PLANET launched a new corporate slogan, “Shaping Future Networking”, in 2020, demonstrating PLANET’s determination to connect its brand to a smart, user-friendly and sustainable digital era

by continuously developing innovative network and communication devices and solutions. At the same time, we actively promote our products and solutions through digital marketing, maintain the interaction with global customers, and deeply cultivate regional market. Today, our brand is known to more than 140 countries around the world.

PLANET pays close attention to climate change issues and the trend of energy conservation and carbon reduction. In terms of product research and development, we have increased the proportion of the network equipment featured with intelligent, user-friendly management functions and energy-saving benefits. We have launched 95-watt PoE++ products, renewable energy network management solution, industrial-grade network transmission products and so on. They are made to comply with the international standards for environmental protection, meet various network infrastructures, and realize long-distance extension solutions for networking. Our innovative network equipment won the 29th Taiwan Excellence Award, greatly enhancing the brand’s professional image. In addition, PLANET has long invested in the conservation of natural ecological water resources of Feitsui Reservoir and adopted the Pinglin organic tea plantation at upstream of the reservoir for more than 10 years, contributing to the conservation of clean water resources in Greater Taipei.

To realize sustainable human resource management, PLANET actively builds and optimizes an equal, friendly and healthy workplace to help employees achieve a better balance between career development, and physical and mental health. In terms of social engagement, we focus on educational issues and have been a long-time supporter of “remedial education/psychological counseling for disadvantaged children”. Since 2004, more than 9,000 disadvantaged children with poor academic performance or emotional/behavioral disorders resulting from family issues

have regained motivation and confidence in learning and built a healthy character through the program. We hope that families, schools and the society can all benefit from this program.

PLANET is committed to the implementation of corporate social responsibility in its corporate governance, social engagement and environmental efforts, and has won the “Corporate Citizenship Awards” from CommonWealth Magazine for the 14th consecutive year. In line with the Sustainable Development Goals (SDGs) of the UN’s 2030 agenda, PLANET closely aligns its CSR strategy with international issues and concerns. Apart from improving corporate governance and the long-term impact of social care, we will focus more on climate change mitigation and adaptation in the next five years. By 2050, we will have achieved the goal of being carbon neutral so as to better protect the earth’s environment. At PLANET, we are working together to realize the vision of global economic, social and environmental sustainability.

Finally, I would like to thank all PLANET employees, customers, distributors, suppliers, shareholders, and investors for their support. We will uphold the spirit of altruism and improve our business performance and CSR indicators in a long-term, strategic and innovative manner. With that, we will be able to break through new challenges and achieve economic growth, environmental sustainability and social harmony, thus realizing the sustainable development of the enterprise.



Jack Chen  
Chairman & CEO

## 2020 PLANET Sustainability Achievements

### Economic & Governance

- Brand recognized in the market of more than 140 countries globally, with a stable profitability. The EPS in 2020 was NT\$4.33.
- Ranked No. 30 in the manufacturing sector in terms of profitability in the Common Wealth Magazine's 2020 Top 2000 Enterprises Survey.
- Ranked in the top 6 ~ 20% of OTC-listed companies in the 6th "Corporate Governance Evaluation" by the Taiwan Stock Exchange and OTC Exchange.
- The only OTC-listed company to be presented with the "Corporate Citizenship Awards" by the Common Wealth Magazine for 14 consecutive years.



### Environmental

- The renewable energy network management equipment won the 2021 Taiwan Excellence Award.
- Employee participation rate for the office energy conservation and carbon reduction training hitting 100%, with 5.44 tons of waste recycled.
- Adoption of Pinglin organic tea plantation for 10 consecutive years, with employee participation rate hitting 72%, expanding the planting area of Pinglin organic tea plantation from 1 hectare in 2010 to 55 hectares in 2020.



### Social

- The first company in Taiwan to honorably receive the 1st "Taiwan Mittelstand Award for Gender Equality" organized by the Ministry of Economic Affairs. The "Taiwan Mittelstand Award for Workplace Friendliness" has been received from the Ministry of Economic Affairs in 2019. No discrimination of any kind occurred in employment in 2020.
- Total employee training hours in 2020 reached 3,148 hours, with an average of 20.58 hours per employee.
- Establishment of the "Epidemic response team" for epidemic prevention. Continuous monitoring of staff and visitors' temperature from January 2020 to date. A total of 46 employees performed health self-management in 2020, and there have been no confirmed cases in the company.
- Establishment of the "Occupational Safety and Health Committee" for employee health management. One-on-one consultation service of Traditional Chinese Medicine and Western Medicine provided quarterly in 2020, with a total of 134 employees attending the consultation.
- Implementation of "Remedial education/psychological counseling for disadvantaged children" for 16 consecutive years. 9,299 disadvantaged children were helped to regain motivation and confidence in learning since 2004. Teachers and volunteers took part in development group activities for a total of 1,729 times, and a total of 11,028 people have received sponsorships or counseling so far.



# CSR Commitments and Stakeholders Engagement

- 1.1 Corporate Commitments to Sustainable Development
- 1.2 Stakeholders and Material Topics



## 1.1 Corporate Commitments to Sustainable Development

PLANET makes corporate social responsibility a part of its core business strategy as well as the bedrock upon which its core values and culture are based. We closely monitor economic, environmental and social issues across the world so as to optimize our corporate governance and fulfill our corporate commitments. We proactively engage in environmental protection and social welfare activities, and maintain a healthy and efficient corporate structure. All these commitments have further enhanced the value of our brand. We strongly believe that only enterprises that embrace social accountability for various aspects of society can secure the recognition of all stakeholders and realize sustainable development.

### 1.1.1 Corporate Vision and Mission

PLANET strives to become a leader of innovative network and communications products and solutions. PLANET upholds the business philosophy of integrity, innovation, quality and efficiency. We will continue to focus on developing IoT, IIoT, and IoV related products integrated with AI solutions to suit your business or community applications, thereby creating a smart city. Moreover, we will embed corporate social responsibility in our business operations and enable all our stakeholders to benefit from the sustainable development of PLANET.

<b>Corporate Governance Declaration</b>	<b>Improve corporate governance to achieve sustainable development</b>
<b>Environmental Declaration</b>	<b>Develop green-energy products for environmental sustainability</b>
<b>Economic Declaration</b>	<b>Lead the innovation of smart digital networking</b>
<b>Social Declaration</b>	<b>Fulfill corporate social responsibility for maintaining a balance between doing business and contributing to society</b>

### 1.1.2 CSR Blueprint

PLANET strongly focuses on meeting the Environmental, Social, and Governance (ESG) criteria to ensure sustainable investment, and proactively integrates the UN’s SDGs with its sustainable development. We will continue to fulfill our corporate social responsibility and strive for globally sustainable economic, social and environmental developments.

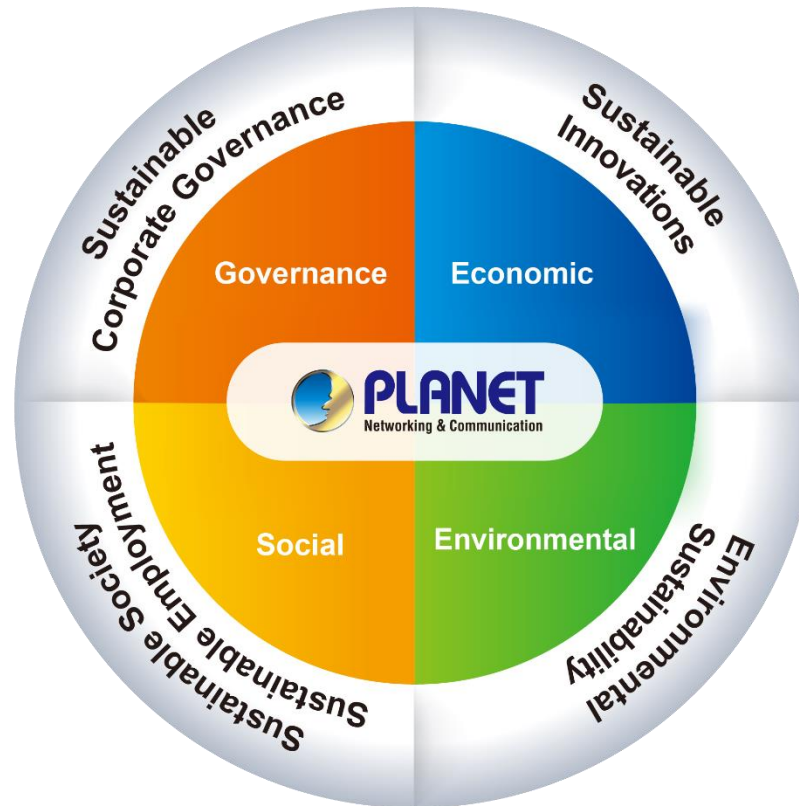
#### Corporate Governance Declaration

Improve corporate governance to achieve sustainable development.



#### Social Declaration

Fulfill corporate social responsibility for maintaining a balance between doing business and contributing to society.



#### Economic Declaration

Lead the innovation of smart digital networking



#### Environmental Declaration

Develop green-energy products for environmental sustainability





### 1.1.3 Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee (CSR Committee) is the top decision-making body for CSR issues at PLANET. The committee was originally formed for the operational requirements of the company. To comprehensively strengthen the CSR policy and its implementation, PLANET, on December 22, 2020, formally incorporated the CSR committee into the board of directors as one of its functional committees, which was comprised of five committee members (including three independent directors). (See Section 2.2.1.2 -- Composition and Operation of the Committee)

CSR goals are set by the CSR Committee based on the sustainable development direction of PLANET after considering the key issues of concern to stakeholders. The company takes a strategic, long-term approach to regularly reviewing the accomplishment of goals and performance. The committee members are heads of relevant units of the company. At the same time, the company constantly improves the level of its CSR implementation, so as to make its CSR practices reach the desired breadth and depth, and to satisfy the investors (shareholders), employees, customers, suppliers, members of the society and other relevant stakeholders.



### CSR Policy

- **Implementing sound corporate governance**

Ensure the adherence to code of business ethics, the independence of the Board, transparent disclosure of financial information, protection of shareholders' interests, labor rights and fair competition.

- **Achieving highest level of corporate commitment**

Committed to strategic partnerships with customers and suppliers, employees' training and care, and R&D enhancements.

- **Striving for environmental sustainability**

Promote recycling, energy savings and carbon reduction, and green product development and manufacturing

- **Social engagement to create long-term benefits**

Apply core corporate competencies to realizing the long-term benefits of social engagement

### CSR Commitments

- Maintain strong corporate governance and adhere to the law and business ethics
- Provide employees with a healthy and safe workplace
- Embrace employees' working interests by fully developing their talents and capabilities
- Invest in the R&D of eco-friendly products with the notion of environmental protection and energy savings
- Create a win-win partnership with customers and suppliers
- Provide transparent disclosure of financial information
- Create value and enhance shareholders' interests
- Fulfill our role as a global corporate citizen by contributing to the community

### 1.1.4 Market Impact and Opportunity

Today's smart networking for any application has definitely enhanced the security of how networking is conducted from one network to another, disregarding the distance. The ongoing COVID-19 pandemic across the world has forced some countries to temporarily close their borders, resulting in a surge in demand for tele-medicine and remote communications. PLANET specializes in the development and innovation of network and communications equipment for all business and community infrastructures. We closely monitor industry trends so as to accommodate every market requirement. In line with international environmental trends, we proactively develop green-energy products and provide efficient and energy-saving networking equipment to enhance our competitive advantages and fulfill our social responsibility.

#### Risks

As some countries around the world still put COVID-19 lockdowns or border closures in place, transportation of supplies and materials has significantly been affected. It has been anticipated that the pandemic will still have a considerable impact on the overall economic growth in 2021.

#### Response Strategies

- PLANET is closely monitoring the COVID-19 pandemic situation and has taken protective measures to protect employee health. We are also concerned about the business operations of our customers and suppliers, with whom we will jointly carry out pandemic prevention measures so as to minimize the impact of the pandemic to ensure the continuity of our businesses.
- PLANET is proactively strengthening its technological advantage including the upgrading of the remote and cloud management attributes of its networking equipment. We are committed to providing stable and secure networking via telework, telemedicine and video conferencing, thus enhancing the added value of our products.
- PLANET controls the supply of materials wisely by increasing the proportion of alternative materials to ensure the smooth flow of its production and material supply.

#### Opportunity

As the COVID-19 pandemic has accelerated the application of smart networks and remote network communications, the need for network infrastructure in the world remains high. PLANET is working actively to maintain the normal supply of its products to the global market. We are expanding the development of central network management systems, which will provide future IoE applications with networking equipment and solutions featured with smart and user-friendly administration functions, to seek new market opportunities and generate more profits.

Moreover, PLANET is strengthening its digital brand marketing efforts through highly interactive online platforms such as PLANET's global corporate website, PLANET YouTube channel, and PLANET Facebook pages. A variety of methods are used to generate synergy from brand and product promotions. Equipped with the distribution channels in more than 140 countries around the world, we are able to deepen the localization of branding and enhance our market position as a professional international brand, thus further expanding our branding and strengthening our competitiveness.

## 1.2 Stakeholders and Material Topics

### 1.2.1 Stakeholder Identification and Communication

**Identification:** PLANET has many stakeholders with a wide variety of backgrounds. To identify the stakeholders who sufficiently represent their groups, we have referred to the five attributes in AA1000 Stakeholder Engagement Standard 2015: Dependency, Influence, Tension, Responsibility and Diverse Perspectives. Seven groups of stakeholders have been identified based on their degree of significance, namely investors (shareholders), employees, customers, suppliers, government agencies, and NPO/NGO, communities.

**Communication:** PLANET engages its stakeholders in material topics through regular and irregular communication channels, through which the stakeholders contribute to the results from various angles and present diverse social values. Topics that are important to PLANET’s stakeholders are reviewed, and the response measures are also addressed in the relevant chapters of this CSR report.



### 《Stakeholder Engagement Performance in 2020》

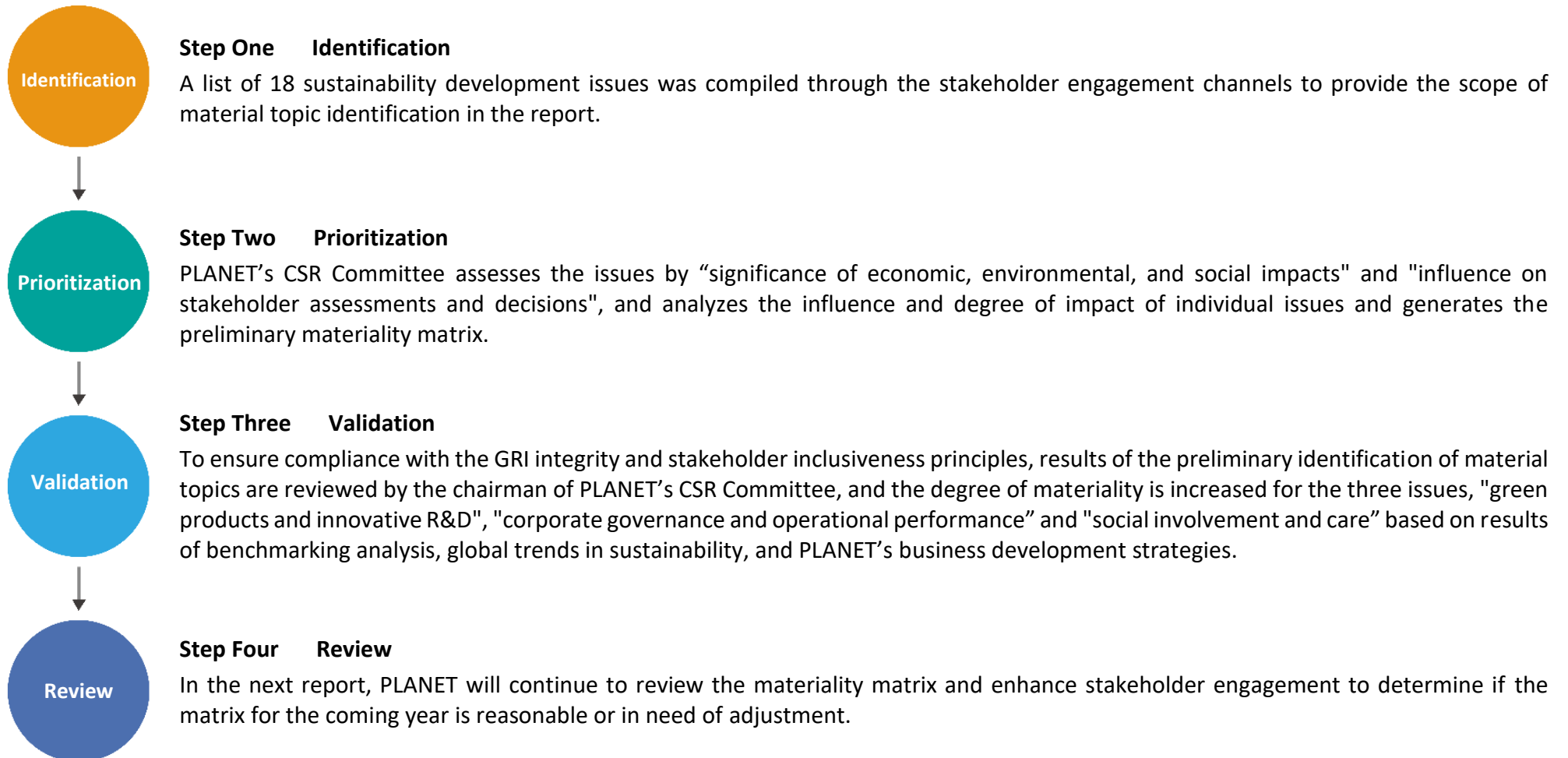
Stakeholder	Significance to PLANET	Communication Channel	Communication Frequency	Concerned Issues	Engagement Results	Response Measures and Countermeasures (chapter)	Page.
Investors/ shareholders	All investors and shareholders investing in PLANET should be given equal access to material information. PLANET should uphold the principles of integrity and sustainability in its operations, keep information open and transparent, and protect the rights and interests of shareholders/investors.	Shareholder meeting	Once a year	<ul style="list-style-type: none"> <li>Corporate governance &amp; operations performance</li> <li>Business integrity and legal compliance</li> <li>Risk management</li> <li>Protection of Privacy Right</li> <li>Green products and innovative R&amp;D</li> </ul>	<ul style="list-style-type: none"> <li>The company engages investors regularly or as needed to convey its business performance and development.</li> <li>Annual reports, quarterly financial statements, quarterly operation reports and monthly revenues are uploaded to the stakeholders' section of the corporate website.</li> <li>A summary of comments gathered from investors and external parties is submitted quarterly to the board of directors and the executive management to provide a basis for the improvement of corporate governance and operations.</li> </ul>	2 Sustainable corporate governance 2.3 Ethical business operation and law compliance 2.6 Risk management 2.4 Information security and privacy management 3.1 Green Products and Innovative Research & Development	16 24 29 27 33
		Law publicity meeting	Once a year				
		Stakeholder section of corporate website	As needed				
		Audit Committee mailbox	Open 24 hours a day				
		Spokesperson's and deputy spokesperson's mailbox	Open 24 hours a day				
Market observation post system of competent authority	As needed						
Employees	Employees are PLANET’s most important partners in achieving sustainability. We are committed to creating a diverse, equal and healthy working environment, hoping to grow and develop together with our employees.	Performance interview	As needed	<ul style="list-style-type: none"> <li>Talent attraction and retention</li> <li>Human rights</li> <li>Diversified, equal and friendly workplace</li> <li>Occupational safety and health</li> </ul>	<ul style="list-style-type: none"> <li>The company communicates with employees on company policies and directions through various channels, and it is open to employee feedback and adjusts strategies or proposals for improvement as appropriate.</li> <li>PLANET organizes regular professional training courses, health and safety training program and fire drills.</li> </ul>	5 Sustainable Employment 2.3 Ethical business operation and law compliance 5.3 Equal and friendly workplace 5.4 Occupational safety and health	54 24 63 64
		Mentor interview	Timely Response to Feedback				
		Employee Welfare Committee	As needed				
		Competency Education and Training	As needed				
		Employee Satisfaction Survey	As needed				
		Gender Equality Committee	As needed				
		Feedback and grievance mailbox	Timely Response to Feedback				
		Labor Management Meeting	Quarterly				
Internal meetings	As needed						

Stakeholder	Significance to PLANET	Communication Channel	Communication Frequency	Concerned Issues	Engagement Results	Response Measures and Countermeasures (chapter)	Page.
Customers	Customers are important business partners of PLANET. We listen to the needs of our customers, provide professional services and grasp the industry trends, to achieve customers' goals and grow together with them.	Corporate social network website	As needed	<ul style="list-style-type: none"> <li>Product quality and safety</li> <li>CRM</li> <li>Corporate image</li> <li>Green products and innovative R&amp;D</li> <li>Supply chain management</li> <li>Protection of privacy right</li> </ul>	<ul style="list-style-type: none"> <li>PLANET is constantly making improvements to customer service and stays in close communication with customers. We protect client privacy and are always prepared to accept review requests from customers.</li> <li>Visits between PLANET and its customers are arranged to strengthen the partnerships and create a win-win situation.</li> </ul>	3.1 Green Products and Innovative Research & Development 3.3 Customer Relation Management 6 Sustainable society 3.1 Green Products and Innovative Research & Development 3.2 Supply chain management 2.4 Information security and privacy management	33 41 72 33 37 27
		Partner Zone on corporate website	As needed				
		Customer service, technical support, dedicated window and mailbox	Responds within 24 hours				
		Product Education and Training	As needed				
		Distributor conference	As needed				
		Customer Satisfaction Survey	Once a year				
		CSR Audit	As needed				
Suppliers	PLANET's supply chain partners include suppliers and assembling, packaging, testing and processing plants. We hope to establish sustainable partnership with partners to jointly implement CSR.	Dedicated buyer window	As needed	<ul style="list-style-type: none"> <li>Corporate governance &amp; operations performance</li> <li>Supply chain management</li> <li>Green products and innovative R&amp;D</li> </ul>	<ul style="list-style-type: none"> <li>PLANET conducts regular annual supplier audit, communicating with suppliers and actively responding to suppliers' concerns.</li> <li>PLANET continues to encourage suppliers to minimize environmental impact and implement corporate social responsibility.</li> </ul>	2 Sustainable corporate governance 3.2 Supply chain management 3.1 Green Products and Innovative Research & Development	16 37 33
		Supplier evaluation	Once a year				
		Signing of the "ESH Management Self-Assessment Form" by designated supplier	Once a year				
		Auditing and coaching for designated supplier	Quarterly				
Supplier conference	As needed						
Government Agencies	Apart from complying with government regulations, PLANET actively supports government policies and engages government agencies in two-way open communication to win their trust, support, and cooperation.	Market observation post system of competent authority	As needed	<ul style="list-style-type: none"> <li>Corporate governance &amp; operations performance</li> <li>Business integrity and legal compliance</li> <li>Investor protection</li> <li>Internationalization of capital market</li> <li>Climate change</li> </ul>	<ul style="list-style-type: none"> <li>PLANET works with government agencies regularly and as needed in implementing and coordinating related programs. The company also learns details of policies and regulations and assists in promoting them.</li> </ul>	2 Sustainable corporate governance 2.3 Ethical business operation and law compliance 2 Sustainable corporate governance 2 Sustainable corporate governance 4.2 Climate change and environmental management	16 24 16 16 46
		Symposiums/seminars, evaluations	As needed				
		Official correspondence	As needed				
NPO/ NGO	As an ethical and responsible enterprise, PLANET understands the needs of nonprofit organizations. It promotes and practices the philosophy of giving back to the community and strives to exert positive influence on society.	Participate in related organizations	As needed	<ul style="list-style-type: none"> <li>Human rights</li> <li>Corporate image</li> <li>Environmental protection</li> <li>Climate change</li> </ul>	<ul style="list-style-type: none"> <li>PLANET participates in Taipei Computer Association, National Innovation and Entrepreneurship Association R.O.C. and other organizations, and establishes enhanced communication mechanism with industry members</li> <li>PLANET works with NGO/NPOs on promotion of environment protection and social integration initiatives.</li> </ul>	2.3 Ethical business operation and law compliance 6 Sustainable society 4 Environmental Sustainability 4.2 Climate change and environmental management	24 72 43 46
		Cooperative project	As needed				
		Topic proposal	As needed				
Communities	PLANET continues to maintain a good and interactive relationship with the communities and the society to help the communities grow together.	Cooperative project	As needed	<ul style="list-style-type: none"> <li>Environmental protection</li> <li>Social engagement and care</li> <li>Corporate image</li> </ul>	<ul style="list-style-type: none"> <li>PLANET has implemented "Remedial education/psychological counseling for disadvantaged children" in 19 schools and organizations in Greater Taipei.</li> <li>PLANET communicates via meetings, email and telephones.</li> </ul>	4 Environmental Sustainability 6 Sustainable society 2 Sustainable corporate governance	43 72 16
		Consultation	As needed				
		Corporate website	As needed				

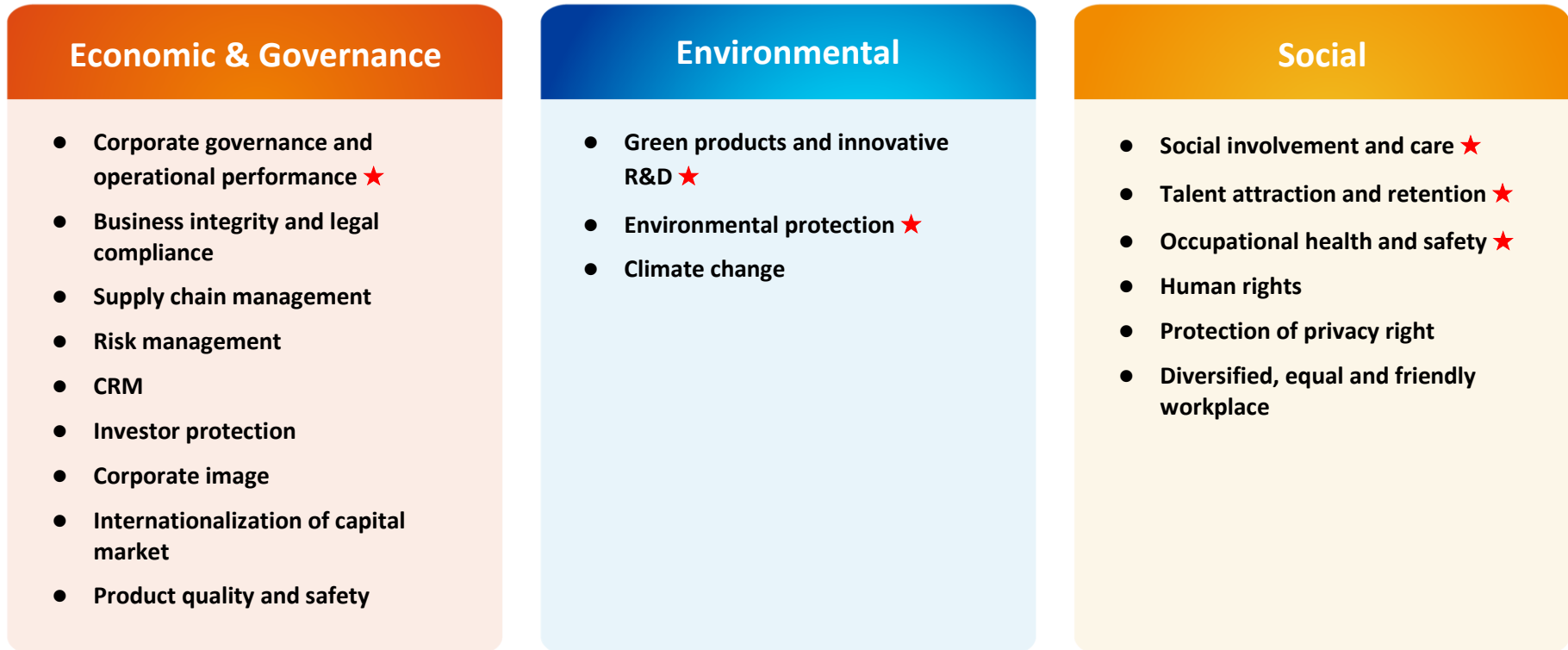
### 1.2.2 Identification of Material Topics

The compilation of PLANET’s CSR report complies with the Global Reporting Initiative (GRI) Standards. Material Topics are analyzed by following the process, which consists of four steps, namely Identification, Prioritization, Validation and Review, to validate the scope of disclosure in the report as well as major internal/external sustainability challenges faced by PLANET.

The process also serves as a comprehensive tool for reviewing PLANET’s overall business performance.



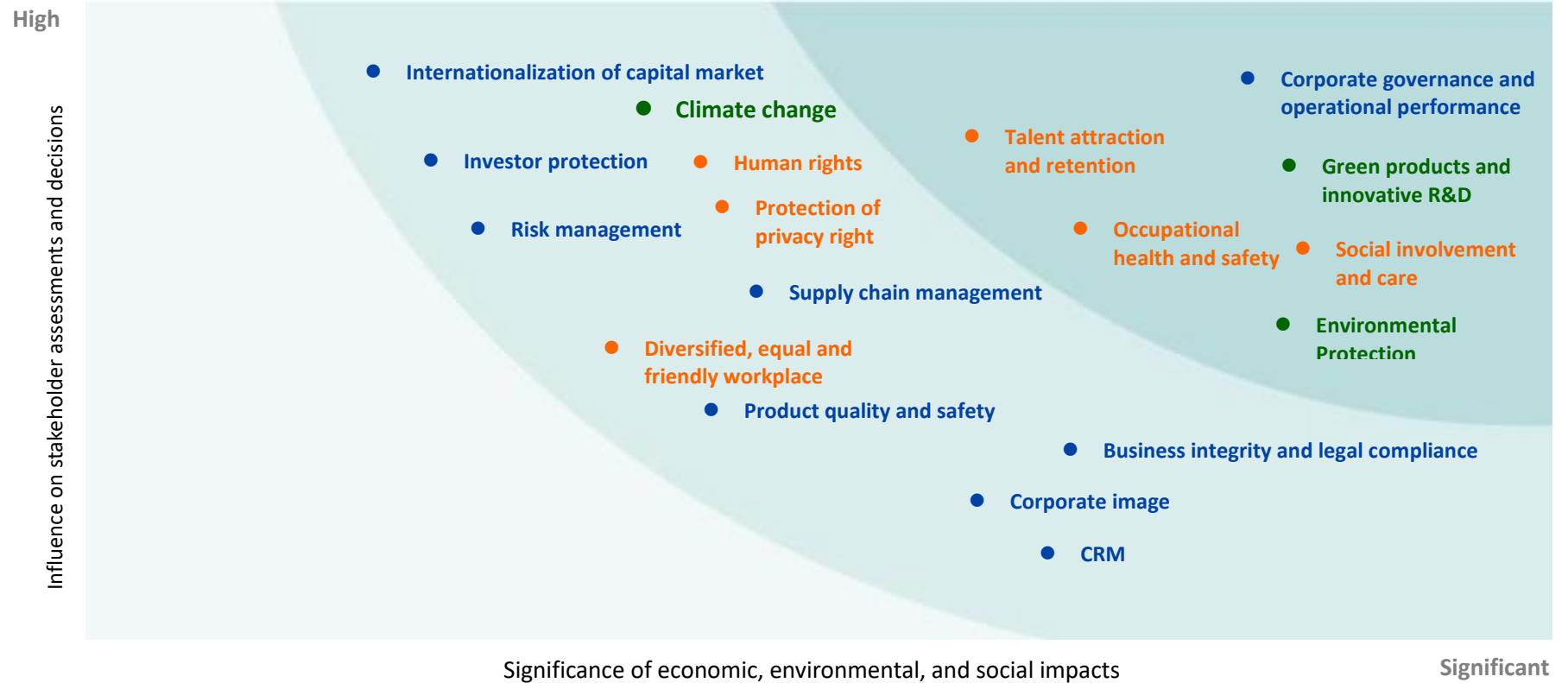
## The 18 issues of concern to stakeholders corresponding to CSR aspects:



### Notes:

1. Issues marked with ★ are issues of material concern.
2. Compared with 2019 issues of concern, the 2020 issues of concern have included four additional topics, “Climate change”, “Protection of privacy rights”, “Internationalization of capital market” and “Investor protection”. The remaining issues of concern were consolidated and converged in 2020 for effective management.

### 1.2.3 PLANET Materiality Matrix in 2020



Notes:

1. After discussing and confirming the materiality matrix, PLANET has identified 6 of the 18 issues of concern as the material topics in this report, based on the degree of impact of internal and external stakeholders' feedback.
2. The 2019 material topics that were not included in the 2020 material topics are: "Supplier management", "Brand image", "Product safety", "Legal compliance", "Customer services", "Product quality" and "CSR Supply chain".

### 1.2.4 Impact Scopes and Boundaries of the Material Topics

The scopes and boundaries of the 6 material topics identified by PLANET:

○ Indirect Impact ● Direct Impact

Material Topic	Corresponding GRI Standard	Chapter	Page	Impact Scopes and Boundaries						
				Investor (Shareholder)	Employee	Customer	Supplier	Government Agency	NPO/ NGO	Community
Corporate governance and operational performance	GRI 102-18: Governance structure GRI 201: Economic Performance	2.1 About PLANET Technology 2.2 Corporate Governance Mechanism	18 20	●	●	●	●	○		
Green products and innovative R&D	GRI 302: Energy GRI 308: Supplier Environmental Assessment	3.1 Green Products and Innovative Research & Development	33	○	●	●	○			
		4.2 Climate Change and Environmental Management	46							
Environmental Protection	GRI 302: Energy GRI 305: Emissions GRI 306: Waste GRI 307: Environmental Compliance	4.1 Environmental Sustainability Policy	44							
		4.2 Climate Change and Environmental Management	46		●	○	●		○	○
Talent attraction and retention	GRI 401: Employment GRI 404: Training and Education	5.1 An Overview of PLANET's Manpower Situation	56							
		5.2 Employee Cultivation and Care	58		●			○		
		5.3 Equal and Friendly Workplace	63							
Occupational health and safety	GRI 403: Occupational Health and Safety	5.4 Occupational Safety and Health	64		●	●	●	○		
Social involvement and care	GRI 413: Local Communities	6.1 Promoting Education for Disadvantaged Children	74		○				○	
		6.2 Corporate Volunteers	76							●





# Sustainable Corporate Governance

- 2.1 About PLANET Technology
- 2.2 Corporate Governance Mechanism
- 2.3 Ethical Business Operation and Law Compliance
- 2.4 Information Security and Privacy Management
- 2.5 Intellectual Property Management
- 2.6 Risk Management

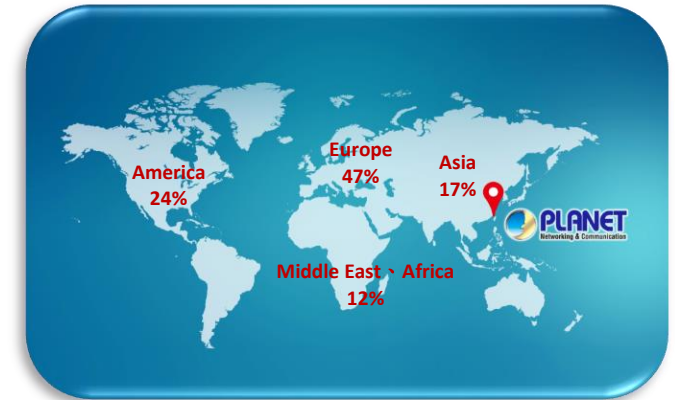


Management Policy on Material Topics	Corporate Governance and Operations Performance	
Background	<p>PLANET defines its business philosophy as integrity, and it is continuing to refine its corporate governance mechanism. Solid foundations for corporate sustainability have been laid down through compliance with laws and regulations along with sound financial management, so that PLANET is able to protect the rights of its shareholders and to maximize their interests in a sustainable manner.</p>	
Policy	<ul style="list-style-type: none"> <li>● Enhance the functions of the Board of Directors.</li> <li>● Improve information transparency.</li> <li>● Promote branding and innovation; expand the global market.</li> <li>● Adhere to business integrity and implement corporate social responsibility.</li> </ul>	
Goals and Targets		Actions and Achievements
<ul style="list-style-type: none"> <li>● Achieve sustainability of corporate governance</li> <li>● Meet the international standards and enhance information transparency</li> </ul>		<ul style="list-style-type: none"> <li>● Introduce risk management mechanism</li> <li>● Establish additional functional committees -- Risk Management Committee and CSR Committee</li> <li>● Complete the first annual report of the shareholders' committee in English and compile the English version of the CSR report</li> </ul>
Evaluation Mechanism		Grievance Mechanism
<ul style="list-style-type: none"> <li>● Through the board meetings, corporate governance evaluations and other mechanisms, PLANET regularly reviews the implementation of its corporate governance and tracks the accomplishment of the objectives.</li> </ul>		<ul style="list-style-type: none"> <li>● See Section 1.2.1 Stakeholder Identification and Communication.</li> </ul>

## 2.1 About PLANET Technology

Founded in 1993, PLANET Technology was publicly listed on Taipei Exchange (TPEX) (ID: 6263) in September 2003, with its corporate headquarters located in the Xindian District of New Taipei City, Taiwan. PLANET specializes in the development of IP-based networking products and technologies integrated with voice, data and video. Today, PLANET is one of the leading enterprises in digital innovation in the international networking market and its products are marketed under its own brand “PLANET” in more than 140 countries around the world.

PLANET is closely monitoring global climate change and environmental sustainability with a particular emphasis on technological innovation and environmental protection. PLANET will continue to provide the market with a full range of premium, high-quality, high value-added networking equipment possibly based on the principle of green energy. The company’s key products include LAN switches, Power over Ethernet (PoE), industrial Ethernet, industrial automation, Fiber-optic connectivity, IP surveillance, wireless LAN, IP telephony, broadband communication, network security, home automation equipment, and central network management systems.



Worldwide under the PLANET brand

### 2.1.1 Brand Management Philosophy

PLANET has been pursuing sustainable development by adhering to the principles of integrity, innovation, quality and efficiency, with a focus on marketing of its own brand as well as research and development of networking products. With its motto "Shaping Future Networking", PLANET demonstrates its determination to shape an intelligent, user-friendly and sustainable technological age by continuously innovating digital network transmission technology and equipment. At the same time, PLANET has incorporated corporate social responsibility into its business strategy, fulfilling its role as a global citizen. Great efforts have been made for improvements on the company’s corporate governance, implementation of CSR, maximization of corporate value and enhancement of customer recognition. Today, PLANET is committed to the optimization and steadiness of its business operations and strives to achieve the success of the enterprise and become a world-class brand of professional network equipment.

### 2.1.2 Membership Associations

PLANET actively participates in domestic and overseas activities organized by organizations in the industry and associations engaging in research and development of products and technology, jointly promoting industrial development and talent cultivation. Details are as follows:

Category	Organization	Membership	Acting as a Director or Supervisor
Industry	Taipei Computer Association (TCA)	√	
	National Innovation and Entrepreneurship Association , R.O.C. (NiEA)	√	√

Category	Organization	Membership	Product Attribute
R&D and Technology	Access Advance LLC (Formerly HEVC Advance)	√	IP camera, NVR
	ONVIF (Open Network Video Interface Forum)	√	IP camera, NVR
	EtherCAT Technology Group	√	Industrial Ethernet equipment Industrial Automation product

### 2.1.3 Financial Performance

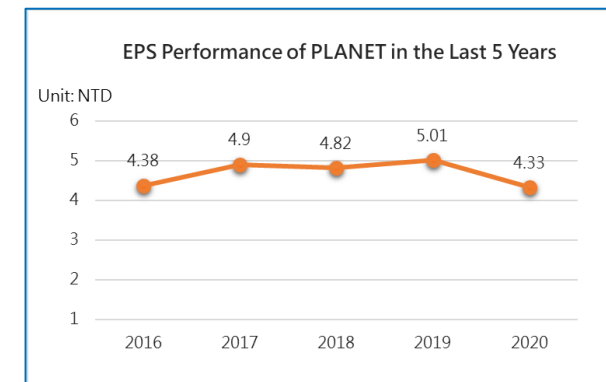
PLANET is in a sound financial position. Our debt asset ratio has always been lower than 20% and there are no long-term liabilities. As we do not engage in high-risk, highly-leveraged investments, lending, endorsements or trading of derivative financial products, all financial risks are under full control. Share dividends or allotments are issued every year to share the fruits of our business with shareholders. International Financial Reporting Standards (IFRS) was adopted by PLANET in 2012. Tax returns are also filed and tax payments are made on time in accordance with government tax legislation. We comply with laws on disclosure, respond in a timely manner to all queries from the taxation authorities, and provide any tax records required upon demand.

PLANET's business operation has been performing well for the past 5 years, with an annual EPS of more than NTD 4. However, due to the global outbreak of the COVID-19 in 2020, international transportation of goods was severely affected, coupled with the decline in export revenue due to the appreciation of New Taiwan dollar (NTD) against US dollar. PLANET's revenue in NTD saw a slight decline in 2020 compared with that in 2019. PLANET will continue to focus on innovation in its research and development by implementing differentiation strategy to enhance the competitiveness of its products and technology in the market, thus realizing sustainable growth of its operating performance.

#### Financial Performance of PLANET in the Last 5 Years

Unit: NTD Thousand

Year	2016	2017	2018	2019	2020
Net Operating Revenue	1,279,531	1,361,090	1,367,538	1,348,032	1,227,105
Net Profit before Tax	322,815	357,206	366,990	381,328	328,337
Net Profit after Tax	274,055	306,386	301,040	312,852	270,070
Earnings per Share (NTD)	4.38	4.90	4.82	5.01	4.33
Debt Asset Ratio (%)	19.19	17.30	18.05	18.57	19.67
Return on Assets (%)	19.01	20.24	19.29	19.35	16.35
Return on Equity (%)	23.06	24.76	23.43	23.64	20.18



Note : For the 2020 Financial Report, please refer to Chapter 6 -- Financial Overview of the 2020 PLANET Technology Annual Report (page 167 ~ page 311)

### 2.1.4 List of Major Shareholders

Data valid until: April 2021

No.	Name of Shareholder	Number of Shares Held	Proportion of Shareholding
1	Puyang Investment Co., Ltd.	16,856,237	26.97%
2	Chen, Ching-Kang	4,211,978	6.74%
3	Hsu, Hwa-Lin	3,030,241	4.85%
4	PLANET fund dedicate trust account, Bank of Taiwan	1,506,293	2.41%
5	Fengteng Investment Co., Ltd	600,000	0.96%

No.	Name of Shareholder	Number of Shares Held	Proportion of Shareholding
6	Chou, Hsiao-Chuan	483,917	0.77%
7	Huang, Wei-Jen	482,511	0.77%
8	Hsu, Ya-Ling	410,892	0.66%
9	Lin, Man-Tsu	323,555	0.52%
10	Shih, Yi-Shen	313,775	0.50%

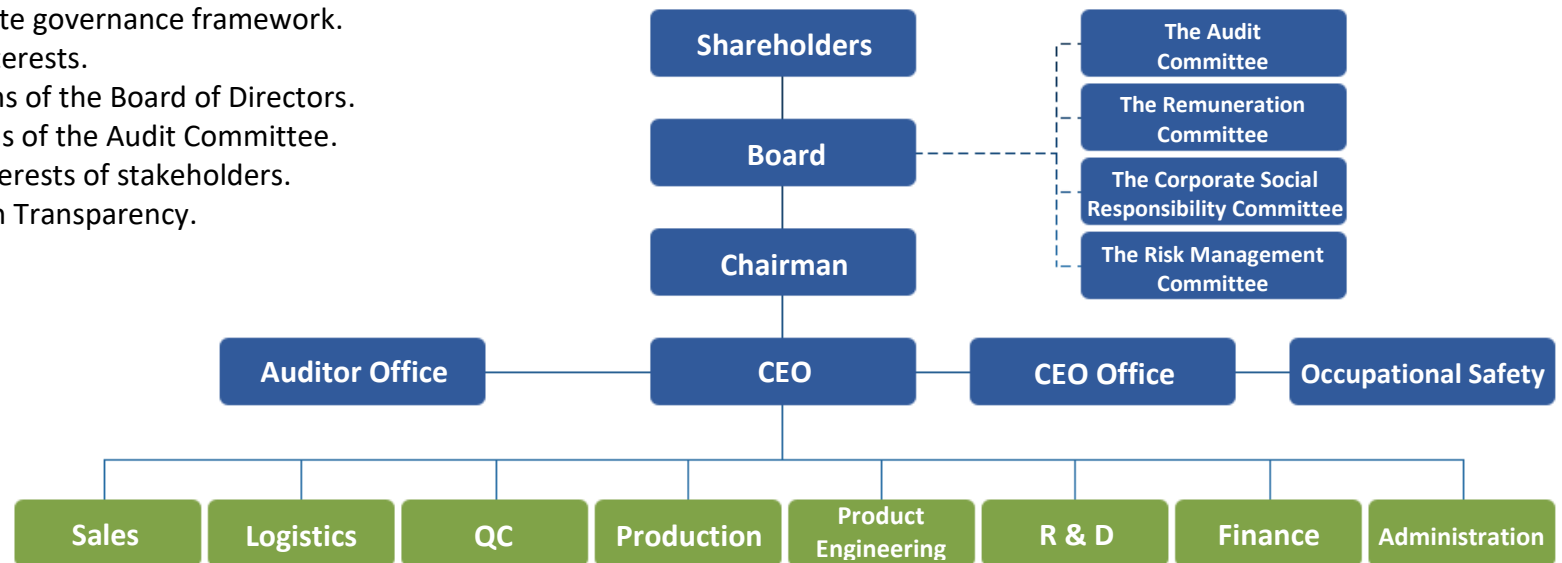
## 2.2 Corporate Governance Mechanism

PLANET strictly aligns its corporate governance with the 2030 Agenda for Sustainable Development adopted by the UN. There are 17 Sustainable Development Goals (SDGs) to be achieved. Among them, PLANET is targeting “Goal 10 -- Reduced Inequalities”, and “Goal 16 -- Peace, justice and strong institutions” in practice of corporate governance.

PLANET’s management team values the development and proactive implementation of governance culture. In 2020, the company was ranked one of the top 6 ~ 20% TPEX-listed companies in the “2019 Corporate Governance Evaluation” conducted by the TWSE and TPEX, which was another great reward for the joint effort made by the entire company.

PLANET has drawn up its “Corporate Governance Best Practice Principles” in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”. In 2019, the company appointed a director of corporate governance who would be responsible for the implementation of corporate governance in accordance with the following principles:

- Building an effective corporate governance framework.
- Protection of shareholder interests.
- Enhancement of the functions of the Board of Directors.
- Maximization of the functions of the Audit Committee.
- Respecting the rights and interests of stakeholders.
- Improvement on Information Transparency.



The scope of responsibilities of the corporate governance director and implementation of corporate governance are publicly disclosed on the company's official website.

Website: <https://www.planet.com.tw/tw/ir/supervisor>

## 2.2.1 Board of Directors and Functional Committees

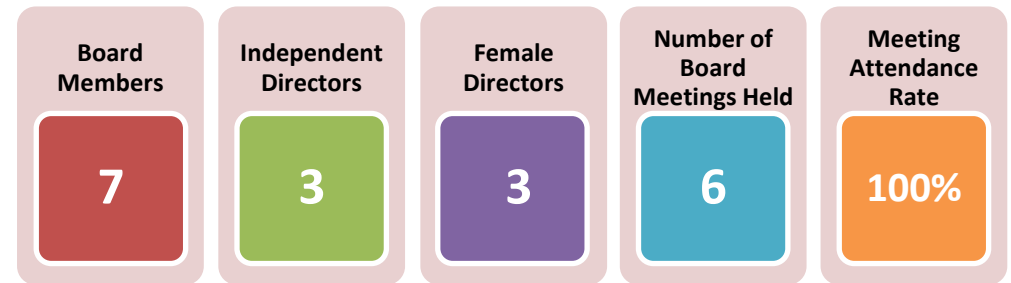
PLANET's Board of Directors, Audit Committee, Remuneration Committee, Corporate Social Responsibility Committee (CSR Committee) and Risk Management Committee perform their duties in accordance with "The Rules of Procedure for Board of Directors Meetings," and the organization regulations for each of the functional committees, respectively.

### 2.2.1.1 Board of Directors

PLANET's directors (including independent directors) are elected according to "The Regulations of Director Election", where candidates are nominated. At present, the board has 7 members, including 3 independent directors, 1 non-operating director and 3 operating directors. The responsibilities of the board of directors include appointing and supervising the management team of the company, supervising the overall operation of the company, working for the maximization of shareholders' equity, and reporting at the shareholder meetings. The board of directors shall exercise its functions and powers in accordance with the law, the articles of association or the resolutions of the shareholders' meetings and ensure the effective functioning of the corporate governance system.

Board meetings shall be held at least quarterly. A total of six board meetings were held in 2020. Mr. Chen, Ching-Kang, also known as Mr. Jack Chen, the chairman of the board of directors, who is also the CEO of the company, leads the company to maintain healthy and efficient corporate structure, steady and progressive business growth as well as sound communication between the operation team and the board of directors. The chairman of the board of directors strives to implement the board's strategic guidance over the company's business operations, so as to maximize the benefits of all shareholders.

For profile of each board member, please refer to Item 2 of Chapter 3 of 2020 PLANET Annual Report (page 19 ~ page 23), which is published in the Stakeholder one of the company's website. Website of the Annual Report: <https://www.planet.com.tw/tw/ir/financial-reports>



### Members of the Board of Directors

Professional Title	Name	Gender	Main Education	Major Experience
Chairman	Chen, Ching-Kang	Male	Doctor of Business Administration, Macau University of Science and Technology	CEO, PLANET Technology Corporation
Director	Hsu, Hwa-Lin	Female	Dept. of Music, Chinese Culture University	Vice President, PLANET Technology Corporation
Director	Li, I-Chuan	Male	Doctor of Business Administration, Macau University of Science and Technology	General Manager, Zhan Yue Construction Organization
Director	Lin, Man-Tsu	Female	EMBA, National Chengchi University	Chief Financial Officer, PLANET Technology Corporation
Independent director	Chen, Shuh	Male	Doctor of Commercial Science, National Taiwan University	Chairman of the Board, Central Investment Corporation
Independent director	Huang, Hsin Hsien	Male	Department of Law, Soochow University	Director, Jianyuan Law Firm
Independent director	Chang, Pao-Thai	Female	EMBA, Antai College, Shanghai Jiao Tong University	Chairman of the Board, PREMIER INTERNATIONAL DEVELOPMENT INCORPORATION

### Emphasis on Diversification of Board Members' Backgrounds

To optimize the member structure of the board of directors, PLANET considers the professional competence of each individual candidate as well as the factor of gender equality in the selection of board members to ensure that the backgrounds of the board members are diversified.

Factor to consider	Objective of Diversified Backgrounds	Execution of Diversified Backgrounds
<b>Professional Competence</b>	To have at least one board member who majors in each of the fields, such as business, law and financial accounting, or with other professional and industrial knowledge needed by the company, so as to be able to supervise the overall operation of the company and to maximize shareholder equity.	Currently, among the seven directors, there are two with business major, one with law major, two with financial accounting major, and two with other majors required by the company's business. In terms of industry knowledge, there is one director in the field of business, one in the law field, one in financial accounting field, and four with other industry knowledge required by other company. Such a member structure has a more comprehensive effect on the company's future development.
<b>Gender Equality</b>	Female directors account for no less than one third of the total number of directors.	Currently, three of the seven directors are female, that is, 43%.

Diversified Backgrounds of PLANET's Board Members:

Professional Title	Name	Gender	Operational Judgement Ability	Business Management Ability	Crisis Management Ability	International Market Perspective	Leadership	Professional Competence	Industry Knowledge
Chairman	Chen, Ching-Kang	Male	●	●	●	●	●	Network communications	Technologies
Director	Hsu, Hwa-Lin	Female	●	●	●	●	●	Network communications	Technologies
Director	Li, I-Chuan	Male	●	●	●	●	●	Business administration	Construction
Director	Lin, Man-Tsu	Female	●	●	●	●	●	Finance and accounting	Technologies
Independent director	Chen, Shuh	Male	●	●	●	●	●	Finance and accounting	Finance
Independent director	Huang, Hsin Hsien	Male	●	●	●	●	●	Legal	Legal
Independent director	Chang, Pao-Thai	Female	●	●	●	●	●	HR	HR

**Gender Equality**

The proportion of female directors: **43%**

**Professional Competence**

Business: 2 directors  
Law: 1 director  
Finance: 2 directors  
Other field: 2 directors

**Industrial Expertise**

Business: 1 director  
Law: 1 director  
Finance: 1 director  
Other field: 4 directors

### 2.2.1.2 Composition and Operation of Committees

Audit Committee	Remuneration Committee	CSR Committee	Risk Management Committee
<b>Chairperson:</b> Chen, Shuh (Independent director)	<b>Chairperson:</b> Chang, Pao-Thai (Independent director)	<b>Chairperson:</b> Hsu, Hwa-Lin (Director)	<b>Chairperson:</b> Huang, Hsin Hsien (Independent director)
<b>Member:</b> Huang, Hsin Hsien (Independent director) Chang, Pao-Thai (Independent director)	<b>Member:</b> Chen, Shuh (Independent director) Huang, Hsin Hsien (Independent director)	<b>Member:</b> Chen, Ching-Kang (Chairman) Chen, Shuh (Independent director) Huang, Hsin Hsien (Independent director) Chang, Pao-Thai (Independent director)	<b>Member:</b> Chang, Pao-Thai (Independent director) Wu, Hsueh-Ju (COO)

Functional Committee	Holding of Meetings		Attendance Rate (Including Personal and Agent Attendance)
	Number of meetings that should be held in accordance with organizational rules	Number of meetings held in 2020	
Audit Committee	4	4	100%
Remuneration Committee	2	3	100%
CSR Committee	2	1 (Note 1)	100%
Risk Management Committee	2	1 (Note 2)	100%

Notes:

1. The CSR Committee was established on December 22<sup>nd</sup> 2020, so only one meeting was held in 2020.
2. The Risk Management Committee was established on December 22<sup>nd</sup> 2020, so only one meeting was held in 2020.

The functions, operations and material topics of each committee are disclosed on the company website.

Website: <https://www.planet.com.tw/tw/ir/functional-committees>



## 2.3 Ethical Business Operation and Law Compliance

PLANET is committed to operating its business with fairness, honesty, integrity and transparency. To implement the policy of ethical business and actively prevent dishonest conduct, the “Code of Ethics for Directors and Executives”, “Ethical Corporate Management Best Practice Principles” and “Guidelines of Procedures and Behaviors for Ethical Business Operation” have been formulated in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and the relevant laws and regulations of the place where the company’s business is operated. These rules expressly state that no director, manager, employee, appointed person or person in material control of the company shall act dishonestly in the course of conducting business. To enhance its compliance with the rules and regulations, PLANET will constantly improve its management system, perform inspections on legal compliance and organize education and training programs.

### 2.3.1 Ethical Business Operation

PLANET requires all its staff members, supervisors, managers, and directors not to engage in or use any reason to instruct other people to engage in any illegal or unethical activities. The rules of integrity must be strictly observed, while employee code of conduct must be established and clarified. Employees are also required to protect corporate assets and reputation and observe other company rules. As to execution of business activities, product design and procurement, employees must follow relevant rules and regulations and perform strict observance of discipline. PLANET explicitly states in its Rules Governing Ethical Corporate Management that it prohibits offering or taking of bribes, offering of illegal political donations, inappropriate sponsorship or charity donations, offering of improper gifts, treatment or other unjustified benefits, infringement of intellectual property rights and unfair competition. PLANET has also established prevention measures and procedures to prevent products or services from causing damages to the interests of stakeholder, protect the rights of customers and prevent loss of assets, penalties and damage to reputation of the company.

PLANET requires all newly recruited employees to learn the content of the “Rules Governing Ethical Corporate Management” and the “Operation Procedures and Guidelines for Ethical Business Management” as well as the significance of implementing these rules when they sign the labor contract.

Each year, employees must re-sign the Employee’s Declaration for Ethical Business Operation, and the company will conduct education and training for employees to publicize the relevant regulations governing ethical business operation, code of work, code of confidentiality and other business-related norms. The code and relevant regulations that all colleagues should observe in their work will be disclosed on the company’s internal sharing platform for employees’ reference at any time. In addition, PLANET has established an employee reward and punishment system to strengthen the company and all employees’ compliance with the rules governing ethical business management, and to inform all colleagues of the ethical standards to be observed in their works.



### 2.3.2 Law Compliance

PLANET strictly complies with the local laws and regulations governing its business operations, including the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Statute, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/TPEX Listing Rules, or other laws or regulations governing business activities. PLANET has established a corporate governance team to monitor changes in domestic and foreign laws and regulations that have a significant impact on the company's operations at any time to review and improve the company's ethical business policies and take corrective measures to ensure the company's compliance with local laws and regulations.

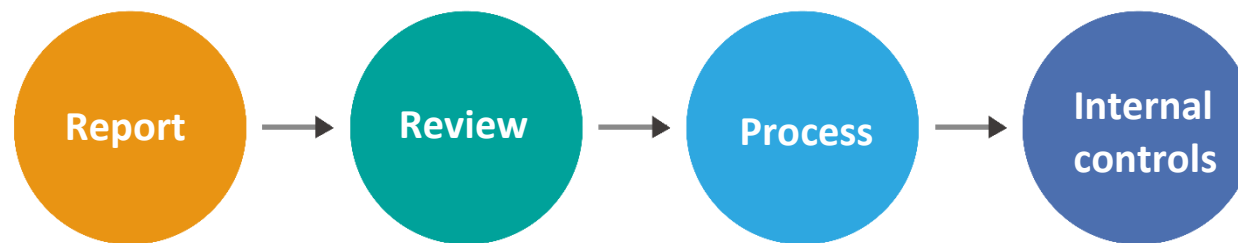
PLANET's Risk Management Committee, with a complete risk management framework and implementation level, identifies and locates the risks that the business needs to pay attention to. The Risk Management Committee uses the existing internal control and management systems to prevent possible corruption and misconduct to minimize risks, and also relies on the internal cross-department auditing or external auditing unit to ensure the company's compliance with relevant regulations.

In terms of compliance, a major incident is defined in accordance with the provisions in the rules and regulations on the verification and disclosure of important information of the TWSE/TPEX listed companies, and a single incident with a cumulative fine of more than NTD 1 million is considered a major incident. The occurrence of any major incidents is disclosed in the relevant section of the report.

To date, PLANET has never had an incident of non-compliance with the laws and regulations, or been subject to monetary fines or other non-monetary penalties as a result of major incidents.

### 2.3.3 Reporting Mechanism

PLANET upholds honesty and integrity in business management and complies with the laws and ethical standards of the countries in which it conducts business. To strengthen compliance and corporate governance practices, the board of directors passed the "Ethical Corporate Management Best Practice Principles", requiring the board to handle reporting cases in accordance with the guidelines and related procedures. The process is as follows:



## Details of the reporting mechanism are as follows:

### (1) Complaint filing and reporting channels:

PLANET's reporting channels are monitored by employees designated by the board of directors, who are responsible for accepting and processing reporting cases. The employees also make regular status reports to the Audit Committee. PLANET keeps informants' identities and their reports confidential and takes action to investigate and handle the cases proactively.

Discovery of any unethical behavior or violation of the code of conduct may be reported by using one of the hotlines and mailboxes below:

Telephone: +886-2-2219-9518

Email: supervisor@planet.com.tw

Reporting mailbox: 11F, No. 96, Minchuan Rd., Xindian Dist., New Taipei City, Taiwan

### (2) Investigation of Reports:

Reports that are accepted by the task force will be assigned to the appropriate units for review according to the report and complaint processing procedures. If a complaint is confirmed to be valid, a committee consisting of representatives and experts of different departments will be established to review the complaint and make corresponding decisions. Employees who are confirmed to have violated the rules governing ethical business management will be subject to administrative disciplinary action, recourse against unlawful gains, or further legal actions as appropriate.

### (3) Dealing with violators:

Employees who are confirmed to have violated the rules governing ethical business management will be subject to administrative disciplinary action, recourse against unlawful gains, or legal actions according to the seriousness of the offence.

### (4) Internal Control Measures: To strengthen internal control, PLANET holds regular internal audits and training programs.

- a. To enhance employees' compliance awareness, PLANET regularly organizes publicity campaigns to ensure that its staff, supervisors, managers and directors fully understand and comply with its rules and regulations governing ethical business operation. Every year, all employees of the company are required to sign the employee's declaration for compliance with the regulations governing Ethical Business Operations.
- b. To enhance the awareness of integrity and self-discipline, PLANET requires all newly recruited employees to learn the content of the "Ethical Corporate Management Best Practice Principles" and the "Guidelines of Procedures and Behaviors for Ethical Business Operation" as well as the significance of implementing these rules when they sign the labor contract.

## 2.4 Information Security and Privacy Management

PLANET strictly safeguards the security and privacy of its operation-related information and assets as well as the stakeholders, including customers, shareholders, suppliers and employees. PLANET has established the “Information Security Policy” as the basis of its information security management, based on which the company is able to implement and improve its works related to information security. PLANET is committed to continuous enhancement of its information safety management mechanism, thus ensuring the smooth operation and effectiveness of its information security management and privacy protection mechanism.

PLANET’s information security management is in the charge of the Information Management Team under the CEO Office, which reviews the company’s information security management objectives and policies at the annual management review meeting to ensure effective implementation of the information management policy and continuous and sound operation of the information security management system. The task of the Information Management Team is to implement the information security policy, safeguard customer data and company’s intellectual property, strengthen the capability of responding to incidents related to information security and achieve the goals of the information security policy.

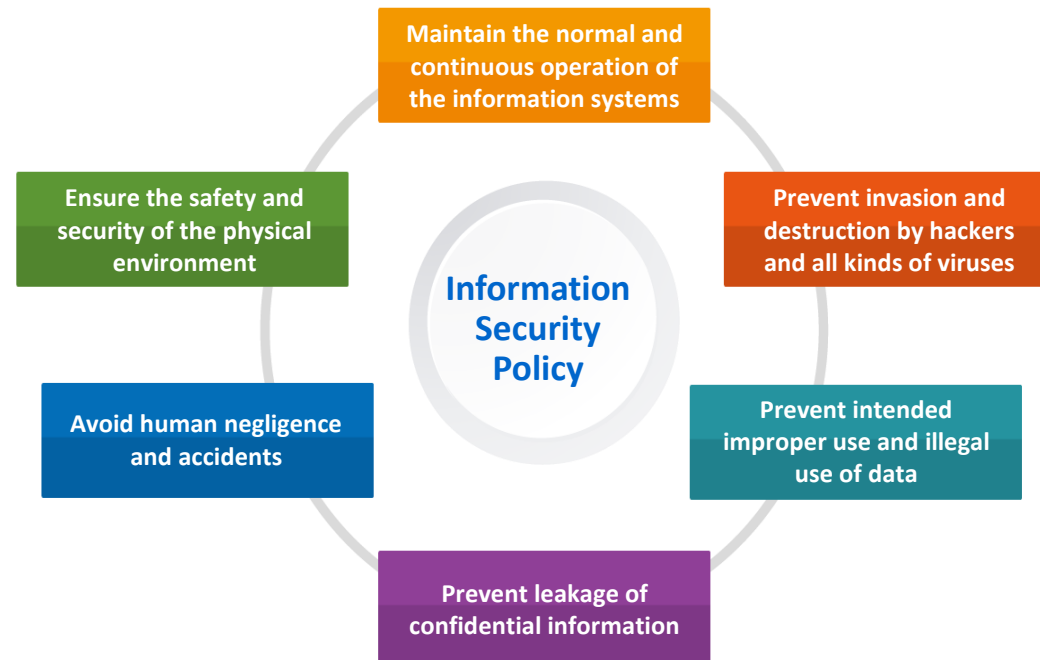
### 2.4.1 Information Security Policy

- Maintaining the continuous operation of the information systems.
- Preventing invasion and destruction by hackers and all kinds of viruses.
- Preventing intended improper use and illegal use of the information.
- Preventing leakage of confidential information.
- Avoiding accidents caused by negligence.
- Ensuring the security of the physical environment.

### 2.4.2 Information Security Training

PLANET conducts information security publicity and staff information security training programs in accordance with the Information Security Policy.

The company provides basic information security for new employees, and requires employees to sign the “Consent to use legal software” and the “Rules governing MIS training for new employees”.



### 2.4.3 Control of Risks Associated with Information Security

PLANET actively implements its Information Security Policy, and has established relevant management standards in policies and systems, organizational responsibilities, manpower safety, document control, asset management, communication and operation management, inventory access control, physical environment, system development and maintenance, continuous operation management, safety incidents management and legal compliance. In terms of technology, the company has installed network firewall, email security system, virus protection system, etc. to enhance information security management. PLANET's Information Security Policy is evaluated by internal auditors or organizations at least once a year, or re-evaluated when there is a major change in the organization (e.g., organizational restructuring) to comply with relevant laws and regulations. The evaluation results are reported at the management review meeting, and the policy is revised as appropriate to control and reduce risks associated with information security.

### 2.4.4 Safeguarding Confidential Information

Safeguarding confidential information is PLANET's commitment to customers, shareholders, suppliers and employees. PLANET fully understands that the protection of Confidential Information is critical to the competitiveness of the company and has put in place relevant protection mechanisms for all confidential information.

In 2020, there were no major incidents that affect the company's operations and involve violation of customers' privacy rights.

## 2.5 Intellectual Property Management

### 2.5.1 Protection of Business Secrets

PLANET's brand and the design and output associated with its products are assets of the company. To safeguard its assets, PLANET has established the "Managerial Regulations of Business Secrets" to prevent infringement of the company's trade secrets, trademarks, patents, copyrights and other intellectual property rights. The custodian of the company's intellectual property rights shall be responsible for keeping and safeguarding PLANET's business secrets, and shall not disclose them at will.

PLANET stipulates the confidentiality agreement and ownership of intellectual properties in the labor contract. New employees receive relevant education and training after reporting to duty. Relevant departments have also strengthened employees' awareness of intellectual property protection comprehensively and constantly required employees to ensure information security, thus avoiding business losses caused by outflow of intellectual properties.

### 2.5.2 Patent Protection

To continue to encourage technological innovation, PLANET has established the "Research and Development Innovation Incentive Measures" and the "Innovation/Improvement Proposals Incentive Measures" to motivate employees to file various patent applications through a diversified incentive system, thus enhancing product differentiation and market competitiveness.

PLANET frequently evaluates and analyzes the current situation of the industry and its competitors, and takes necessary legal measures in conjunction with legal affairs firms and patent law firms if it locates any possible infringement of its patents.

PLANET constantly reviews the status of all relevant patent applications and conducts evaluation on patent extension and invalidation so as to effectively manage its patents.

## 2.6 Risk Management

### 2.6.1 Risk Management Scope, Policies and Process

PLANET has classified its risks into 3 types, namely corporate risks, financial risks and operating risks. To effectively control risks and realize sustainable operations, PLANET has established the “Internal Control System”, the “Enforcement Rules of Internal Audit”, and the “The Organization Regulations for Risk Management Committee”, the amendments of which are subject to the resolution of the board of directors. The company has established an internal audit office, which directly reports to the board of directors and assists the board of directors and the management team in supervising the running of internal systems and processes. The internal audit office implements the annual audit plan, ensuring the effectiveness of the internal control system, the reliability of financial reports and the compliance with relevant laws and regulations. The internal audit office also provides timely suggestions for improvement to effectively implement the internal system and the supervision mechanism and to supervise the implementation of various risk management measures.

To effectively control business risks, PLANET established the Risk Management Committee and formulated the “The Organization Regulations for Risk Management Committee” on December 22<sup>nd</sup> 2020. The Risk Management Committee is under the board of directors and responsible for the implementation of risk management, and reports to the board of directors regularly.

### 2.6.2 Risk Management Committee

For effective control of business risks, the “Risk Management Committee” has been established by PLANET. The committee is composed of members respectively controlling corporate risks, financial risks and operating risks. Procedures have also been formulated on risk identification, measurement, monitoring, reporting and handling.



In addition, a three-tier mechanism has been adopted for corporate risk management:

Tier 1: The responsible unit or handling personnel are responsible for preliminary risk identification, measurement and monitoring of the design and prevention.

Tier 2: The company's general manager or vice president and COO, CTO and CFO are responsible for decision-making on feasibility, risk assessment, reports and handling.

Tier 3: The chairperson of the "Risk Management Committee" initiates projects and plans, and the auditors conduct risk inspection, risk assessment and tracking of corrective actions, which are then reported to the board of directors.

For more information on material risk assessment and the operation of each tier, please refer to the Risk Management section in Chapter 7 (page 311 ~ page 318) of the company's 2020 Annual Report released in the "Stakeholder Zone" of PLANET's website.

The annual report is available at: <https://www.planet.com.tw/tw/ir/financial-reports>

### **2.6.3 Preventing Risks through Comprehensive Internal Controls and Audit Systems**

PLANET has established the "Internal Control System", the "Enforcement Rules of Internal Audit", and the "Risk Management Regulations", the amendments of which are subject to the resolution of the board of directors. The company has established an internal audit office, which directly reports to the board of directors and assists the board of directors and the management team in supervising the running of internal systems and processes. The internal audit office implements the annual audit plan, ensuring the effectiveness of the internal control system, the reliability of financial reports and the compliance with relevant laws and regulations. The internal audit office also provides timely suggestions for improvement to effectively implement the internal system and the supervision mechanism and to supervise the implementation of various risk management measures.

The Audit Committee reviews the company's internal audit report on a monthly basis and maintains a good working relationship with the management team, internal auditors and certified public accountant (CPA). The mailbox of Audit Committee is provided in the "Stakeholder Zone" on PLANET website to facilitate direct communication among shareholders, employees and the Audit Committee.

## 2.6.4 The Operations of the Risk Management Committee

The term of office of the members of the Risk Management Committee shall be the same as the term of office of the current board of directors. The committee members meet at least twice a year, and as of December 31<sup>st</sup> 2020, there has been one meeting held, resulting from the establishment of the Risk Management Committee on December 22<sup>nd</sup> 2020. Committee members in attendance are as follows:

Committee member	Number of Attendances that should be made	Actual number of attendances	Number of Entrusted Attendances	Attendance Rate (Including in-person attendance and entrusted attendance)
Huang, Hsin Hsien	1	1	0	100%
Chang, Pao-Thai	1	1	0	100%
Wu, Hsueh-Ju	1	1	0	100%

Note: The Risk Management Committee was established on December 22<sup>nd</sup> 2020, so only one meeting was held in 2020.

## 2.6.5 Risk Management Operations

PLANET actively implements the risk management mechanism and reports its risk management operation to the board of directors once a year. The main operations in 2020 are as follows:

1. PLANET's internal auditors carry out the 9 cycles of internal audit and the audit of various management measures according to the annual audit plan every month to control the risks.
2. PLANET has obtained ISO 9001 Quality Management Systems and ISO 14001 Environmental Management Systems certifications; the latest certifications are valid through February 2022.
3. PLANET established the "The Organization Regulations for Risk Management Committee" on November 4<sup>th</sup> 2020.





# Sustainable Innovations

- 3.1 Green Products and Innovative Research & Development
- 3.2 Supply Chain Management
- 3.3 Customer Relation Management



### 3.1 Green Products and Innovative Research & Development

Management Policy on Material Topics		Green Products and Innovative Research & Development	
Background	<p>PLANET has been dedicated to providing high-standard, high-quality and high value-added networking solutions with the most complete range of products. The company’s main products include LAN switches, Power over Ethernet (PoE), industrial Ethernet, industrial automation, Fiber-optic connectivity, IP surveillance, wireless LAN, IP telephony, broadband communication, network security, home automation equipment, and central network management systems. Year by year, PLANET’s product research &amp; development is increasingly directed at innovative network technologies. At the same time, the company is highly concerned about the global climate change and committed to developing products of green energy. At PLANET, equal importance is attached to technological innovation and environmental protection.</p>		
Policy	<p>With its emphasis on the R&amp;D of eco-friendly product design, PLANET has established the “Eco-friendly Product Design Principles”, which requires strict compliance with environmental requirements at all stages of the service delivery process, including R&amp;D, product design, production, transportation, recycling and reuse. PLANET is actively engaged in innovative research and development, and constantly develops advanced technologies to consolidate its leading position in the network communications industry.</p>		
Goals and Targets		Actions and Achievements	
<ul style="list-style-type: none"> <li>The proportion of the non-peak hour power-saving design adopted by the PoE equipment should be more than 60%.</li> <li>The proportion of new products adopting environmentally friendly packaging should be more than 80%.</li> </ul>		<ul style="list-style-type: none"> <li>The proportion of the non-peak hour power-saving design adopted by the PoE equipment reached 100% in 2020.</li> <li>The proportion of new products adopting environmentally friendly packaging reached 96% in 2020.</li> </ul>	
Evaluation Mechanism		Grievance Mechanism	
<ul style="list-style-type: none"> <li>The company should conduct management review meetings every year to regularly review the performance of its green product development and R&amp;D innovation and to track the achievement of the goals.</li> </ul>		<ul style="list-style-type: none"> <li>See Section 1.2.1 Stakeholder Identification and Communication.</li> </ul>	

### 3.1.1 Green Energy Product Development

Eco-friendly product design has now been adopted across the board for all PLANET products. The “Eco-friendly Product Design Principles” require strict compliance with environmental requirements at every stage including R&D, design, manufacture, transportation, recycling and reuse.

#### Sustainable Design

- Use of energy-saving chips based on eco-friendly product design
- The development of PoE switches that incorporate the energy-saving smart PoE Schedule function.

#### Eco-friendly Design

- Products use eco-friendly components with independent certification on compliance with the requirements of EU RoHS, REACH, WEEE, EuP and Halogen-free.
- Switching power is now being progressively adopted in all product lines to comply with US “Energy Star” and safety certification requirements.
- PoE switch integrated with smart PoE Schedule timer function greatly increases the energy efficiency and energy savings of networks.
- Eco-friendly packaging is used for product cartons and padding.

#### Green Procurement

- The purchasing of product components adheres to the Green Procurement Management Rules and bans the use of raw materials containing conflict minerals from Congo and other countries. Suppliers were also required to sign the “Declaration on Non-use of Hazardous or Restricted Substances” or “Supplier Commitment on Environmental Protection.

#### Sustainable Sourcing & Green

- All product lines use lead-free processes.

#### Carbon Reduction for Transportation

- Product design and development takes the minimization of packaging volume into account to maximize energy efficiency during transportation.
- The principle of “whole container freight” is followed for sea freight to eliminate wasted container space and energy.
- “Direct flights” are used wherever possible when shipping by air to maximize efficiency and minimize energy consumption.

#### Recycling and Reuse

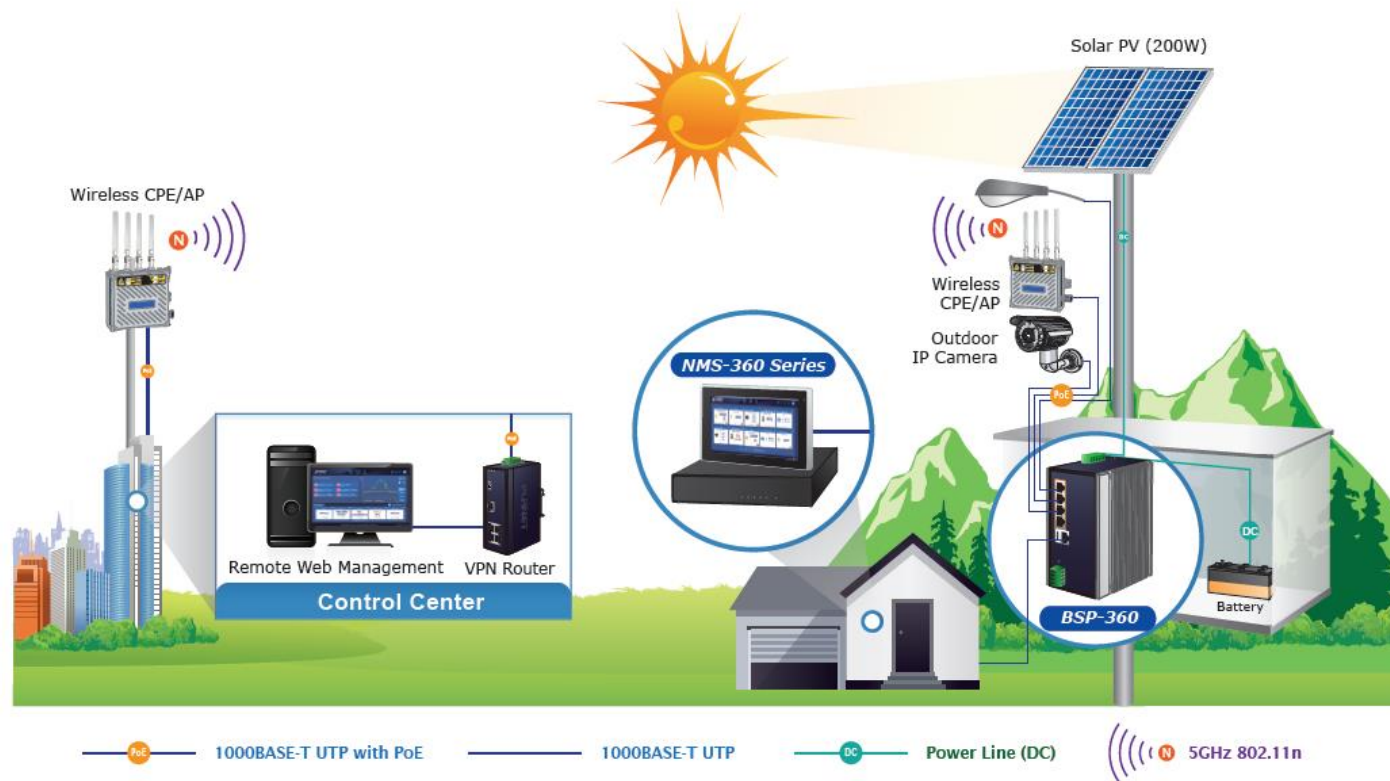
- All PLANET products adhere to the WEEE regulations to reduce the amount of electrical and electronic waste produced or processed. This in turn reduces their impact on the environment and mankind. “Industrial Waste Removal and Disposal” is also practiced to prevent environmental pollution.



### 3.1.2 Development of Renewable Energy Products

PLANET is a global leader and the only brand in Taiwan with complete energy-saving management technology of Ethernet power supply networks. The company is the first brand in Taiwan to integrate renewable energy and Ethernet transmission technology, which can greatly improve the efficiency of network power transmission and smart power-saving management, optimize energy use and reduce the use of network consumables, so that the construction of the network is not restricted by the region, thus speeding up the application of the Internet of Things (IoT) and IIoT.

The company's products, including Renewable Energy Management Controllers, Renewable Energy PoE Switches, industrial-grade PoE Switches, intelligent energy-saving 240-watt PoE Switches and other equipment, have won the "Taiwan Excellent Award" for innovation.



QR Code  
Renewable Energy Products

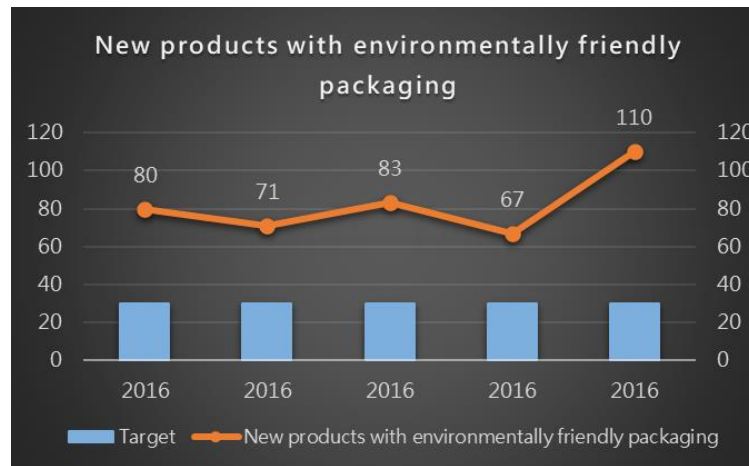
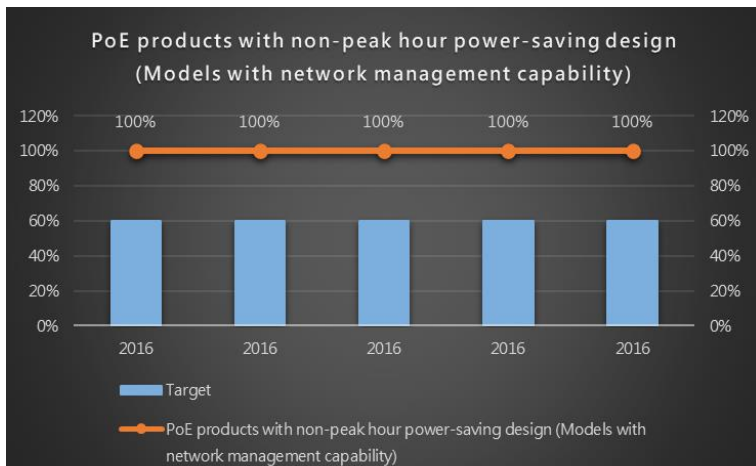
### 3.1.3 Regular Reviews

PLANET holds regular management review meetings to review the performance of its green products and the achievement of its goals for R&D innovation.

In 2020, there were a total of 34 PoE products with non-peak hour power-saving design, indicating a 100% adoption rate, which was better than the target for adoption of power-saving design in PoE products.

In 2020, a total of 113 new product items were developed, among which 110 new items were packaged in environmentally friendly boxes, which was better than the established annual target (30 items).

Year	2016	2017	2018	2019	2020
PoE products with non-peak hour power-saving design (Models with network management capability)	100%	100%	100%	100%	100%
Target	60%	60%	60%	60%	60%
New products with environmentally friendly packaging	80	71	83	67	110
Target	30	30	30	30	30



## 3.2 Supply Chain Management

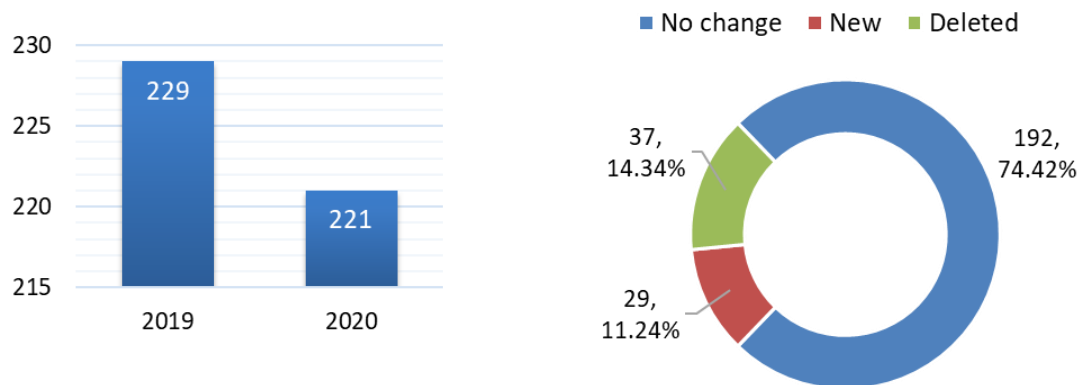
PLANET actively implements green supply chain management to develop long-term and efficient business relations with its suppliers. Through risk assessment and audit in economic, environmental and social aspects, PLANET ensures that all its suppliers fulfill their corporate social responsibility, thus strengthening the supply chain, reducing operational risks and realizing sustainable business operation.

PLANET requires suppliers to comply with local laws and regulations and the company's "Supplier/Partner CSR Management Guidelines". In the process of purchasing, PLANET takes full account of social responsibility and environmental benefits, giving priority to environmentally friendly products and services, thus achieving a sound balance between economic and environmental benefits. The company constantly improves its green procurement standards and management systems, and works with upstream and downstream manufacturers to implement corporate social responsibilities, such as environmental protection, energy conservation and carbon reduction so as to create a sustainable supply chain.

### 3.2.1 An Overview of the Suppliers

#### 3.2.1.1 Number of Qualified Suppliers

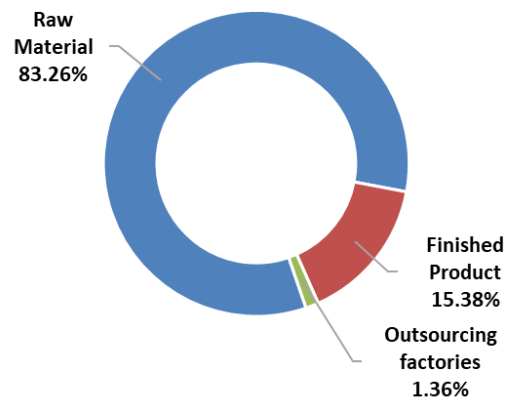
There were a total of 221 qualified suppliers in 2020, 8 fewer than that in 2019 (37 suppliers deleted, 29 new suppliers).



Change	Number of Suppliers	Reason for Change
No change	192	---
New	29	Newly introduced suppliers Change in supplier name Adjustment on supplier category Previous supplier - having business relation, after-sales services Previous supplier - having business relation, new project
Deleted	37	No business relation Ending of the supplier's dealership Change in supplier name Adjustment on supplier category

### 3.2.1.2 Structure of the Suppliers

According to 2020 supplier structure, there were 184 raw material suppliers, 34 finished product suppliers and 3 outsourcing factories, among which, the number of raw material suppliers decreased by 4 (23 deleted, 19 new) compared with that in 2019, and the number of finished product suppliers decreased by 4 (14 deleted, 10 new) compared with that in 2019.

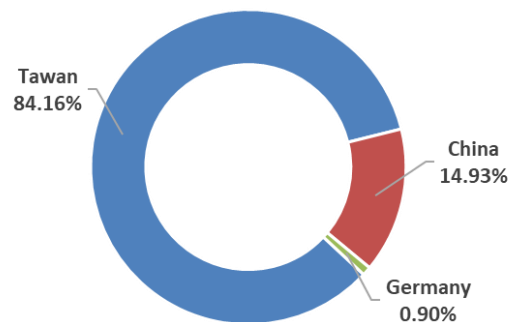


Type of Supplier	2019	2020
Raw Material	188	184
Finished Product	38	34
Outsourcing	3	3
Total	229	221

Change	Raw Material	Finished Product	Outsourcing	Reason for Change
No change	165	24	3	---
New	19	10	0	Newly introduced suppliers Adjustment on supplier category Previous supplier -- having business relation, after-sales services Previous supplier -- having business relation, new project
Deleted	23	14	0	No business relation Ending of the supplier's dealership Change in supplier name Adjustment on supplier category

### 3.2.1.3 Supplier Distribution

According to 2020 supplier distribution, there were 186 suppliers in Taiwan, 33 in Mainland China and 2 in Germany, among which, the number of suppliers in Taiwan decreased by 11 compared with that in 2019 (32 deleted, 19 new), and the number of suppliers in Mainland China increased by 3 compared with that in 2019 (5 deleted, 8 new).



Location of Supplier	2019	2020
Taiwan	197	186
Mainland China	30	33
Germany	2	2
Total	229	221

Change	Taiwan	Mainland China	Germany	Reason for Change
No Change	165	25	2	---
New	21	8	0	Newly introduced suppliers Adjustment on supplier category Previous supplier -- having business relation, after-sales services Previous supplier -- having business relation, new project
Deleted	32	5	0	No business relation Ending of the supplier's dealership Change in supplier name Adjustment on supplier category

### 3.2.2 Supplier Partnerships

Integrity and honesty are the most important qualities that PLANET considers when selecting its suppliers. Suppliers are regarded as partners of PLANET, and among which, Taiwanese companies account for around 80% of all suppliers. PLANET maintains open communication channels and good business relations with all suppliers. In response to future environmental trends, PLANET is placing greater emphasis on working with chip manufacturers that offer energy-saving designs. PLANET has also signed the “Declaration of Supplier’s Social Responsibility and Environmental Commitment” with its suppliers (excluding suppliers of spot commodities) to ensure the trading of green products.

PLANET’s “Supplier/Partner CSR Management Guidelines” requires that:

- Suppliers shall adopt lead-free processes for production.
- Product design shall adhere to environmental protection and energy-saving principles.
- Suppliers shall ensure no use of hazardous substances.
- Product shall comply with EU RoHS, REACH, WEEE and EuP directives.
- New outsourcing factories shall have ISO 14001 certification.
- The workshops of outsourcing factories shall comply with safety standards.
- Suppliers shall not use any illegal workers (protect legal workers) and child labor.
- Supplier shall not use conflict minerals from Congo and surrounding countries.

To provide environmentally friendly and energy-saving products and better meet customers’ demand, PLANET designs products in consideration of customers’ social, economic and technological background, so that the impact posed by its products on the environment during the process from raw materials to finished products is minimized. PLANET regularly conducts CSR audit and counseling for its key partners to optimize the operation of the green supply chain. All of PLANET’s product lines use energy-saving chips and switches that comply with the US “Energy Star” and safety certification requirements. At the same time, PLANET is committed to adopting lead-free processes in its production and packaging its products with minimal, lightweight and recyclable materials in accordance with the WEEE regulations.





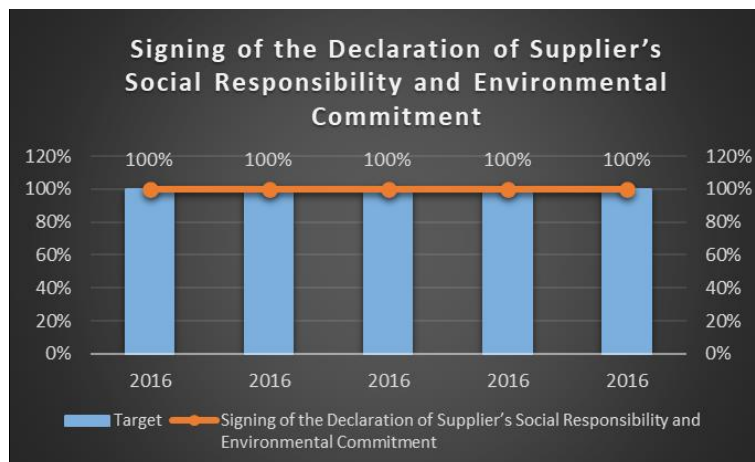
### 3.2.3 Regular Reviews

PLANET conducts quarterly audit and counseling for outsourcing factories, including:

- Inspect the implementation situation of the quality and environment management systems, and instruct the outsourcing factories to improve the implementation of the quality and environment management systems, making it conform to the international standard.
- Supervise the factories' ESH management, and ensure that the suppliers perform proper ESH management and provide satisfactory environment, safety and health conditions.
- Ensure that the CSR management performed by the outsourcing factories is in compliance with PLANET's CSR standards.

In 2020, no supplier was listed as unqualified supplier due to failure to meet the requirements for corporate social responsibility.

Year	2016	2017	2018	2019	2020
Signing of the Declaration of Supplier's Social Responsibility and Environmental Commitment	100%	100%	100%	100%	100%
Target	100%	100%	100%	100%	100%



### 3.3 Customer Relation Management

PLANET products are sold worldwide under the PLANET brand and an extensive network of distributors have been established in more than 140 countries on five continents around the world.



PLANET has always been quick, proactive and effective in dealing with customer complaints towards the market and products, and has established a policy to protect the rights and interests of customers and fulfill its product responsibilities. Details of the policy:

#### 3.3.1 Full product disclosure and provision of standard sales contracts

All product information is disclosed on our global website and printed catalogs for the customer’s reference at any time; “General Terms of Sales” are provided to customers during product sales setting out the terms of the transaction including price, method of payment, shipping, handling of product complaints, and warranty.

#### 3.3.2 Establishment of a “Partner Zone” on the global corporate website to support local marketing by distributors

Global distributors can log into the Partner Zone to access resources for product promotion, education and training. These help distributors expand the depth and breadth of their marketing for PLANET products and solutions.

#### 3.3.3 Obtaining of Multiple Certifications

The sustainable design and all environmentally-related certifications and guidelines that the product complies with are indicated in the product manual and the packaging.

#### 3.3.4 Timely Response

A “Sales Inquiry Mailbox” and “Technical Support Services” are provided on the global corporate website. Our sales team and technical support engineers shall respond to customer inquiries within 24 hours.

### 3.3.5 Diversified Communication Channels

A variety of channels including Email, Skype, Facebook fan page, and international professional tech websites are used to respond to customer inquiries in a timely manner.

### 3.3.6 Complete After-sales Service

Our “Warranty Policy” covers the return, replacement, repair and recall of products by global distributors.

### 3.3.7 Customer Complaint Channels

Set up customer service channel and compensation procedure. A “Rules for Handling Customer Complaints” has been set up to handle customer complaints.

### 3.3.8 Regular Reviews

Regular customer satisfaction surveys are conducted and used as metrics for internal evaluations.

Annual customer satisfaction surveys are conducted in accordance with the “Customer Satisfaction Survey Rules.” The results of the survey are included in the performance evaluations of the relevant units. Our company achieved an overall satisfaction rating of 99.77% in the 2020 customer satisfaction survey. Customer feedback shall also be responded to within 24 hours. The areas of concern are tracked for proactive improvement.

Year	2016	2017	2018	2019	2020
Customer Satisfaction	99%	100%	99%	99.70%	99.77%
Target	90%	90%	90%	90%	90%



# 4 Environmental Sustainability

- 4.1 Environmental Sustainability Policy
- 4.2 Climate Change and Environmental Management

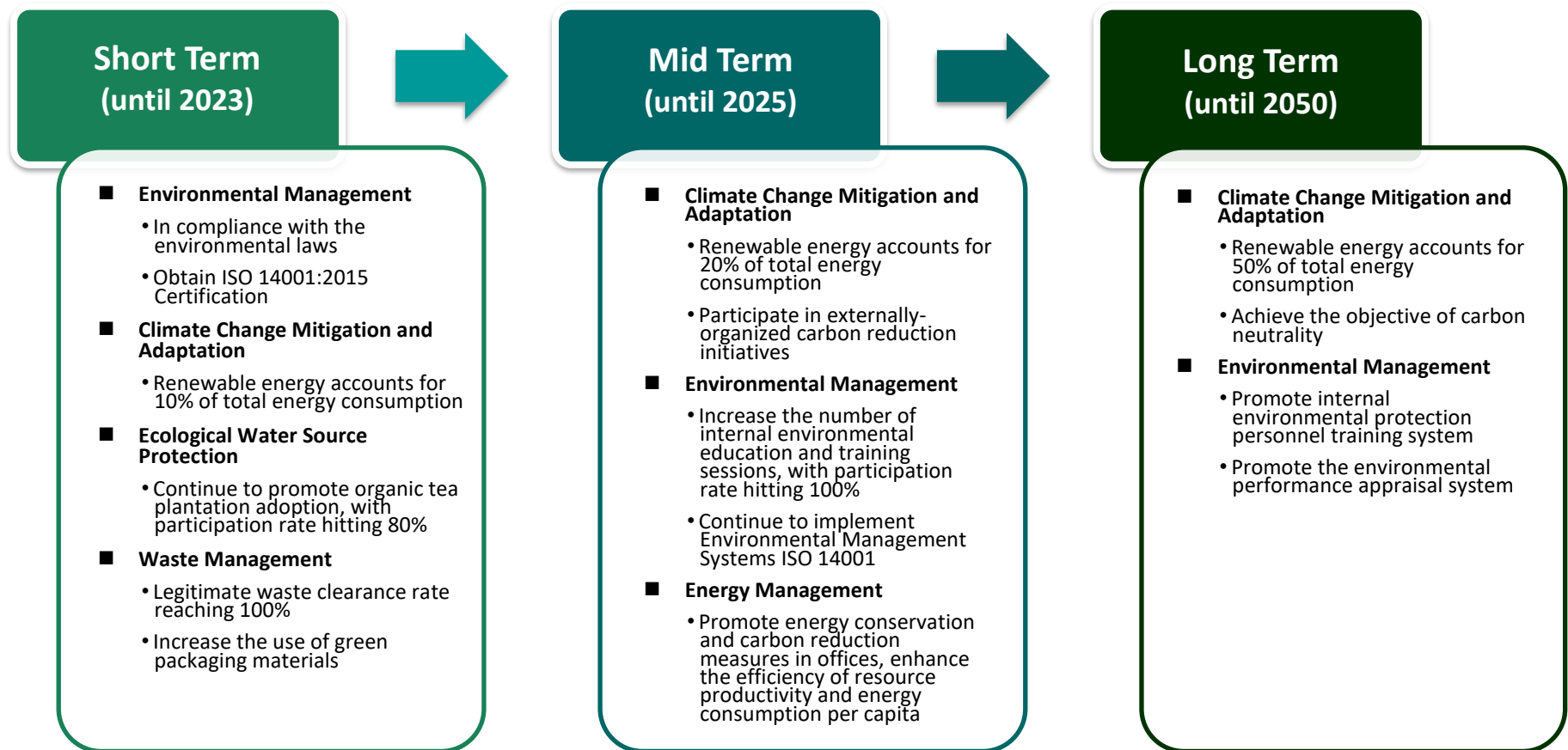


## 4.1 Environmental Sustainability Policy

Management Policy on Material Topics		Environmental Protection	
Background	<p>PLANET has incorporated environmental protection into its corporate policy. Environmental sustainability has also been incorporated into the company's management system with the setting of short-, medium- and long-term goals for environmental sustainability. PLANET strives to track the latest developments in environmental issues such as energy and climate change, improvement on energy efficiency and elimination of polluting emissions, pursuing its goal of "Road to Zero".</p>		
Policy	<p>Comply with environmental regulations, support environmental protection.                      Strengthen education and training, understand environmental responsibility.                      Continue to reduce pollution to achieve the goal of waste reduction.                      Use resources wisely and implement resource recovery.</p>		
Goals and Targets		Actions and Achievements	
<ul style="list-style-type: none"> <li>To have a legal waste clearance and transport compliance rate of 100%</li> <li>To have no major defective points and less than 3 minor defective points identified in ISO 14001 external audit</li> <li>To have less than 2 defective points each time identified in the internal environment audit</li> <li>To have 0 penalty imposed by environmental competent authority</li> </ul>		<ul style="list-style-type: none"> <li>In 2020, the waste recovery rate reached 100%, and the waste was treated by qualified Grade A waste treatment operator.</li> <li>Zero defects were identified in the ISO 14001 external audit in 2020.</li> <li>Only 1 defective point was identified in the internal environment audit in 2020.</li> <li>Zero penalties were imposed by environmental competent authority in 2020.</li> </ul>	
Evaluation Mechanism		Grievance Mechanism	
<ul style="list-style-type: none"> <li>PLANET holds management review meetings every year to discuss latest environmental issues and developments. Policy implementation status and results of management measures are reported and tracked at the meetings. In addition, the company constantly improves its environmental performance through ISO 14001 external audit and certification.</li> </ul>		<ul style="list-style-type: none"> <li>See Section 1.2.1 Stakeholder Identification and Communication.</li> </ul>	

## PLANET’s Environmental Sustainability Goals

PLANET attaches great importance to the implementation of green energy, carbon reduction and environmental protection policies in its R&D and production. The company has established the “PLANET Green Action Plan” to implement office waste reduction and resource recovery and to promote carbon reduction, energy savings and anti-global warming actions. PLANET has also established the “Environmental Protection Rules” to set environmental maintenance behavior standards for all its staff members.



## 4.2 Climate Change and Environmental Management

With the increasing impact of climate change on the world and the adoption of global initiatives such as the Paris Agreement and the UN Sustainable Development Goals (SDGs) in 2015, climate change has become a core issue that cannot be ignored in the process of sustainable development of all countries. To implement national greenhouse gas (GHG) reduction commitments and achieve the reduction targets, governments of various countries have formulated incentive measures and established market mechanisms or laws and regulations. As a result, the impact of climate change on institutional aspect of enterprises is also increasing. To adapt to the severe environmental conditions or to meet standard requirements of the governments and investors, enterprises need to assess how to minimize the impact of climate change on themselves by carrying out their efforts on energy conservation and carbon reduction. With that, the sustainability of enterprises' operations for value chain and core competence will be maintained. This, in return, will reap profits for themselves by making efforts to maximize market opportunities on a long-term basis. Therefore, climate change mitigation and adaptation strategies are now at the heart of global business sustainable development. Stricter regulations at home and abroad, large-scale natural disasters, and even changes in consumer buying behavior caused by climate change may have varying impacts on corporate revenues, costs, asset values, goodwill and business continuity.

### 4.2.1 Environmental Commitment and Evaluation

PLANET has established and documented the environmental management system, its process and interaction according to the requirements of ISO 14001. All staff of the company will firmly implement the system and constantly improve its effectiveness. Since 2011, PLANET has obtained the ISO 14001 Environmental Management System certification for 10 consecutive years.

### Environmental Policy

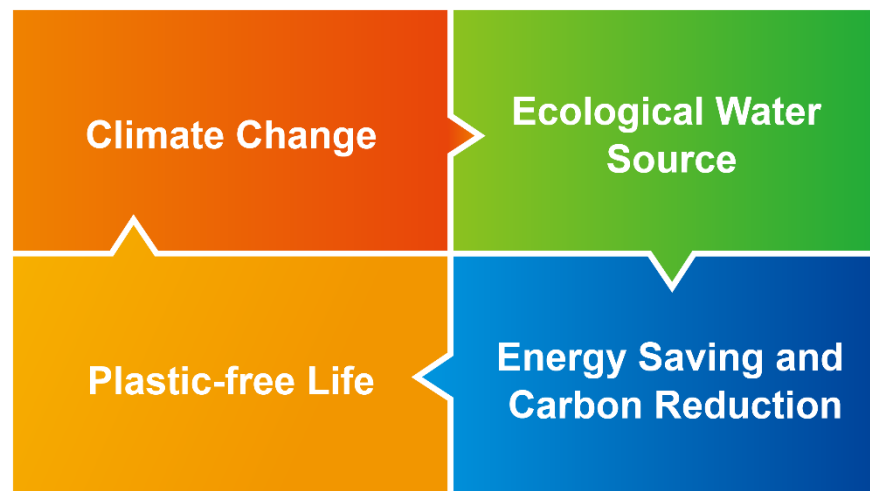
- Comply with environmental regulations, support environmental protection.
- Strengthen education and training, understand environmental responsibility.
- Continue to reduce pollution to achieve the goal of waste reduction.
- Use resources wisely and implement resource recovery.



#### 4.2.2 “Building a Low Carbon and Environmentally Sustainable PLANET” – Environmental Risk Management

PLANET proactively implements its Environmental Policy and is committed to creating an environmentally friendly business model with its influence of value chain. To accomplish its goal of “Building a low carbon and sustainable PLANET”, the company attached great importance to the issues such as “climate change”, “ecological water”, “energy conservation and carbon reduction”, and “plastic reduction”. In view of the correlation between energy use and climate change, PLANET has launched the Green Power (Renewable Energy) Assessment and Cooperation Program in response to the RE100 (Global Renewable Energy Initiative) to reduce carbon emissions through the use of green power as one of the mitigation measures for climate change.

PLANET conducts regular environmental risk assessment for company activities, products and operations. In 2020, the company completed a total of 216 environmental assessment operations, and assessed the conformity of PLANET’s regulations with 56 environmental laws and regulations as well as the environmental performance of the company. PLANET also conducts internal environmental audits to improve the workplace environment. A defective point was found in the internal environmental audit in 2020, which was about piling of sundry items in front of the fire-fighting equipment, and corrective actions have been done. The company has established a “responsible person mechanism” for the defective points in each of the areas and included the maintenance performance status in the checklist to prevent recurrence.





## 4.2.3 Climate Change Mitigation and Adaptation

### 4.2.3.1 Greenhouse Gas Inventory

In line with climate change mitigation, PLANET has been continuously performing annual greenhouse gas (GHG) inventory and energy management in accordance with ISO 50001. In response to the RE100 Initiative, the company successfully launched the Green Power Assessment and Cooperation Program to promote actions such as office energy efficiency measures that can effectively reduce emissions intensity and mitigate the greenhouse effect. PLANET has also provided comprehensive publicity and training programs to enhance staff's awareness of energy conservation.

PLANET's GHG inventory covers the GHG emissions generated by Scope 1 (use of the company's vehicles) and Scope 2 (electrical power usage). In 2020, the total volume of GHG emissions was 195.64 tons /CO<sub>2</sub>e, of which Scope 2 GHG emissions accounted for 97% and Scope 1 for 3%. GHG Emissions in 2020 increased by 7.03 tons/CO<sub>2</sub>e, or 3.7%, compared with the previous year, which was mainly caused by the increase in carbon emissions generated by electrical power usage due to the increase in the proportion of high power-consuming functions to be tested in the development of industrial-grade and PoE power supply equipment. In view of this, PLANET's future product development will aim to achieve the goal of reduction in electricity consumption and greenhouse gas emission without compromising product testing. In response to climate change mitigation, the company signed a letter of intent to purchase green power from renewable energy distributor in 2020, so that by 2021, 10% of the energy used by PLANET will be renewable energy.

**Annual Carbon Emission**

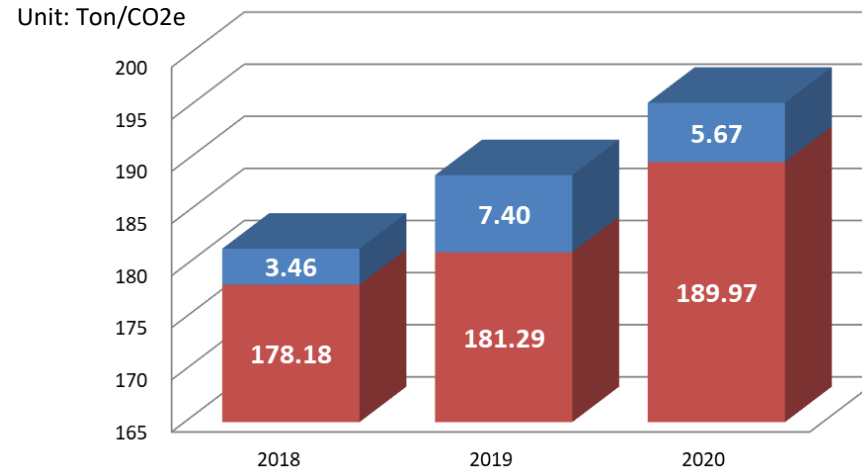
Year	2018	2019	2020
Carbon emission generated by use of electrical power (tons of CO <sub>2</sub> e)	178.18	181.29	189.97
Carbon emission generated by use of vehicles (tons of CO <sub>2</sub> e)	3.46	7.40	5.67
Total volume of emissions (tons of CO <sub>2</sub> e)	181.64	188.69	195.64
Annual revenue (NTD thousand)	1,367,540	1,348,032	1,227,105
Carbon Productivity (NTD thousand /tons of CO <sub>2</sub> e)	7,528.85	7,144.16	6,272.26

Notes:

1. From 2020 onwards, the emission coefficient of each year will be applied in the calculation.
2. The emission coefficients for the GHG emissions generated by power usage in 2018 and 2019 adopt the national emission coefficients in the GHG Emission Coefficients Management Table published by the Environmental Protection Administration, ROC (Taiwan). However, the emission coefficients published by the EPA used for calculation are fixed annual emission coefficients.

### Total volume of GHG emissions

■ Volume of GHG emissions (Scope1) ■ Volume of GHG emissions (Scope2)



Unit : Ton/CO2e

Year	2018	2019	2020
Total volume of GHG emissions from Scope1 and Scope 2	181.64	188.69	195.64
Volume of GHG emissions (Scope1)	3.46	7.40	5.67
Volume of GHG emissions (Scope2)	178.18	181.29	189.97

Notes:

1. As PLANET is renting offices in a commercial building, the boundary of its GHG inventory is limited to the 7 office areas that PLANET is renting, which are located on floors B1, 2, 7, 8, 9, 10 and 11. The public areas of the building are not relevant to the PLANET's GHG inventory.
2. The GHG Inventory adopts an operational control approach to aggregating greenhouse gas emissions.
3. The GHG inventory of Scope 1 and Scope 2 were conducted in accordance with the Methodology provided in ISO 14064-1:2006, and the national emission coefficient in the GHG Emission Coefficients Management Table was taken as the emission coefficient for calculation. Due to the unavailability of the emission coefficient for 2020 at the time of compilation of this report, the 2019 emission coefficient was taken for the calculation for 2020.

### 4.2.3.2 Water Resource Conservation

Adopted in 1992, Agenda 21 made sustainable water resources management an important issue for the future development of all countries. Agenda 21 highlighted the significance of “Protection of the quality and supply of water resources” in the action plan for sustainable water resources management, and suggested that the integrated method should be applied to the development, management and use of water resources. As PLANET’s production processes do not involve use of water, the ecological water resources protection is still on its watchlist. PLANET has been adopting Pinglin organic tea plantation since 2010. The company’s adoption has stopped the organic tea plantation from using pesticides, chemical fertilizers and other toxic substances, which will avoid contaminating the water of Feitsui Reservoir. The Pinglin organic tea plantation adoption action plan established by PLANET has improved the quality of water and protected the ecosystems in the water source area.

In 2020, a total of 110 employees participated in the adoption of Pinglin organic tea plantation, indicating an employee adoption rate of 72%. Over the past ten years, the number of organic tea growers has grown to 35, and the area of organic tea plantations has expanded to 55 hectares.

#### Outcomes and benefits of the Pinglin organic tea plantation adoption program:

- The organic tea plantation adoption program has ensured a stable income for tea growers and enhanced their willingness to switch over to organic cultivation. The number of organic tea growers has since grown from 8 in 2010 to 35 today. The area of organic tea plantations has expanded from just 1 hectare in 2010 to 55 hectares today.
- The program protects the upstream environment of Feitsui Reservoir, which safeguards the water resource of Greater Taipei region.
- The program maintains healthy soil, healthy tea and healthy growers.
- The program has restored the diversified ecological system around the tea plantations and the reservoir.
- The program has raised employees’ concerns about the ecological system and enhanced their awareness of making a joint effort to protect the environment.



### 4.2.3.3 Energy Conservation, Carbon Reduction and Energy Management

Through systematic organization and management as well as effective training programs, PLANET implements office carbon emission management and encourages all employees to participate in environmental protection. PLANET has also introduced the “Green Action Plan” in the office and established an “Eco-LOHAS Zone” on the intranet to promote carbon reduction, anti-global warming, energy savings, water conservation, waste reduction and resource recycling.

- In 2018, PLANET launched the “Private Clouds” project to achieve energy savings through server virtualization. By 2020, 81% of servers have been virtualized. From 2018 to 2020, the total power saved was about 55,188 kWh.
- PLANET changes the shading rate by adjusting the position of lighting fixtures and the angle of the sunshades, so as to effectively reduce the power consumption and exposure to sun, thus reducing the energy consumption of air conditioning.
- “LOHAS Health Corridors” have been installed to encourage employees to support green actions by using the stairs instead of elevators when traveling between office floors. Benefits of such practice include reduction of energy consumption and carbon emissions as well as better health.
- PLANET has increased the amount of vegetation in its offices to turn the offices into eco-friendly LOHAS green spaces.
- PLANET has established the waste battery recovery stations to reduce the chance of environmental pollution caused by waste batteries.



Total power saved

**55,188kWh**

Data period: 2018-2020

**Migrate physical server to the cloud to reduce the power consumption of the server**

The total power consumption of the company in 2020 was 741,845 kWh, an increase of 3.7% over the previous year, in which the power consumption for office areas was 373,217 kWh, an increase of 4.8% over the previous year. It was due to the use of additional dehumidifier and the increase in the percentage of burn-in test for products of industrial and commercial specifications.

In terms of annual power consumption per person, in 2020, it was 4848.66 kWh, a decrease of 0.2% over the previous year. In the future, PLANET will continue to strengthen environmental awareness and implement energy-saving actions.

**Annual Energy Consumption per Unit Area**

Year	2018	2019	2020
Total floor space of the company in “Ping”	2,113	2,113	2,113
Total power consumption (kWh) for office areas	334,296	356,173	373,217
Total power consumption (kWh) for public areas	359,585	358,041	368,628
Total power consumption (kWh)	693,881	714,214	741,845
Total number of employees	147	147	153
Annual power consumption per person	4,720.27	4,858.59	4,848.66
Annual power consumption per “Ping”	158.21	168.56	176.62

Remark: 1 Ping = 35.59 sq ft

**Annual External Energy Consumption**

Year	2018	2019	2020
Fuel consumption (liter)	1,530.59	3,270.22	2,507.56
Number of company vehicles	1	1	1
Density of fuel consumption for company vehicles	1,530.59	3,270.22	2,507.56

PLANET’s external energy consumption is the consumption of transportation fuel, which is generated by the use of company vehicles. Total fuel consumption in 2020 was 2,507.56 liters, down 23% from 2019.

## Environmental Education and Training – “Declutter now, for carbon reduction and Environmental Protection”

- To enhance employees’ environmental awareness and promote carbon reduction practices, PLANET provided environmental education and training to encourage its employees to donate items not in use through open and trusted third-party platforms.
- The number of participants in the course was 153, and the test completion rate was 100%.



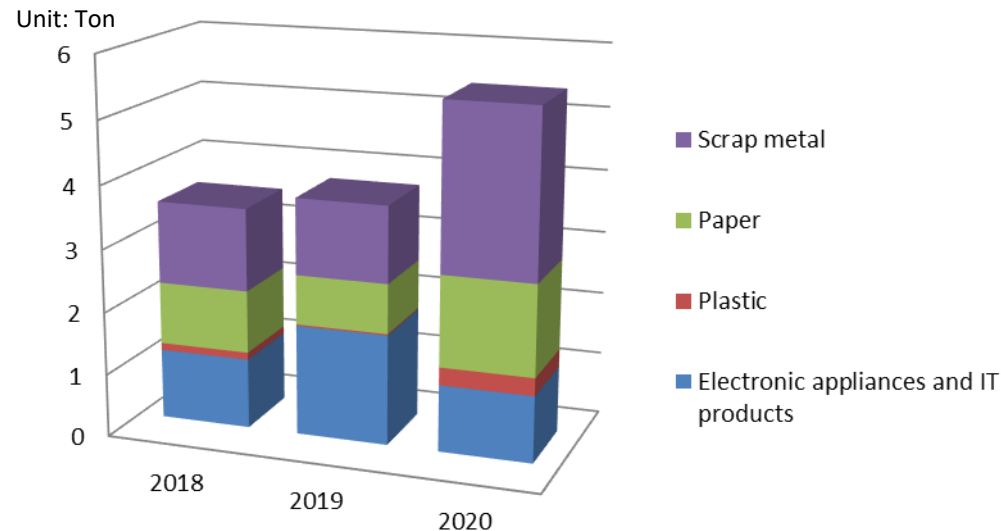
## Veggie Tuesdays for Environmental Protection

- According to EWG's 2011 carbon emissions calculations, skipping meat for one meal per person can reduce carbon dioxide emissions by about 760 grams. For that, PLANET has launched the “Veggie Tuesdays for Environmental Protection” activity, offering a regular vegetarian meal every Tuesday.
- A total of 935 employees responded to the activity in 2020, with an estimated reduction of 710,600 grams of CO2 emissions in 2020.

#### 4.2.3.4 Plastic Reduction and Waste Management

The Earth is facing biodiversity and climate crisis. Adhering to the principle of changing the way resources are used, PLANET strives to realize the vision of resource recycling and zero waste, and to achieve plastic reduction through the following practices:

- PLANET provides employees with green cups to replace disposable paper cups.
- In terms of product packaging, PLANET began to use environment-friendly bubble bags from the end of 2020 onwards to replace the previous filling materials.
- PLANET has set up an “Eco-LOHAS Zone” on its internal website, and carries out environmental protection publicity and training from time to time to strengthen the environmental awareness and actions of its employees.
- The domestic waste generated in the operation of the company is uniformly disposed by the management center of the building where the company is renting offices, so it cannot be monitored quantitatively. However, the company has set up resource recovery area on each floor, and all the employees are required to practice separation of recyclable resources, thus protecting the environment.
- For the disposal of industrial waste generated in the process of operation, PLANET hires qualified Grade-A waste disposal business operator for treatment, and then have the treated waste recycled by a third-party recycling agency. Every year, the company carries out treatment of the industrial waste and makes the statistics, with an increasing volume of recycled waste year by year. Waste recovered by the company increased from 3.54 tons in 2018 to 5.44 tons in 2020.





# Sustainable Employment

- 5.1 An Overview of PLANET's Manpower Situation
- 5.2 Employee Cultivation and Care
- 5.3 Equal and Friendly Workplace
- 5.4 Occupational Safety and Health



Management Policy on Material Topics		Talent Attraction and Retention	
Background	PLANET has always attached great importance to employee training, employee welfare, human rights and safety and health, so that employees can give full play to their talents in a safe working environment, which will ultimately enhance the company's human resources and strengthen its competitiveness.		
Policy	<ul style="list-style-type: none"> <li>PLANET has established a complete talent cultivation and development mechanism to help employees improve their professional skills and have better career development.</li> <li>PLANET continuously practices diversity and gender equality in employment to maintain an equal and friendly workplace.</li> <li>To maintain a harmonious labor relation, PLANET has established multiple communication channels to maintain smooth communication between employees and the management team.</li> <li>PLANET has always been committed to providing a safe working environment for employees to maintain their safety and health.</li> </ul>		
Goals and Targets		Actions and Achievements	
<ul style="list-style-type: none"> <li>Enhance staff's professional skills.</li> <li>Maintain staff's physical and mental health.</li> <li>Maintain an equal, friendly and healthy workplace</li> </ul>		<ul style="list-style-type: none"> <li>In 2020, the average number of hours of professional training for each employee was 20.58 hours.</li> <li>PLANET continuously carries out the Health 360 Program and on-site health care services to help employees strengthen their health.</li> <li>PLANET has a balanced gender ratio and there have been no discriminations of any kind in the company's employment.</li> </ul>	
Evaluation Mechanism		Grievance Mechanism	
<ul style="list-style-type: none"> <li>The company holds annual management meetings and annual review meetings to track the implementation of various policies and regulations and make continuous improvement.</li> </ul>		<ul style="list-style-type: none"> <li>See Section 1.2.1 Stakeholder Identification and Communication.</li> </ul>	



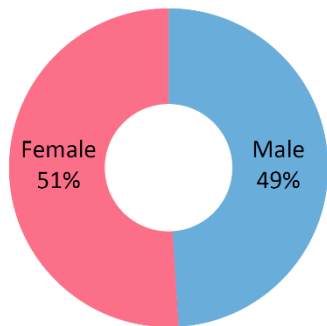
## 5.1 An Overview of PLANET’s Manpower Situation

In 2020, the total number of employees of PLANET was 153, including 151 full-time employees and 2 part-time employees. The employees of the company were all local Taiwanese people hired by the company itself. The number of employees in 2020 increased by 4.08% compared with that in 2019.

2020 Employee Structure:

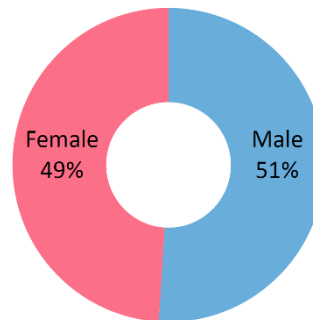
### Gender ratio of employees in 2020

(Total number of employees: 153)



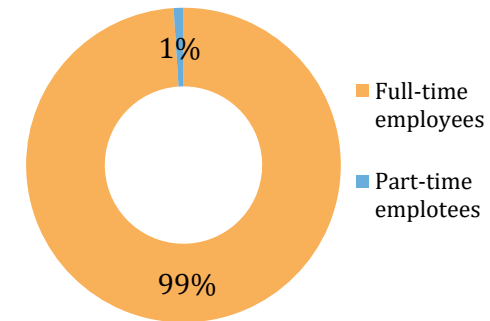
### Gender ratio of managerial employees in 2020

(Total number of managerial employees: 35)

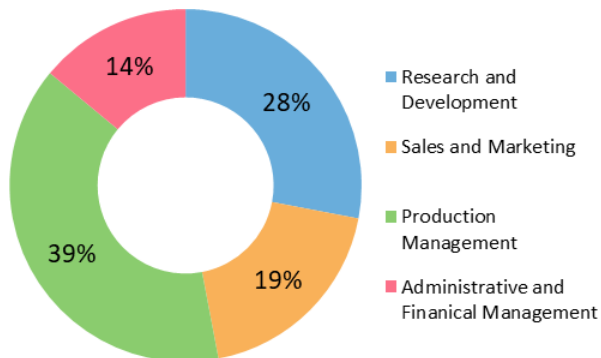


Managerial Position	Male	Female
Top level - Director and above	4	3
Middle level - Managers	8	8
Middle level – Section Managers	6	6
Gender ratio of managerial employees	51%	49%

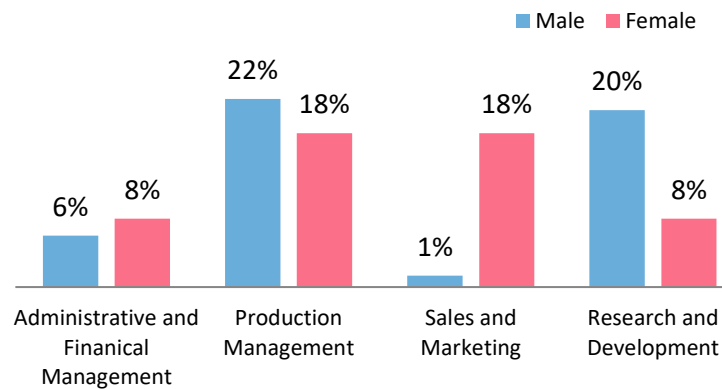
### Ratio of full-time/part-time employees in 2020



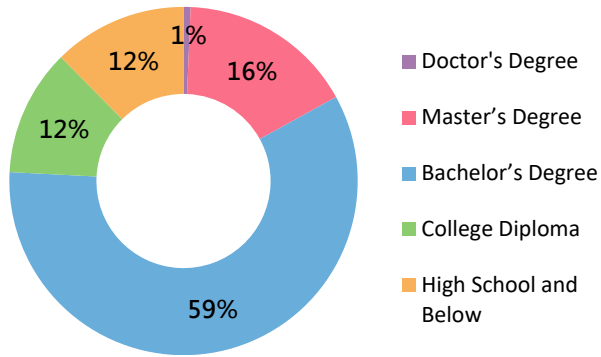
### Job Functions in 2020



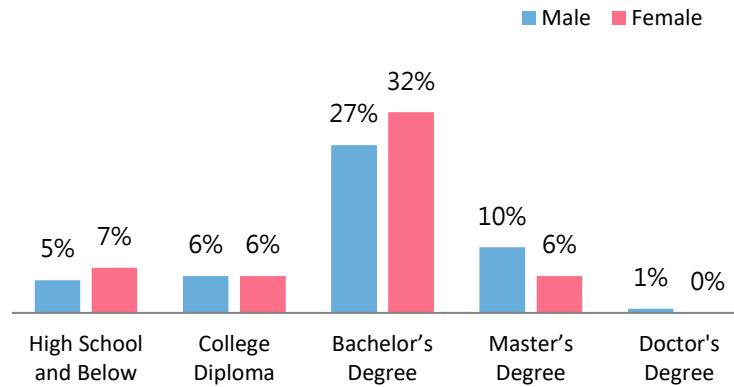
### Job Functions vs. Gender Distribution in 2020



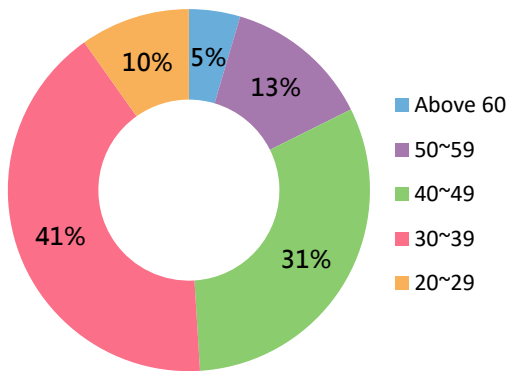
### Employee Education Level in 2020



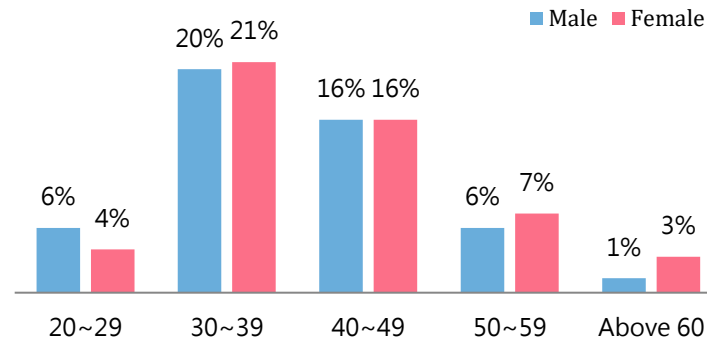
### Employee Education Level in 2020 vs Gender Distribution



### Employee Age in 2020



### Employee Age in 2020 vs Gender Distribution



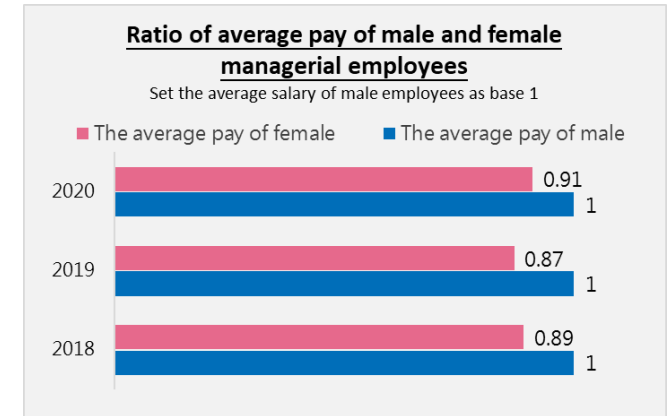
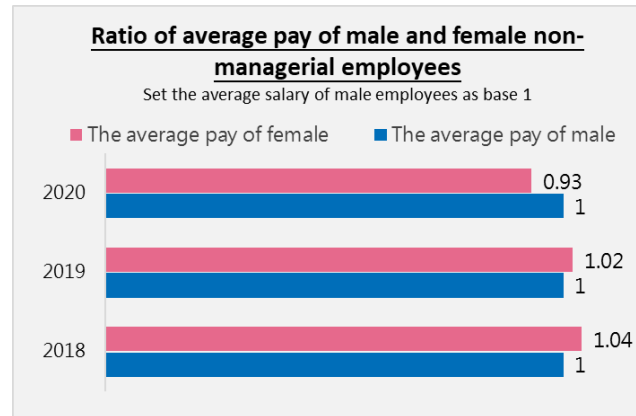
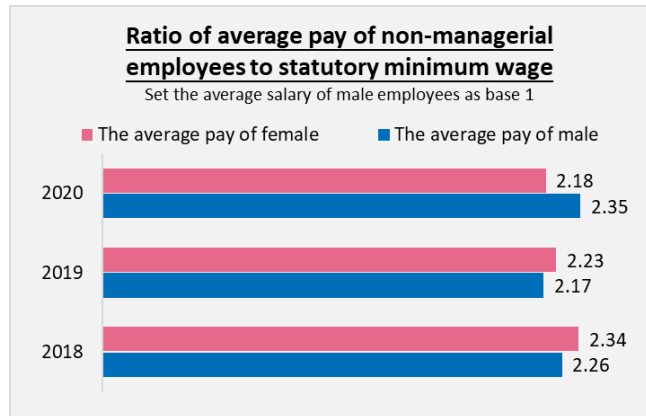
### Ratio of Newly-recruited Employees/Seperated Employees in 2020

A total of 153 employees in 2020	Number of Employee	%	Gender		Age				
			Male	Female	20~29	30~39	40~49	50~59	Above 60
Newly-recruited employee	28	18.3%	8.5%	9.8%	5.2%	8.5%	4.6%	0.0%	0.0%
Seperated employee	22	14.4%	5.2%	9.2%	5.2%	3.9%	4.6%	0.0%	0.7%

## 5.2 Employee Cultivation and Care

### 5.2.1 Employee Compensation and Benefits

Employee compensation at PLANET complies with the minimum wage set by the Labor Standards Act. PLANET’s compensation package includes: base salary, duty allowance, operation bonus, performance bonus, sales bonus, profit sharing, annual bonus, etc. Monthly pension contributions are also deposited at the Bank of Taiwan and the Bureau of Labor Insurance in accordance with the Labor Standards Act and Labor Pension Act to safeguard employee interests. At PLANET, the average salary of non-managerial employees, regardless of gender, is more than two times of the statutory minimum wage in Taiwan. For both non-managerial and managerial employees, the average pay ratio differences between male and female employees were all less than 0.2.



**Note:** The statutory minimum wage – NT\$22,000 in 2018, NT\$23,100 in 2019, and NT\$23,800 in 2020

PLANET has a sound welfare system for employee care, motivation and retention. The company has also established a staff welfare committee, which organizes various staff communication activities and associations.

Benefit Category	Benefit Type
• <b>Basic Benefits</b>	Labor and National Health Insurance, education and training, annual bonus, group insurance and annual health checkup
• <b>Bonus</b>	Employee profit sharing, performance bonus;
• <b>Cash gift/Allowance</b>	Holiday cash gift; birthday cash gift; subsidies for weddings, funerals and celebrations; education subsidies for employees' children; and an emergency assistance for employees, maternity subsidy, pregnancy care packs.
• <b>Leisure Benefits</b>	Company trips, club subsidies, and recreational activities
• <b>Special Leave</b>	Parental leave, maternity leave, paternity leave, family leave, paid volunteer leave, and paid indigenous people leave
• <b>Retirement Pension</b>	Monthly contributions are deposited into employee pension accounts at the Labor Bureau in accordance with the Labor Standards Act and Labor Pension Act to safeguard the retirement benefits of employees.

PLANET cares about the work and life of its employees, striving to help employees have a sound balance between their work and family life. The company has a number of subsidy measures, including the education subsidies for employees' children and the emergency assistance for employees and so on, as the backing of the employees.

- **Maternity subsidy:** In 2020, PLANET increased the amount of maternity subsidy, and the employee would receive a subsidy of NT\$10,000 for each birth of a child. To encourage birth, PLANET's pregnancy care packs are waiting to be given away to any employees who plan to have more babies.
- **Parental leave:** Employees who meet the requirements for a parental leave stipulated in the Labor Standards Act may apply for a parental leave without pay. In 2020, 16 employees of the company were eligible for application for a parental leave, but none of them applied for it. Over the past three years (2018-2020), there have been no application for parental leave.
- **Education subsidies for employees' children:** The Company provides an education and childcare subsidy of NT\$10,000 per semester for each child of employees, covering their education from kindergarten to university (college), to encourage the employees to take their children's education as an important issue and to help them raise their next generation.

#### Education Subsidies for Employees' Children in Recent Three Years

Year	2018	2019	2020
• Number of employees subsidized	65	65	70
• Number of children subsidized	92	96	106
• Total amount of subsidies (NT\$)	920,000	960,000	1,060,000
• Employee retention rate (Those still in office as of December 31st of the year)	97.14%	94.44%	100.00%

## 5.2.2 Employee Training and Manpower Development

Employee training is a responsible investment for PLANET. The company will develop employees' potential and enhance employees' value in a sustainable way.

### ✧ **Suitable and Appropriate Career Development - Optimal utilization of employees' functions can improve the overall performance of the enterprise**

In its talents recruitment, PLANET has introduced the Functional Evaluation System, which uses "Functional Behavioral Assessment" and the "The Big 5 Personality Traits" approach for open recruitment selection. In the recruitment process, the functional units select and recruit the candidates according to their professional abilities, while HR selects the candidates according to the core functions, cultural values and career planning, so as to assist the organization to quickly find the right employees who are more likely to work for PLANET for a long time and incur a lower cost for the company's manpower management.

In work team planning, PLANET determines the manpower deployment and the division of duties by using the "Organizational Chart" and "Job Description", and regularly reviews and updates its manpower policies. The company takes "Optimization of job functions" as the main human resource allocation standard to ensure that each employee's job function can be performed in the most appropriate way, thus achieving the organizational goal and improving the team performance.

### ✧ **Cultivation of Core Professional Competence - Education and Training - Core Functions, Professional Functions, Management Functions**

PLANET has developed an annual plan for employee development, education and on-the-job training in accordance with the "Enforcement Rules for Education and Training" to support the company's development goals as well as enhance the professional skills and management know-how of employees. In addition to lectures given by academics/industry experts and internal lecturers, the company has also established the "PLANET e-college", an innovative e-learning platform, to provide employees with more online learning channels and resources. After the courses, satisfaction surveys are conducted to understand and respond to employee needs in an appropriate manner, and the outline and key knowledge points of the training courses are also uploaded to the company's intranet for sharing learning. In 2020, the total number of training hours for all employees was 3,148 hours, and the average number of training hours for each employee was about 20.58 hours.



### Education and Training Category

Training Type	Training Goal
Core competency training	Building of employee consensus and shaping of core corporate culture Enhancing execution and innovation course
Management competency training	Cultivation of management leadership skills Performance and risk management
Professional competency training	Professional knowledge and skills training
General knowledge	Improve self-management ability beyond professional specialty Human rights, labor health and safety training

### Education Training Hours

Year	2018	2019	2020
Total Number of Employees	147	147	153
Total Training Time (Hours)	2,716	2,871	3,148
Average Training Time per Person (Hours)	18.48	19.53	20.58

Note: The number of training hours for employees is the sum of offline course and online training hours, and the number of training hours for 2018 and 2019 has been revised accordingly

### Employee Education and Training in 2020

	Total Number of Employees	Gender		Job Function			
		Male	Female	R&D	Sales & Marketing	Product Management	Administrative and Financial Management
Number of Employees (person)	153	75	78	43	29	60	21
Total Number of Training Hours (hour)	3,148	1,469.46	1678.70	839.20	661.98	1,120.78	526.20
Average Training Hours per employee (hour)	20.58	19.59	21.52	19.52	22.83	18.68	25.06

### ✧ **Manpower Inventory, Promotion and Transfer**

PLANET has always attached great importance to the expertise and abilities of employees. Every year, the company reviews the human resources of each department regularly, promoting and transferring the employees according to their work performance as well as the needs of the company, so that employees with potential can give full play to their strengths in the company and realize their career goals.

### ✧ **Regular Annual Performance Review**

PLANET has a performance appraisal system, which is carried out regularly every year, excluding some part-time employees. In 2020, all the 151 full-time employees completed the performance appraisal, accounting for 99% of the total number of employees. The procedure of employee performance appraisal includes three steps, namely employee self-evaluation, preliminary evaluation by the junior supervisor and review by the senior supervisor. After the three steps of evaluation, the results are submitted to the management for approval, which avoids the subjective factors of the evaluators on different levels affecting the fairness of the performance appraisal. The employee's performance is evaluated according to the core function, professional function, and management function of the employee's duties to improve the validity of the scoring. Promotions, raises and year-end bonuses will be offered as incentives to employees who have performed well. During the annual performance appraisal, employees can communicate directly with their supervisors about issues related to job performance and salary. PLANET encourages employees to express their opinions openly. Employees are free to express their ideas about the management, organization, supervisors or management system, so as to establish a free communication channel within the company and encourage employees to speak freely.

## 5.3 Equal and Friendly Workplace

### 5.3.1 Emphasis on Diversity and Gender Equality in Employment

PLANET prohibits the employment of illegal labor and child labor. At the same time, the company protects the rights of employees with physical and mental disabilities, and gives priority to job seekers with physical and mental disabilities who meet the requirement of the job. In 2020, the number of employees with physical and mental disabilities accounted for 1.3% of the company's total staff, which was in compliance with government regulations. The company has always adhered to the principle of equal employment and does not consider a candidate's religion, race or party affiliation as a factor in deciding whether to hire or not. There have been no cases of discrimination in PLANET's employment. PLANET has always been an advocate for the principle of "gender equality in employment" and actively promoting "equal rights for male and female employees". Employees doing the same work receive equal treatment and compensation regardless of their gender. Female employees' opportunities for employment and job promotion throughout their professional career is also emphasized at PLANET. A comparison of gender ratios of all employees and managerial employees has found that the percentage of female employees outnumbered that of male employees in all categories. PLANET strives to create an equal, friendly, healthy and happy workplace environment. It was the first company in Taiwan to be presented with the "Taiwan Mittelstand Award for Gender Equality" by the Ministry of Economic Affairs (MOEA), followed by the "Taiwan Mittelstand Award for Workplace Friendliness", and being nominated as a Gender Mainstreaming Benchmark Enterprise by the Industrial Development Bureau, MOEA.

### 5.3.2 Employee Care

PLANET cares about the work and life balance of employees. The company has designed the employee support program, which helps employees better balance their work, family, study and life.

<ul style="list-style-type: none"> <li>● <b>PLANET Mentor program</b> PLANET Mentor program assigns senior employees in each unit to act as mentors to new employees to help them adapt to their role and company processes, as well as keep them up to date on the latest company news and events. The "PLANET e-World" knowledge sharing platform on the intranet also helps new employees with fitting into our corporate culture, promote understanding and networking between employees and departments, and the building of team rapport.</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Provision of pregnancy care packs and establishment of convenient breast-feeding and childcare program</b> PLANET provides pregnant colleagues with a pregnancy care pack as a present for the new baby, and there are many practical items contained in the pack. The company has a special nursing (gathering) room, so that female colleagues in need can use it during the work hours. At the same time, the company has signed a contract of exclusive nursery care service with a nursery school near the company, with obtained preferential fees and group pickup service, so that employees and their families can feel at ease.</li> </ul>
<ul style="list-style-type: none"> <li>● <b>Education subsidies for employees' children</b> Employees are rewarded for their long-term commitment and contribution. The subsidy encourages employees to pay attention to their children's education and reduces the burden of education costs. It takes pressure of child-rearing off employees so they can concentrate on their work.</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Interest-free home loan for employees</b> Employees that have made a longstanding contribution may apply for an interest-free home loan on their down payment if they are buying their first home. Employees can then repay the loan over time based on their financial circumstances. The loan help employees settle down with their family and focus on their work</li> </ul>
<ul style="list-style-type: none"> <li>● <b>Flexible working hours</b> Flex-time packages are offered to employees if required due to lifestyle, change of circumstances, or study commitments. These improve satisfaction among employees and their families by helping them balance the needs of work, life, study and family.</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Emergency assistance for employees</b> If an employee's life is disrupted by a serious emergency that also impacts on their work, special emergency assistance packages are available to help alleviate the impact, and provide temporary protection of their livelihood so that the employee can focus on getting their work and life back in order.</li> </ul>



## 5.4 Occupational Safety and Health

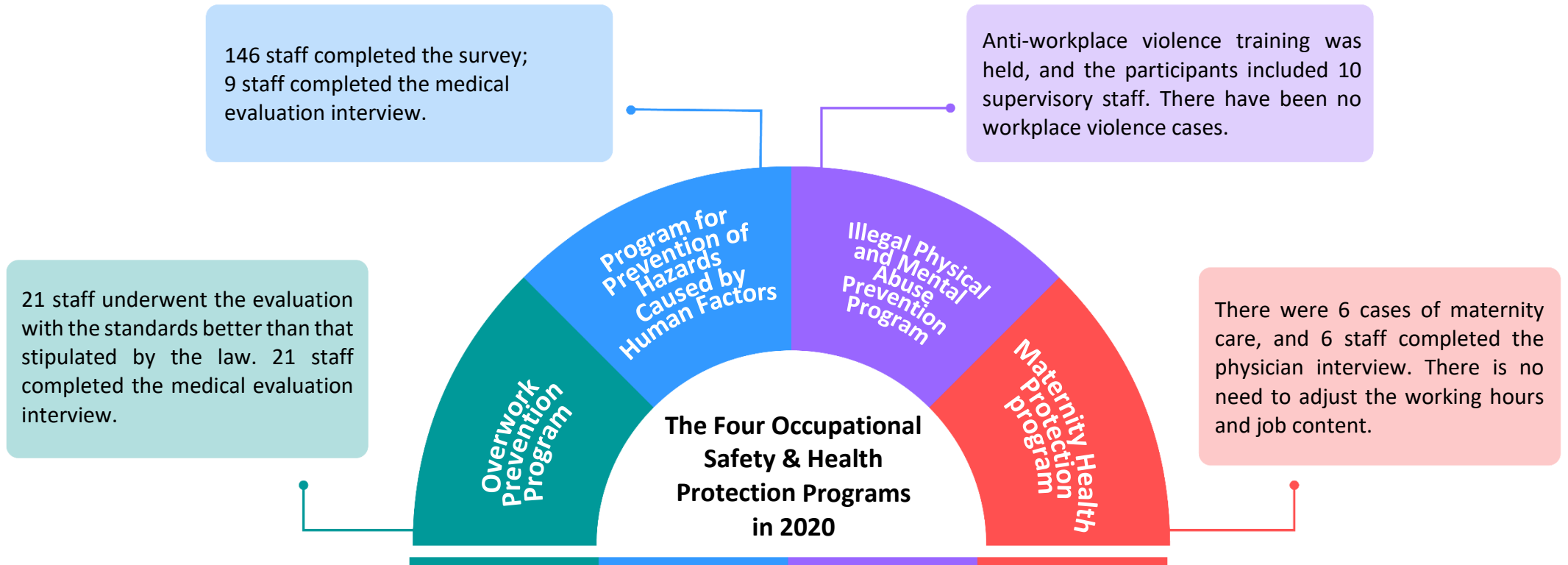
Management Policy on Material Topics	Occupational Safety and Health Management	
Background	<p>As a global leading brand of networking technology, PLANET deeply understands that employees and suppliers are the most important assets for the sustainable development of the enterprise. Therefore, in addition to complying with occupational safety and health regulations and other relevant requirements, PLANET must continue to improve the safety and health condition in the process of its business operations and services to avoid unsafe actions, environment and equipment, thus to prevent occupational disasters and ensure the safety and health of employees.</p>	
Policy	<ul style="list-style-type: none"> <li>✧ To observe the laws: comply with domestic safety and health laws and regulations, and regularly review the compliance.</li> <li>✧ To prevent hazards: identify hazards, implement self-management and automatic inspection, eliminate potential hazards, and prevent injury and accidents.</li> <li>✧ To perform continue improvement: formulate safety and health programs or plans, and ensure continuous improvement and enhancement of workplace safety and health management through inspection and audits.</li> <li>✧ Education and training: provide workplace safety and health training courses and resources to enhance employees' awareness of safety and health.</li> <li>✧ Health management: implement the management and promotion of health examination to prevent occupational injury or disease.</li> <li>✧ Contractor management: promote safety partnership between the company and suppliers and contractors to improve safety and health performance.</li> <li>✧ Full participation: all employees and their representatives are encouraged to participate actively in all activities of occupational safety and health management.</li> <li>✧ Consultation and communication: value the opinions of employees, contractors, suppliers, customers and other stakeholders, and carry out adequate consultation and communication through internal and external channels.</li> </ul>	
Goals and Targets		Actions and Achievements
<ul style="list-style-type: none"> <li>● Automatic inspection completion rate: 100%</li> <li>● Education and training implementation rate: 100%</li> <li>● Compliance rate for operation environment monitoring: 100%</li> <li>● Qualification rate for drinking water inspection: 100%</li> <li>● The overall index of harm is lower than the index published by the government.</li> </ul>		<ul style="list-style-type: none"> <li>● In 2020, 10 sets of equipment were inspected automatically with a completion rate of 100%.</li> <li>● In 2020, 321 attendances for the occupational safety and health training were made, with an implementation rate of 100%.</li> <li>● The results of operation environment test in the second half of 2020: The results of carbon dioxide test and isopropyl alcohol test were qualified, and the inspection qualification rate was 100%.</li> <li>● In 2020, 4 water dispensers were tested, and the qualification rate was 100%.</li> <li>● In 2020, PLANET's overall index of harm was 0, lower than the overall index of harm of the electronic products manufacturing industry for 2016-2018, which was 0.14.</li> </ul>
Evaluation Mechanism		Grievance Mechanism
<ul style="list-style-type: none"> <li>● Quarterly review of the occupational safety and health practices is conducted to verify the compliance with the statutory requirements through regulatory identification. The Occupational Safety and Health Committee makes quarterly report on implementation of the rules and policies, tracking management plan to continuously improve the safety and health performance.</li> </ul>		<ul style="list-style-type: none"> <li>● See Section 1.2.1 Stakeholder Identification and Communication.</li> </ul>

## 5.4.1 The Four Occupational Safety & Health Protection Program in 2020

### Implementation of Occupational Safety and Health Measures in 2020

A comprehensive safety culture is the cornerstone of a healthy workplace. PLANET promotes a comprehensive safety culture from three aspects: people, environment and behavior, encouraging employees to put forward suggestions for improving work-related safety measures and to actively implement a people-oriented safety culture by preventing even the minor incidents.

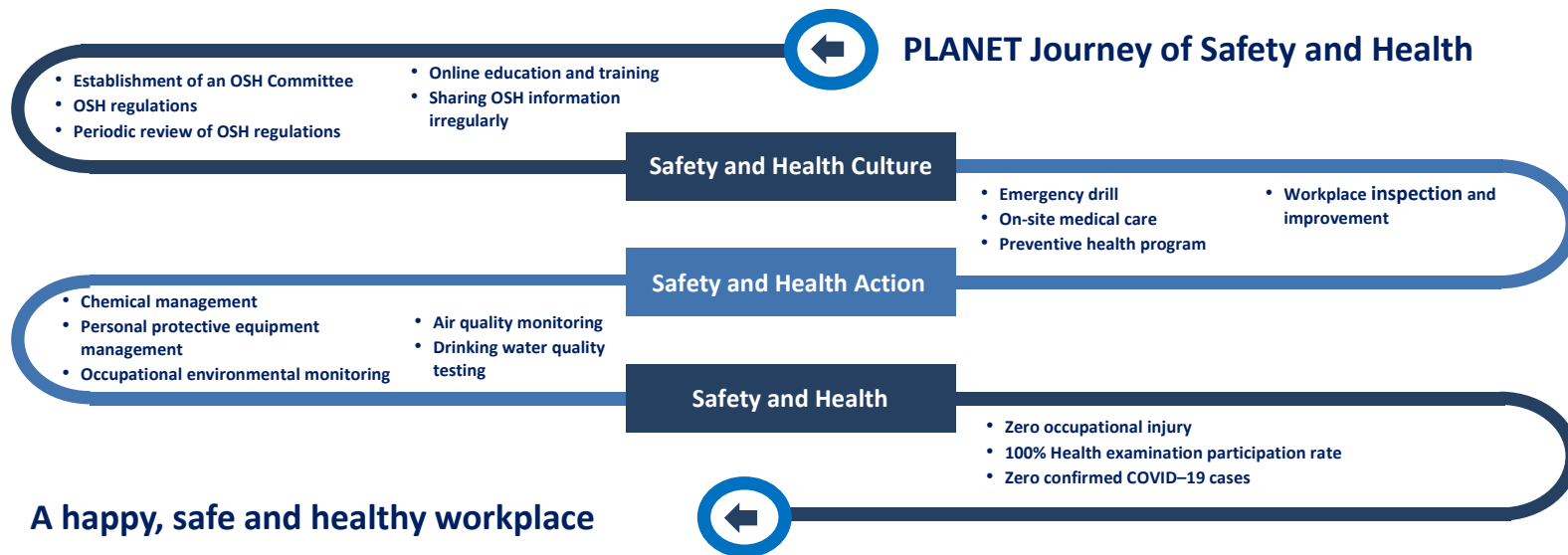
Occupational Safety & Health Meeting	Holding of quarterly meetings of the Occupational Safety and Health Committee and annual management review meeting
Occupational Safety & Health Training and Practices	<ul style="list-style-type: none"> <li>• 2 fire drills were held in 2020 for 304 employees.</li> <li>• Online courses and tests were organized to improve fire escape skills.</li> <li>• Online safety and health training courses</li> </ul>
Risk Management & Safety Audit	<ul style="list-style-type: none"> <li>• 10 new occupational safety and health rules</li> <li>• 43 regulations are reviewed regularly</li> <li>• 5S and regular inspection of safety equipment</li> </ul>
Improvement Action Plans	14 improvement action plans were made, including 7 plans for equipment, 5 plans for operation process, 2 plans for environmental aspect.
Chemical Management	Hazards identification program was established, personnel inspection before operation, regular equipment inspection, storage of chemicals at special zone, and provision of personal protective equipment were conducted, and there were no false
Monitoring of Operation Environment	<ul style="list-style-type: none"> <li>• Air quality (PM2.5): 100% good</li> <li>• Operating environment density of CO2 and chemicals: 100% qualified</li> <li>• Quarterly drinking water quality check and regular disinfection</li> </ul>



### 5.4.2 Happy, Safe and Healthy Workplace - Safety

To ensure that all employees have a safe and hygienic working environment, PLANET has established the “Occupational Safety Office” in accordance with the “Occupational Safety and Health Act”. The company has also set up an Occupational Safety and Health Committee (OSH Committee) with a total of 11 members, including 4 workers' representatives nominated by employees, accounting for 36.3% of all committee members. The Occupational Safety Office has 2 full-time staff (1 Type A operations supervisor and 1 safety and health administrator). The committee holds a quarterly meeting, which is chaired by the chairman of the board, and is attended by the head of each unit and labor representatives to discuss the company's safety and health issues and set occupational safety performance goals. Required by the Occupational Safety and Health Administration, Ministry of Labor, the overall index of harm of the company should be lower than the average value of the index of harm generated by other enterprises in electronic products manufacturing industry for the past 3 years, and there must be no major occupational safety incidents occurred in the company every year.

PLANET's occupational safety performance goals for 2020 include realization of an overall index of harm that is lower than 0.14 (average value for the period from 2016-2018), which was the average standard value of the index of harm generated by other enterprises in electronic products manufacturing industry for the recent three years according to the data published by Occupational Safety and Health Administration, Ministry of Labor, and undergoing no major occupational safety incidents. To achieve the goals and protect employees' health and safety, PLANET has taken a series of actions, including establishment of occupational safety and health-related measures, organization of safety and health training and emergency drills, chemical management, monitoring of air quality and drinking water quality, and launched the four occupational safety and health protection programs, including the “Overwork Prevention Program”, the “Program for Prevention of Hazards Caused by Human Factors”, the “Illegal Physical and Mental Abuse Prevention Program” and the “Maternal Health Protection Program” for hazards identification and prevention.



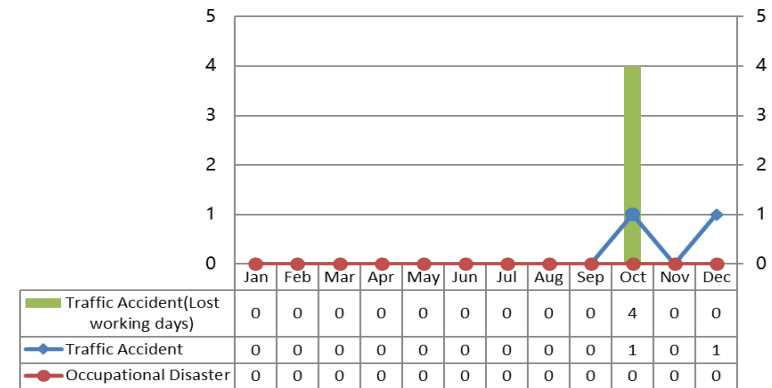
## Statistics on Occupational Disasters in 2020

PLANET is committed to reducing workplace injuries. The company’s statistics on occupational disasters are calculated according to the major disability indicators published by the Ministry of Labor, with Injury Frequency Rate (FR) and Disabling Severity Rate (SR) as the main figures. Through various safety and health management plans, PLANET has achieved zero occupational disasters for five consecutive years. From 2016 to 2020, there were no cases of occupational illness among employees, and the total overall index of harm in 2020 was zero. To achieve the goal of zero occupational disaster, the company began to conduct statistical analysis of traffic accidents from 2020 onwards, aiming to improve the safety of employees on and off duty.

### Occupational Safety Protection Measures

- Maintain fire prevention and rescue system appropriately. Train the “Emergency Response Team” and “first responders” regularly to deal with major disasters. Coordinate administrative support to improve disaster prevention and rescue efficiency, thus reducing the losses caused by accidents and ensure the normal operation of the workplace and staff safety.
- Inspect firefighting equipment regularly to reduce the losses caused by disasters and to ensure the safety of employees.
- Equip partial exhaust device and provide personal protective equipment to prevent the harm caused by metal fumes during product development and maintenance.

Statistics of Accidents in 2020



In the event of an accident, alert the administrator about it and take corrective and preventive measures according to the “Measures for Handling and Managing Accidents”. The corrective and preventive measures shall be implemented by the Occupational Safety Office, the Administrative Department and the unit involved in the accident. Accident analysis and risk assessment are carried out to determine the cause of the accident so as to control the safety and health risks to an acceptable level and to prevent the recurrence of the accident.



### 5.4.3 Happy, Safe and Healthy Workplace - Health

Employees are PLANET’s most important assets. Keeping employees' physical and mental health has always been one of PLANET’s goals for a happy enterprise. Through employee care mechanism, health promotion activities, maternity-friendly environment and well-designed welfare measures, the company keeps its employees healthy and happy. Since 2020, the company has launched the “On-site health care service”, where health consultation is provided by professional nurses and physicians. Based on the analysis of health examination data, employee risk group management measures are established, and health education and referral services are provided. In addition, the company provides blood pressure monitor and regularly promotes health activities and services such as Traditional Chinese Medicine (TCM) consultations through e-newsletters and health lectures to enhance health culture of the company.



- ✧ Professional physicians from Taipei Tzu Chi Hospital are invited to give a lecture on health-related issues four times a year. A duration of about 3 hours is expected for each lecture. The company also cooperates with the health management consulting company and engages professional nurses to provide service twice a month (4 hours each time), and a total of 96 hours of service has been provided.
- ✧ A total of 108 hours of on-site health care service has been provided, with a total of 85 employees having received one-on-one health consultation service.
- ✧ Classified health management for employees with abnormal health are carried out. All colleagues with significant health risks are brought into management, and medical treatment tracking and case management are carried out.



- ✧ Better maternity subsidy: A female colleague or a male colleague's wife will receive a subsidy of NT\$10,000 after giving birth.
- ✧ Pregnancy care packs: Carefully prepared present for the new baby, containing the mother's love and expectation, making expectant mothers experience full of care.

Consultation  
and lectures

Other Health  
Promotion  
Activities

- ✧ Traditional Chinese Medicine Consultation: The consultation service was introduced in 2019. In 2020, there were 4 sessions with a total of 49 attendances, and the satisfaction score was 3.8 (the maximum was 4).
- ✧ Health Lectures: In 2020, there were 3 sessions, respectively with the theme of “TCM health maintenance”, “how to relieve life pressure” and “how to get rid of sarcopenia and relieve the pressure of shoulder and neck”. There were 105 attendances, with the satisfaction score of 4 (the maximum was 4).
- ✧ Relaxation exercise: Every Thursday, professional coaches bring relaxing exercises to the company, in which PLANET’s employees relax their body with accompanied music. A total of 40 sessions were held in 2020, with 5,960 people participating in the exercises.
- ✧ Smiling jog: The company invited professional coaches to guide employees on smiling jog, the most relaxed and efficient sports, so that they can have a healthy body while smiling. There was a total of 75 participants with a satisfaction score of 3.9 (the maximum was 4)
- ✧ Massage service: The Company hired qualified professional massage therapist with visual impairment to provide massage service. In 2020, there were 19 sessions with a total of 140 attendances.



### 5.4.4 COVID-19 Pandemic Prevention

In response to the change of the COVID-19 pandemic situation in 2020, PLANET immediately adjusted the pandemic prevention measures, joining hands with colleagues to combat the contagious disease. At the same time, the company communicated and implemented various pandemic prevention measures and employee health care programs through executive meetings, department meetings, ad hoc meetings, e-mail and the “COVID-19 Pandemic Prevention Zone” on the company's internal website.

Phase One	After the outbreak of the COVID-19 pandemic around the Lunar New Year in 2020, the company promptly reminded colleagues to strengthen the prevention of influenza and COVID-19 to ensure their health and safety.
Phase Two	<p>Since the pandemic situation intensified after February 2020, the company has strengthened various pandemic prevention measures to protect the health and safety of colleagues.</p> <ol style="list-style-type: none"> <li>1. Establishment of pandemic prevention regulations: Such as temperature measuring, wearing of masks, employee health declaration and employee self-health management measures</li> <li>2. External visitor control: Online meetings with external personnel are held instead of site visits. Prohibition of unnecessary visits. For unavoidable visits, real-name registration and epidemic prevention procedures are strictly performed.</li> <li>3. Environment disinfection measures, route and layer control/and dining controls</li> <li>4. Suspension of sports and exercises: In view of the fact that employees wearing masks are prone to breathing difficulties during exercise, the exercise related activities have been postponed and the schedule will be adjusted according to the situation of the epidemic.</li> <li>5. Establishment of an “Epidemic Prevention and Response Team”: The team is made up of senior company executives, who are responsible for implementing epidemic preventive measures in line with government policies to reduce the risk of infection and, at the same time, maintaining the normal operation of the company.</li> </ol>







# Sustainable Society

- 6.1 Promoting Education for Disadvantaged Children
- 6.2 Corporate Volunteers



Management Policy on Material Topics		Social Engagement and Care	
Background		<p>PLANET practices social engagement through education and culture-related activities and programs in order to give back to the society. At PLANET, employees are encouraged to participate in volunteer activities and care about others. By doing so, employees can experience the happiness in helping others and develop harmonious relations with the local communities.</p>	
Policy		<ul style="list-style-type: none"> <li>The company focuses on and supports educational and cultural initiatives to improve the quality of human resources of the whole society.</li> <li>The company uses its core competence to integrate social resources. By effectively implementing social engagement, the company is able to exert its influence in a sustainable way.</li> </ul>	
Goals and Targets		Actions and Achievements	
<ul style="list-style-type: none"> <li>The company should focus on educational issues and continue to support “Remedial education/psychological counseling for disadvantaged children”.</li> <li>The company should encourage employees' participation in public welfare affairs.</li> </ul>		<ul style="list-style-type: none"> <li>The company has been implementing “Remedial education/ psychological counseling for disadvantaged children” for 16 years. A total of 9,299 students have received the remedial education or counseling so far.</li> <li>There was a total of 243 hours of volunteer service provided in 2020.</li> </ul>	
Evaluation Mechanism		Grievance Mechanism	
<ul style="list-style-type: none"> <li>Through the semi-annual review meeting, the company reviews and tracks the performance of its management measures, and makes continuous adjustments and improvements, to better control the business operations and maintain its long-term influence.</li> </ul>		<ul style="list-style-type: none"> <li>See Section 1.2.1 Stakeholder Identification and Communication.</li> </ul>	

## 6.1 Promoting Education for Disadvantaged Children

Since August 2004, PLANET has founded “PLANET Educational Charitable Trust”, the first public trust fund in Taiwan focusing on education support, to help the disadvantaged children as well as to promote education and culture-related initiatives in order to improve the quality of human resources.

Target	Theme
<ul style="list-style-type: none"> <li>● Education for disadvantaged elementary/junior high school children</li> </ul>	<ul style="list-style-type: none"> <li>📖 Remedial education/psychological counseling for disadvantaged students</li> </ul>
<ul style="list-style-type: none"> <li>● Education of university student volunteers</li> </ul>	<ul style="list-style-type: none"> <li>📖 Encouraging university students to engage in international volunteering</li> <li>📖 Scholarships</li> </ul>
<ul style="list-style-type: none"> <li>● Social life education</li> </ul>	<ul style="list-style-type: none"> <li>📖 Promotion of life education among business owners</li> </ul>
<ul style="list-style-type: none"> <li>● Arts and cultural education</li> </ul>	<ul style="list-style-type: none"> <li>📖 Promotion of education on folk culture</li> <li>📖 Good Songs for Schools</li> </ul>

The PLANET Education Trust incorporates business administration into its operations and sets standards for strategic and effective execution. Up to now, the trust has sponsored student education subsidies for a number of schools in New Taipei City and Taipei City, research grants for academic institutions, and subsidies for social charity and cultural organizations. Major projects sponsored by PLANET in 2020 include:

- Educational Program for Disadvantaged Children: To assist those children who are slower-learner or those with emotional or behavioral problems, a total of 19 elementary and junior high schools have taken part to date with tutoring and counseling services provided 9,299 times. Adults took part in development group activities with a total of 1,729 times, and a total of 11,028 people have received sponsorships or counseling so far.
- Scholarships: 80 scholarships have been given at Chinese Cultural University, and 806 children of PLANET employees have received financial assistance to date.
- Others: Athletics team of Chenfu Elementary School, New Taipei City.

### 6.1.1 Educational Program for Disadvantaged Children

PLANET has conducted the “Educational Program for Disadvantaged Children” project since 2004 to provide the remedial teaching, psychological counseling, emotional therapy and other activities to help stimulate these children’s motivation to learn and correct behavioral disorders. Like the spirit of doing business, PLANET uses the same strategy to better the livelihood of the disadvantaged children by improving their education. PLANET uses its corporate management capabilities to collaborate social resources such as schools, communities, professional psychologists, etc. to create a "resource network", effectively improving disadvantaged education, and influence society positively in the long term. In addition, this operation mode can also be applied to different schools easily, making greater benefits to the school, the family and the society as a whole.

In this educational program, SOPs have been used to standardize operating processes by integrating different operating modes in different schools so as to facilitate the unified operation of the program in a long-term, measurable and performance-evaluable manner. In each semester, it is divided into three stages -- “pre-semester assignment”, “semester assignment”, and “end-of-semester evaluation”, implemented by the PDCA cycle so that the remedial teaching tactics can be adjusted, if needed, in time. The performance of the disadvantaged children can thus be reviewed.

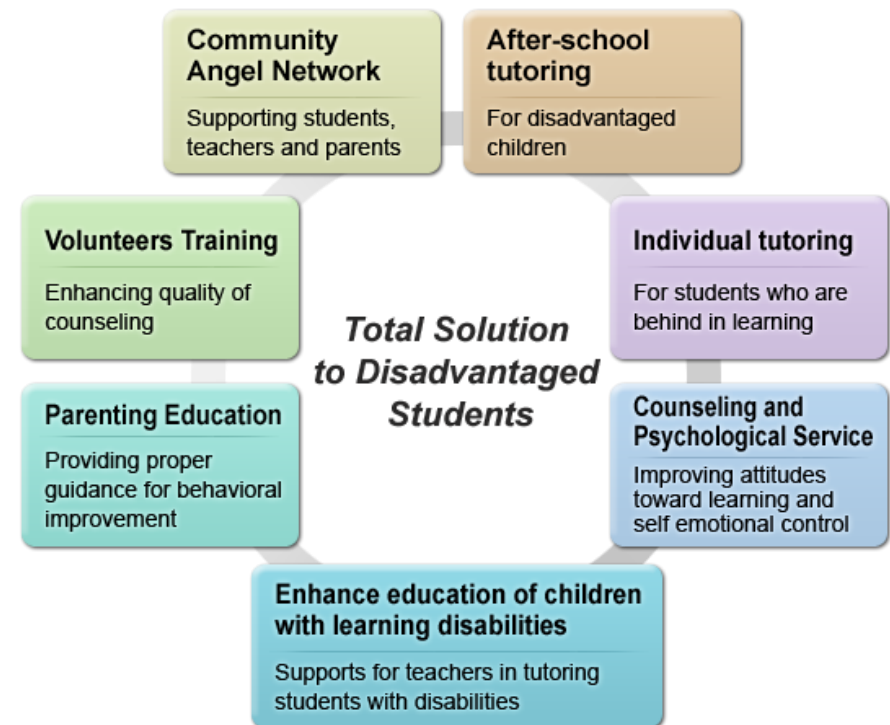
Since 2004, PLANET has supported 9,299 children in 19 elementary and junior high schools and non-profit organizations in the greater Taipei area.

#### Schools:

Mingdao Elementary School	Wanhsin Elementary School
Chunchen Elementary School	Peihsin Elementary School
Hsinho Elementary School	Qingtan Elementary School
Quaishan Elementary School	Ankeng Elementary School
Minyi Elementary School	Shuangcheng Elementary School
Yulin Elementary School	Wanli Junior High School
Xindian Elementary School	Erchung Elementary School
Daping Elementary School	Wufeng Junior High School
Qingshan Elementary and Junior High School	

#### Non-profit organizations:

YongAn Taiwan Presbyterian Church,  
Happy Gifts of Social Service Association (Wheatland Association)



### 6.1.2 Promoting Children’s Reading Habits in Rural Areas

Since 2014, PLANET has supported the students under 9th grade in Changhua, Taiwan to improve their reading habits by offering magazines “Global Kids Monthly” and “Global Kids Junior Monthly” from Global Views – Commonwealth Publishing Group. A total of 16 elementary schools and 1 junior high school have taken part, and a total of 13,200 magazines have been provided to the students from 2014 to 2020. Throughout this sponsorship, the students have been taught about having an independent and positive thinking, a habit of reading, and an increased sense of self-motivation to enable to eventually face the world of reality.

## 6.2 Corporate Volunteers

A variety of methods are used to encourage employee participation in charity and volunteer events. By caring and learning more about people, they can experience the joy of volunteering. Once they return to the workplace they would become better at internal team building.

- (1) A “CSR - Charitable Event Zone” has been set up on the PLANET e-World intranet. Regular updates are provided on charitable events inviting employees to take part in serving the public.
- (2) Employees have been provided with one day of paid volunteer leave since 2011.
- (3) Volunteer passports and recognition arrangements have been developed to boost employee interest in volunteering.

Volunteer activities can be launched by the management or employees can also volunteer as social workers to join in improving their local environment and culture. A total of 243 volunteer hours were accumulated in 2020.

Due to the COVID-19 pandemic situation in 2020, the scheduled corporate volunteer day activities were suspended, resulting in a decrease in the total number of volunteer hours compared with the previous two years. PLANET will continue to organize volunteer activities and encourage colleagues to participate in social welfare activities to contribute to the building of a better environment for the society.

Year	2018	2019	2020
Number of Volunteers (Attendances)	98	74	44
Total Hours of Volunteer Service (Hours)	346	327	243

## Appendix

### Appendix 1 GRI Standards Index

GRI Standards	Disclosure	Chapter	Page	Explanatory Notes
<b>GRI 102</b>	<b>General Disclosures 2016</b>			
	<b>Organizational profile</b>			
102-1	Name of the organization	2.1 About PLANET Technology	18	
102-2	Activities, brands, products, and services	2.1 About PLANET Technology	18	There are no banned or disputed products sold by PLANET
102-3	Location of headquarters	2.1 About PLANET Technology	18	
102-4	Location of operations	2.1 About PLANET Technology	18	
102-5	Ownership and legal form	2.1 About PLANET Technology	18	
102-6	Markets served	2.1 About PLANET Technology	18	
102-7	Scale of the organization	2.1 About PLANET Technology	18	
102-8	Information on employees and other workers	5.1 An Overview of PLANET's Manpower Situation	55	
102-9	Supply chain	3.2 Supply Chain Management	37	
102-10	Significant changes to the organization and its supply chain	About This Report	2	
		2.2 Corporate Governance Mechanism	20	
		3.2 Supply Chain Management	37	
102-11	Precautionary Principle or approach	2.6 Risk Management	29	
102-12	External initiatives	---		PLANET is not affiliated with external initiatives.
102-13	Membership of associations	2.1.2 Membership Associations	18	
	<b>Strategy</b>			
102-14	Statement from senior decision-maker	Message from the Chairman & CEO	3	
102-15	Key impacts, risks, and opportunities	Message from the Chairman & CEO	3	Voluntary disclosure
		1.1.4 Market Impact and Opportunity	9	
		1.2.2 Identification of Material Topics	12	
		2.6 Risk Management	29	

GRI Standards	Disclosure	Chapter	Page	Explanatory Notes
<b>Ethics and integrity</b>				
102-16	Values, principles, standards, and norms of behavior	1.1 Corporate Commitments to Sustainable Development	6	
		2.2 Corporate Governance Mechanism	20	
		2.3 Ethical Business Operation and Law Compliance	24	
		4.1 Environmental Sustainability Policy	44	
102-17	Mechanisms for advice and concerns about ethics	2.3 Ethical Business Operation and Law Compliance	24	Voluntary disclosure
<b>Governance</b>				
102-18	Governance structure	2.2 Corporate Governance Mechanism	20	
102-19	Delegating authority	1.1.3 Corporate Social Responsibility Committee	8	Voluntary disclosure
		2.2 Corporate Governance Mechanism	20	
102-20	Executive-level responsibility for economic, environmental, and social topics	1.1.3 Corporate Social Responsibility Committee	8	Voluntary disclosure
		2.2 Corporate Governance Mechanism	20	
102-21	Consulting stakeholders on economic, environmental,	1.1 Corporate Commitments to Sustainable Development	6	Voluntary disclosure
		1.2 Stakeholders and Material Topics	10	
		2.2 Corporate Governance Mechanism	20	
102-22	Composition of the highest governance body and its committees	2.2.1 Board of Directors and Functional Committees	21	Voluntary disclosure
102-23	Chair of the highest governance body	2.2.1 Board of Directors and Functional Committees	21	Voluntary disclosure
102-24	Nominating and selecting the highest governance body	2.2.1 Board of Directors and Functional Committees	21	Voluntary disclosure
102-25	Conflicts of interest	2.2.1 Board of Directors and Functional Committees	21	Voluntary disclosure
102-26	Role of highest governance body in setting purpose, values, and strategy	1.1 Corporate Commitments to Sustainable Development	6	Voluntary disclosure
		2.2 Corporate Governance Mechanism	20	
102-27	Collective knowledge of highest governance body	2.2.1.1 Board of Directors	21	Voluntary disclosure
102-29	Identifying and managing economic, environmental, and social impacts	Message from the Chairman & CEO	3	Voluntary disclosure
		1.1.3 Corporate Social Responsibility Committee	8	
		2.2 Corporate Governance Mechanism	20	

GRI Standards	Disclosure	Chapter	Page	Explanatory Notes
102-30	Effectiveness of risk management processes	2.2 Corporate Governance Mechanism	20	Voluntary disclosure
		2.6 Risk Management	29	
102-32	Highest governance body's role in sustainability reporting	About This Report	2	Voluntary disclosure
<b>Stakeholder engagement</b>				
102-40	List of stakeholder groups	1.2 Stakeholders and Material Topics	10	
102-41	Collective bargaining agreements	---		Currently no collective bargaining agreements.
102-42	Identifying and selecting stakeholders	1.2 Stakeholders and Material Topics	10	
102-43	Approach to stakeholder engagement	1.2 Stakeholders and Material Topics	10	
102-44	Key topics and concerns raised	1.2 Stakeholders and Material Topics	10	
<b>Reporting practice</b>				
102-45	Entities included in the consolidated financial statements	About This Report	2	
102-46	Defining report content and topic Boundaries List of material topics	About This Report	2	
		1.2 Stakeholders and Material Topics	10	
102-47	Restatements of information	1.2 Stakeholders and Material Topics	10	
102-48	Entities included in the consolidated financial statements	4.1 Environmental Sustainability Policy	44	
		4.2 Climate Change and Environmental Management	46	
		5.4 Occupational Safety and Health	63	
102-49	Changes in reporting	About This Report	2	
102-50	Reporting period	About This Report	2	
102-51	Date of most recent report	About This Report	2	
102-52	Reporting cycle	About This Report	2	
102-53	Contact point for questions regarding the report	About This Report	2	
102-54	Claims of reporting in accordance with the GRI Standards	About This Report	2	
102-55	GRI content index	Appendix 1 GRI Standards Index	75	
102-56	External assurance	Appendix 2 Third Party Assurance Statement	84	
<b>GRI 103</b>	<b>Management Approach 2016</b>			



GRI Standards	Disclosure	Chapter	Page	Explanatory Notes
103-1	Explanation of the material topic and its Boundary	1.2.2 Identification of Material Topics	12	
		1.2.4 Impact Scopes and Boundaries of the Material Topics	15	
	<b>Economic</b>			
103-2	The management approach and its components	Message from the Chairman & CEO	3	
103-3	Evaluation of the management approach	2.2 Corporate Governance Mechanism	20	
<b>GRI 201</b>	<b>Economic Performance 2016</b>			
201-1	Direct economic value generated and distributed	2.1 About PLANET Technology	18	
		2.1.3 Financial Performance	19	
201-2	Financial implications and other risks and opportunities due to climate change	Message from the Chairman & CEO	3	
		2.1 About PLANET Technology	18	
		4.2 Climate Change and Environmental Management	46	
201-3	Defined benefit plan obligations and other retirement plans	5.2.1 Employee Compensation and Benefits	57	
201-4	Financial assistance received from government	---		No financial support from the government
<b>GRI 202</b>	<b>Market Presence 2016</b>			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	---		None
202-2	Proportion of senior management hired from the local community	5.1 An Overview of PLANET's Manpower Situation	55	100% local Taiwanese people
<b>GRI 205</b>	<b>Anti-corruption 2016</b>			
205-1	Operations assessed for risks related to corruption	2.3 Ethical Business Operation and Law Compliance	24	
205-2	Communication and training about anti-corruption policies and procedures	2.2.1 Board of Directors and Functional Committees	21	
		2.3 Ethical Business Operation and Law Compliance	24	
		3.2 Supply Chain Management	37	
205-3	Confirmed incidents of corruption and actions taken	2.3 Ethical Business Operation and Law Compliance	24	
	<b>Environmental</b>			

GRI Standards	Disclosure	Chapter	Page	Explanatory Notes
103-2	The management approach and its components	3.1 Green Products and Innovative Research & Development	33	
103-3	Evaluation of the management approach	4.1 Environmental Sustainability Policy	44	
<b>GRI 302</b>	<b>Energy 2016</b>			
302-1	Energy consumption within the organization	4.2.3.3 Energy Conservation, Carbon Reduction and Energy Management	51	
302-2	Energy consumption outside of the organization	---		None
302-3	Energy intensity	4.2.3.3 Energy Conservation, Carbon Reduction and Energy Management	51	
302-4	Reduction of energy consumption	4.2.3.3 Energy Conservation, Carbon Reduction and Energy Management	51	
302-5	Reductions in energy requirements of products and services	3.1 Green Products and Innovative Research & Development	33	
<b>GRI 305</b>	<b>Emissions 2016</b>			
305-1	Direct (Scope 1) GHG emissions	4.2.3.1 Greenhouse Gas Inventory	48	
305-2	Energy indirect (Scope 2) GHG emissions	4.2.3.1 Greenhouse Gas Inventory	48	
305-3	Other indirect (Scope 3) GHG emissions	---		None
305-4	GHG emissions intensity	4.2.3.1 Greenhouse Gas Inventory	48	
305-5	Reduction of GHG emissions	4.2.3.3 Energy Conservation, Carbon Reduction and Energy Management	51	
305-6	Emissions of ozone-depleting substances (ODS)	---		Not used by PLANET
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	---		Not used by PLANET
<b>GRI 306</b>	<b>Waste 2020</b>			
306-1	Waste generation and significant waste-related impacts	4.1 Environmental Sustainability Policy	44	Product assembly is outsourced so there is no management of hazardous waste derived from production processes. The disposal of all waste generated from business operations complies with environmental laws and regulations.
306-2	Management of significant waste-related impacts	4.2.3.4 Plastic Reduction and Waste Management	53	

GRI Standards	Disclosure	Chapter	Page	Explanatory Notes
306-3	Waste generated	4.2.3.4 Plastic Reduction and Waste Management	53	
306-4	Waste diverted from disposal	4.2.3.4 Plastic Reduction and Waste Management	53	
306-5	Waste directed to disposal	---		None
<b>GRI 307</b>	<b>Environmental Compliance 2016</b>			
307-1	Non-compliance with environmental laws and regulations	---		No violations of environmental laws and regulations occurred in 2020.
<b>GRI 308</b>	<b>Supplier Environmental Assessment 2016</b>			
308-1	New suppliers that were screened using environmental criteria	3.2 Supply Chain Management	37	
308-2	Negative environmental impacts in the supply chain and actions taken	---		No negative environmental events occurred in the supply chain in 2020.
	<b>Social</b>			
103-2	The management approach and its components	5 Sustainable Employment	54	
103-3	Evaluation of the management approach	5.4 Occupational Safety and Health	63	
		6 Sustainable Society	70	
<b>GRI 401</b>	<b>Employment 2016</b>			
401-1	New employee hires and employee turnover	5.1 An Overview of PLANET's Manpower Situation	55	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2 Employee Cultivation and Care	57	
401-3	Parental leave	5.2 Employee Cultivation and Care	57	
<b>GRI 403</b>	<b>Occupational Health and Safety 2018</b>			
403-1	Occupational health and safety management system	5.4 Occupational Safety and Health	63	
403-2	Hazard identification, risk assessment, and incident investigation	5.4 Occupational Safety and Health	63	
403-3	Occupational health services	5.4 Occupational Safety and Health	63	
403-4	Worker participation, consultation, and communication on occupational health and safety	5.4 Occupational Safety and Health	63	
403-5	Worker training on occupational health and safety	5.4 Occupational Safety and Health	63	
403-6	Promotion of worker health	5.4 Occupational Safety and Health	63	

GRI Standards	Disclosure	Chapter	Page	Explanatory Notes
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.4 Occupational Safety and Health	63	
403-8	Workers covered by an occupational health and safety management system	5.4 Occupational Safety and Health	63	
403-9	Work-related injuries	5.4 Occupational Safety and Health	63	
403-10	Work-related ill health	5.4 Occupational Safety and Health	63	
<b>GRI 404</b>	<b>Training and Education 2016</b>			
404-1	Average hours of training per year per employee	5.2.2 Employee Training and Manpower Development	59	
404-2	Programs for upgrading employee skills and transition assistance programs	---		None
404-3	Percentage of employees receiving regular performance and career development reviews	---		None
<b>GRI 405</b>	<b>Diversity and Equal Opportunity 2016</b>			
405-1	Diversity of governance bodies and employees	2.2.1 Board of Directors and Functional Committees	21	
		5.1 An Overview of PLANET's Manpower Situation	55	
405-2	Diversity of governance bodies and employees	---		None
<b>GRI 406</b>	<b>Non-discrimination 2016</b>			
406-1	Incidents of discrimination and corrective actions taken	1.2.1 Stakeholder Identification and Communication	10	
<b>GRI 412</b>	<b>Human Rights Assessment 2016</b>			
412-1	Operations that have been subject to human rights reviews or impact assessments	2.3 Ethical Business Operation and Law Compliance	24	
		3.2 Supply Chain Management	37	
412-2	Employee training on human rights policies or procedures Significant investment agreements and contracts that	5.2.2 Employee Training and Manpower Development	59	
412-3	include human rights clauses or that underwent human rights screening	2.3 Ethical Business Operation and Law Compliance	24	This is an essential term in all contracts. Prohibition of any illegal labor and child labor, and compliance with local government laws and regulations
		3.2 Supply Chain Management	37	

GRI Standards	Disclosure	Chapter	Page	Explanatory Notes
<b>GRI 413</b>	<b>Local Communities 2016</b>			
413-1	Operations with local community engagement, impact assessments, and development programs	6.1 Promoting Education for Disadvantaged Children	74	
		6.2 Corporate Volunteers	76	
413-2	Operations with local community engagement, impact assessments, and development programs	---		None
<b>GRI 414</b>	<b>Supplier Social Assessment 2016</b>			
414-1	New suppliers that were screened using social criteria	3.2 Supply Chain Management	37	
414-2	Negative social impacts in the supply chain and actions taken	---		None
<b>GRI 418</b>	<b>Customer Privacy 2016</b>			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.4 Information Security and Privacy Management	27	
<b>GRI 419</b>	<b>Socioeconomic Compliance 2016</b>			
419-1	Non-compliance with laws and regulations in the social and economic area	2.3.2 Law Compliance	25	

## Appendix 2 Third Party Assurance Statement

### Assurance Statement

On

PLANET Technology Corporation Social Responsibility Report of 2020

AFNOR GROUP was established in 1926. We are the National Standardization Body of France, a permanent council member in ISO and one of the leading certification bodies in the world. This verification work was carried out by AFNOR ASIA LTD., a subsidiary of AFNOR GROUP. All the members of the verification team have professional backgrounds and have accepted AA1000 AS, AFAQ 26000, ISO 9001, ISO 14001, ISO 14064, ISO 45001, ISO 50001, and other sustainability-related international standard trainings. All assigned verifiers have been approved as the lead auditors or verifiers. AFNOR Group hereby provides a summary of PLANET Technology Social Responsibility Report of 2020 (hereinafter referred to as "the Report") but was not involved in any way in its preparation.

AFNOR Group and PLANET Technology Corporation (hereinafter referred to as "PLANET Technology") are independent entities. AFNOR ASIA LTD., was commissioned by PLANET Technology to conduct the assessment and assure the Corporate Social Responsibility Report of 2020 was in accordance with AA1000 Assurance Standard (2008) (AA1000 AS 2008) and the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards).

#### SCOPE

The corporate social responsibility report announced by the PLANET Technology Corporation covers the company's operating performance and activities related to the social, environmental, and economic aspects of the Taiwan region.

AFNOR Asia is responsible for:

- Evaluating the accordance of the Report with the Type 1 of AA1000 Assurance Standard (2008) based on the AA1000 Accountability Principles (2018). The reliability verification of the revealed sustainability performance information and data was not included. The verification scopes include sustainability issues, response mechanism, performance information, management systems of information, and the processes of materiality evaluation and stakeholder participation.
- Evaluating the appropriate option of the Report and its disclosure of materiality topics by GRI Standards.

#### REFERENCES

- AA1000 Accountability Principles (2018) and AA1000 Assurance Standard (2008).
- GRI Standards (2016&2018&2020).

#### METHODOLOGY

- The inclusivity, materiality, responsiveness, and impact in the Report were assessed according to the principles of management process against AA1000 Assurance Standard (2008).
- The contents and the level of disclosure of the Report were in accordance with GRI Standards core option and review the report's general standard disclosure requirements and specific subject disclosures (including management policies and projects) that meet the Standards.
- The mechanism of communication and response to the interest of stakeholders was verified through discussion and interview with the management team, however, the assessment team did not make any direct contact with external stakeholders.
- The qualitative and quantitative information produced, collected, and disclosed by the Report was reviewed through a validated sampling plan.
- All of documents, data and information that are related to the preparation of the Report has been reviewed and verified by the

assessment team via discussions with responsible individuals in PLANET Technology.

- A total of 8 employees, representatives from different departments and different management levels having participated in the sustainability management and preparation of the Report were respectively interviewed.
- The findings of internal audits and the effectiveness of CSR policy have been reviewed.
- All the supporting material and evidence which were used for the preparation of the Report were reviewed for adequacy and integrity.

#### CONCLUSION

◆ **AA1000 Accountability Principles and AA1000 Assurance Standard**

#### Inclusivity

PLANET Technology continues to implement an extensive stakeholder engagement program aimed at identifying and understanding stakeholders' interests and informational needs, which broadly includes issues from all parties. The impartial report sets out the economic, social, and environmental message adequately to support planning and achieving targets. Future reports could be improved by the following recommendations:

- The major considerations of the stakeholders' concerns should increase other sources of communication information, and collect and understand the reasonable expectations and interests of the stakeholders.

#### Materiality

PLANET Technology has made their sustainability management information public available to enable the stakeholders to assess the management and performance of the company. PLANET Technology also develops and implements a decision-making mechanism to consider all critical issues from different stakeholders. Future reports could be improved by the following recommendations :

- Continue to strengthen the identification mechanism of major considerations and related impacts, and implement them in the operating procedures of each department.

#### Responsiveness

PLANET Technology has developed and implemented the responding mechanism for stakeholders' interests to clearly declare the ethical policies and to communicate with interested parties. PLANET Technology has responded the ethical expectations and opinions from the stakeholders. Future reports could be improved by the following recommendations:

- Continue to strengthen the response and communication mechanism of various departments and stakeholders, and strengthen the depth and breadth of data disclosure.

#### Impact

PLANET Technology has developed and implemented processes to understand, measure, evaluate and manage the impact of the organization and to provide the necessary capabilities and resources. PLANET Technology is also committed to a comprehensive and balanced disclosure of the organization's impact measurement and assessment of stakeholders and themselves. Future reports could be improved by the following recommendations:

- Continue to search and disclose significant sustainable development information, and fully disclose the sustainable development information that affects the wider ecosystem.

◆ **Global Reporting Initiative Sustainability Reporting Standards**

PLANET Technology has provided a self-declaration which followed the principles of defining report content and quality of GRI Standards. We confirm the related indicators in reference to GRI Standards (core option) in the report have been compliant with guidelines. Room for improvements include:

- Strengthen the disclosure content of the management policy, seek economic, environmental, and social themes and medium- and long-term strategies and goals, and more fully present the sustainability context and related sustainability performance.

#### ASSURANCE OPINION

In our opinion, the information and data presented in the Report by PLANET Technology is satisfactory and provides a fair and balanced representation. We believe the focuses on economic, social, and environmental matters in PLANET Technology in 2020 are well represented.

AFNOR Group has developed a set of protocols for the Assurance of Sustainability Reports based on current practice guidance provided in the AA1000 Assurance Standard (2008) and GRI Standards. We believe that the evidence collected by onsite assessment has exhibited that PLANET Technology did follow the guidance of AA1000 Assurance Standard (2008) and GRI Standards core option criteria, and their self-declaration in response to the Global Reporting Initiative.

#### ASSURANCE LEVEL

In accordance with the AA1000 Assurance Standard (2008), we verified this assurance statement corresponding to a moderate level. The scope and methods are as described in this disclaimer.

#### LIABILITY

This assurance statement is intended for the use of PLANET Technology only. AFNOR is not responsible for any other uses. Our responsibility is only based on the scope and methodology described, and to provide stakeholders an independent assurance statement.

For and on behalf of AFNOR :

Trevor Wilmer  
The Director for Certification and Assessment  
May, 26, 2021

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