



MEDIA TEK

2020 Corporate Social Responsibility Report



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2020 Chairman's Remarks



2020 was a challenging year for the global semiconductor industry. COVID-19 shook the global economy in the first half of the year and brought uncertainty to the industry, and then the demand for electronic products surged in the second half of the year and overstrained the semiconductor supply chain. Thanks to concerted effort of our employees worldwide, MediaTek reached new milestones in both business expansion and financial performance, playing an increasingly important role among leading IC design companies and approaching 11 billion USD in annual revenue.

MediaTek's business continuity plan helped the company to maintain its normal business operations during these uncertain times. We collaborated with our suppliers and customers to sustain smooth supply and delivery, while also taking the appropriate measures to protect the health and safety of our employees. We believe that only by working closely with our stakeholders can we create a mutually beneficial environment for growth.

Since MediaTek was founded, the company has been dedicated to making advanced technologies more accessible, helping to improve people's lives and creating new opportunities for innovation. Working with the brands that consumers love, MediaTek now powers over 2 billion devices globally every year, and we will not stop here.

As the global supply chain undergoes fundamental restructuring, MediaTek will keep to

its fundamentals: technology leadership, value creation, strategic relevance and social impact. With competitive innovation, MediaTek will continue to convert its cutting-edge technologies into compelling products that drive value for clients, satisfying people's needs throughout their daily lives. With those products, we aim to provide everyone equal access to connected devices, creating opportunities for them to make changes in their own lives.

We define our sustainable development strategy as "global reach, local presence" and focus our work in six areas: global presence, innovation, talent, corporate governance, environmental management, and community engagement. As we further grow our business, MediaTek will continue to work hard to address our stakeholders' needs, fulfill our social responsibilities, foster a friendly environment, and make the world a better place. With the pandemic spurring digital transformation worldwide, we will exert our influence through our products and lead value chain partners in the quest for sustainable development; all in the hopes of becoming a well-respected corporate citizen and forging a better future for the next generation.

Ming-Kai Tsai
Chairman, MediaTek

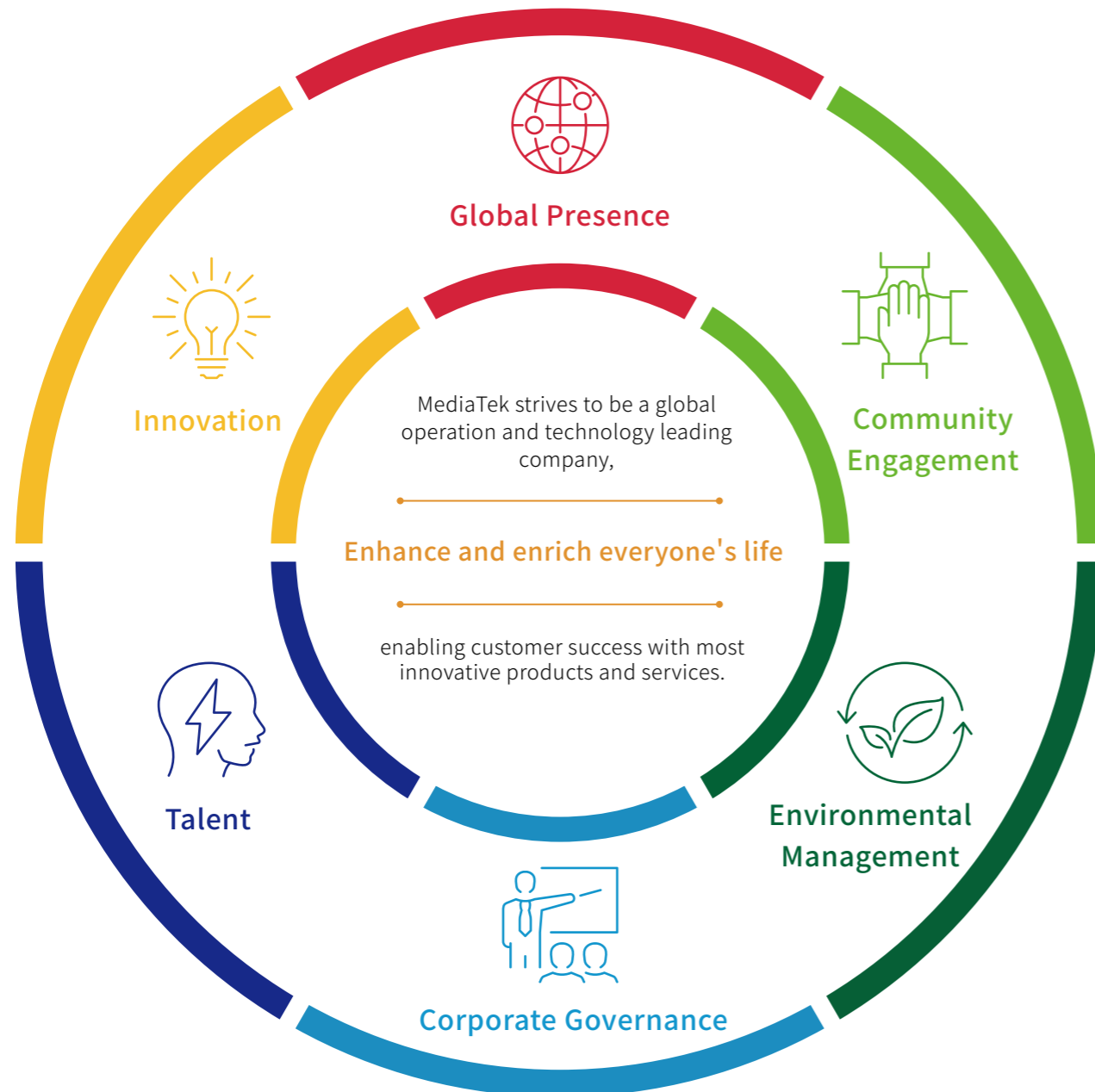
About MediaTek

Founded in 1997, MediaTek is the world's 4th largest fabless semiconductor company based in Taiwan's "Silicon Valley," Hsinchu Science Park. We are a market leader in developing innovative systems-on-chip (SoC) and platforms for smart home, wireless connectivity, AIoT, ASIC, smart TV, mobile devices, etc.

MediaTek realizes its investment in R&D through highly talented employees from around the world. Our focus is to provide the best products and services to our customers worldwide as we continue to pursue leadership in all markets.

MediaTek holds a tier-1 status and market leadership in several global IC markets. We empower and inspire people to expand their horizons and achieve their goals by providing the latest technologies in our solutions.

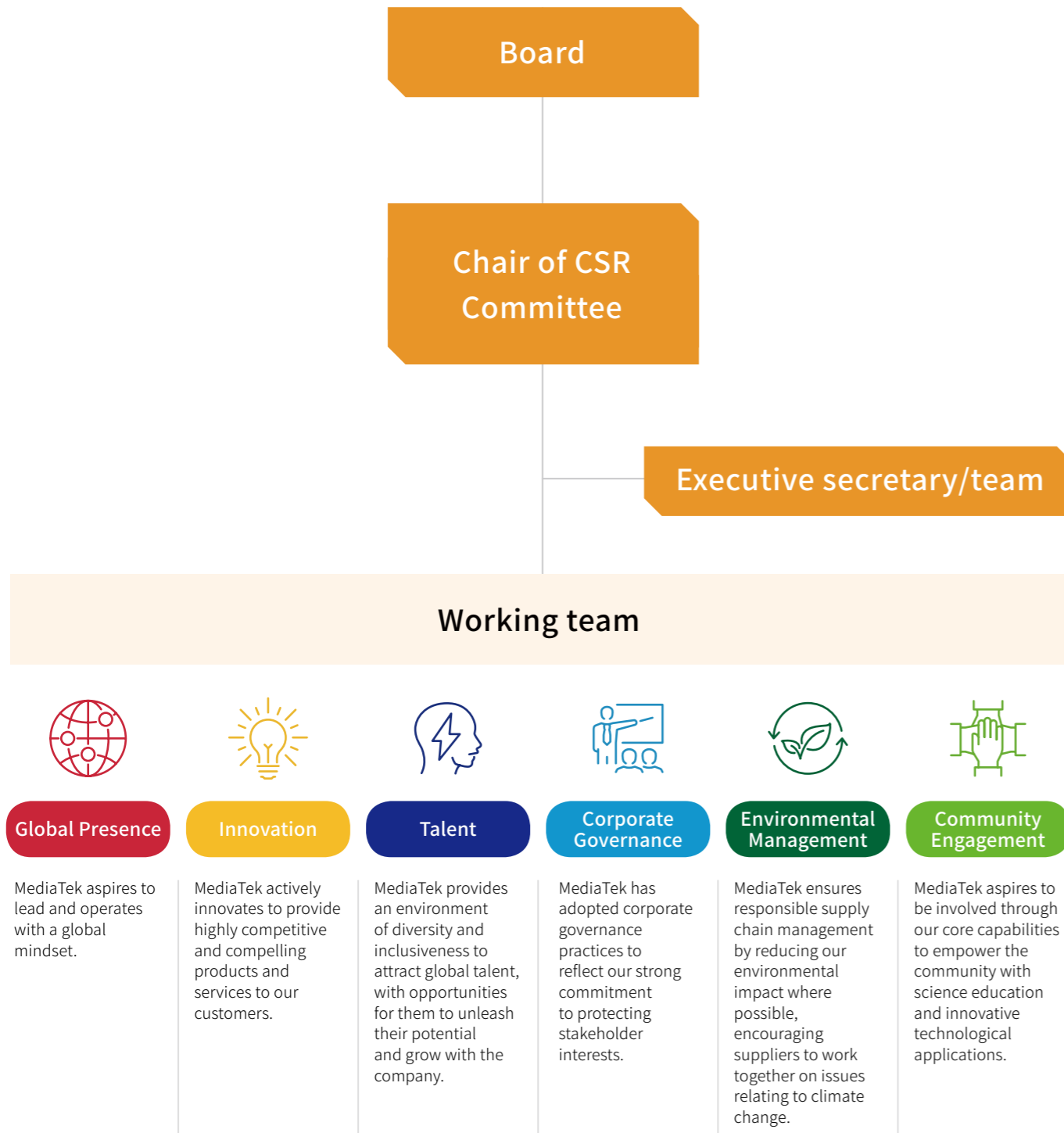
Mission, Vision, and Sustainability Strategies



2020 Global Awards & Recognitions

- Granted the honor of **"Outstanding Asia-Pacific Semiconductor Company"** by **Global Semiconductor Alliance (GSA)**
- Placed No.5 among large enterprises at **CommonWealth Magazine's "Corporate Citizen Award"**
- Granted **"Taiwan Corporate Sustainability Awards (TCSA)"** by the Taiwan Institute for Sustainable Energy, including "The Most Prestigious Sustainability Award - Top 10 Domestic Corporates," "People Development Award," "Growth through Innovation Award," "Social Inclusion Award," and "Supply Chain Management Award"
- Received Interbrand's **"Top 20 Best Taiwanese Global Brands"** for six years straight
- Ranked in the **top 3** in several senior management team and investor relations team awards from **Institutional Investor's "All-Asia Executive Team-Technology/Semiconductor"** rankings
- Selected as a **constituent stock** into multiple domestic and overseas sustainability indices, including **MSCI Taiwan ESG Leaders Indexes, FTSE4Good Emerging Indexes, FTSE4Good TIP Taiwan ESG Index, FTSE TWSE Taiwan 50 Index, TWSE RAFI® Taiwan High Compensation 100 Index, TWSE Corporate Governance 100 Index, TWSE RA Taiwan Employment Creation 99 Index, and Taiwan Sustainability Index**
- Received from the Hsinchu Science Park Bureau **"Excellence in Advocating Equality in the Workplace Award"**
- MediaTek Dimensity Series won **"5G Chipmaker"** by **Device Next**
- Listed for the **"Best IoT Connectivity Solution Award"** for the **IoT World Awards 2020**
- Ranked **top 5%** among listed companies in TWSE's **Corporate Governance Evaluation**

CSR Committee: Organization, Strategy, and Scope



Sustainability issues covered

- Technology inclusivity
- Brand value
- Customer satisfaction
- Economic performance
- Product innovation
- R&D
- Quality management of product and services
- Compensation and benefits
- Diverse and inclusive workplace
- Human rights of employees
- Employee development
- Corporate governance
- Legal compliance
- Full and transparent information disclosure
- Environmental policies
- Sustainable management of supply chains
- Energy and climate change
- Social welfare activities
- Social development
- Social influence

Message from the Chair of our CSR Committee

Since its inception, MediaTek has been driving technology innovation forward to enhance and enrich everyone's life. In addition to focusing on business development, MediaTek is also deeply committed to sustainable development for the economy, the environment, and society as a whole to meet our stakeholders' expectations.

To mitigate the risks of the COVID-19 pandemic, we rapidly responded and took preemptive actions in an open and transparent manner to safeguard employees' health and safety and meet our clients' demands. At the same time, we spared no effort in meeting the growing demand for the latest technology applications in this new normal, demonstrating our resilience in coping with change.

MediaTek outlined its CSR goals and direction based on our corporate mission. For innovation, the company is committed to making technology more accessible by providing consumers with cutting-edge technology at a wide range of price points. For governance, we adhere to the principles of information transparency and accountability, taking care of the interests of our shareholders and other stakeholders. We have an inclusive workplace where our employees can unleash their potential and grow with the company. With our clients and suppliers, we have cemented long-term partnerships of mutual trust, growing and fulfilling our social responsibilities together. To help the natural environment, we design energy-efficient chips that save energy on every device with our chip(s) inside. For the community, we are dedicated to science education and social innovation so more people can benefit from the latest technological innovations.

With 27 sites worldwide, Taiwan-headquartered MediaTek spent 77.3 billion NTD on R&D in 2020 and placed orders exceeding 150 billion NTD in value with local suppliers. MediaTek offers more than 10,000 high-paying and high-value jobs and we have hired a greater proportion of women in the R&D workforce compared to those who graduated from similar departments like electrical engineering in Taiwan. We also have an in-house preschool, the largest in Hsinchu Science Park, providing an environment that employees who are parents can rely on.

Meanwhile, MediaTek has invested over 1.8 billion NTD in community engagement and talent cultivation over the past 20 years to disseminate the power of innovation to every corner of Taiwan. In addition to funding all levels of schools for developing STEM talent, MediaTek holds the "Genius for Home" Digital Social Innovation Campaign that encourages people from all walks of life to do something to benefit their hometowns using technology, supporting them in their efforts to improve their local communities.

Consistent with global trends on environmental sustainability, MediaTek has been engaging in green innovation through the development of advanced IC technologies. In 2020, end devices powered by MediaTek reduced their energy consumption by 11% compared with the previous year. The energy saved was equivalent to the energy use of 75,000 households in Taiwan and equivalent to the carbon storage capacity of 255,269 acres of U.S. forests in a year. MediaTek also is working hard to conserve energy in our daily operations. Our three high-density datacenters can attain annual power savings of 20.3 million kilowatt hours at full capacity, and their solar power systems generate 200,000 kWh of sustainable energy. In 2020, MediaTek passed ISO 14064 greenhouse-gas verification and purchased 20 certificates that amounted to 20,000 kWh renewable energy. Exercising our sustainability influence at the top of the supply chain, we hold Supplier Forums to encourage and help our supply-chain partners to reduce their carbon intensity by at least 2% annually, a target in line with the UN sustainable development goals (SDGs).

MediaTek has already made strong progress on our sustainable development efforts and we will continue to work hard to further improve. We hope to be a positive influence for society on this journey towards a more sustainable future for the benefit of everyone.

Rick Tsai

CEO and Chair of CSR Committee, MediaTek

Sustainability Highlights

Global Presence



MediaTek aspires to lead and operates with a global mindset.



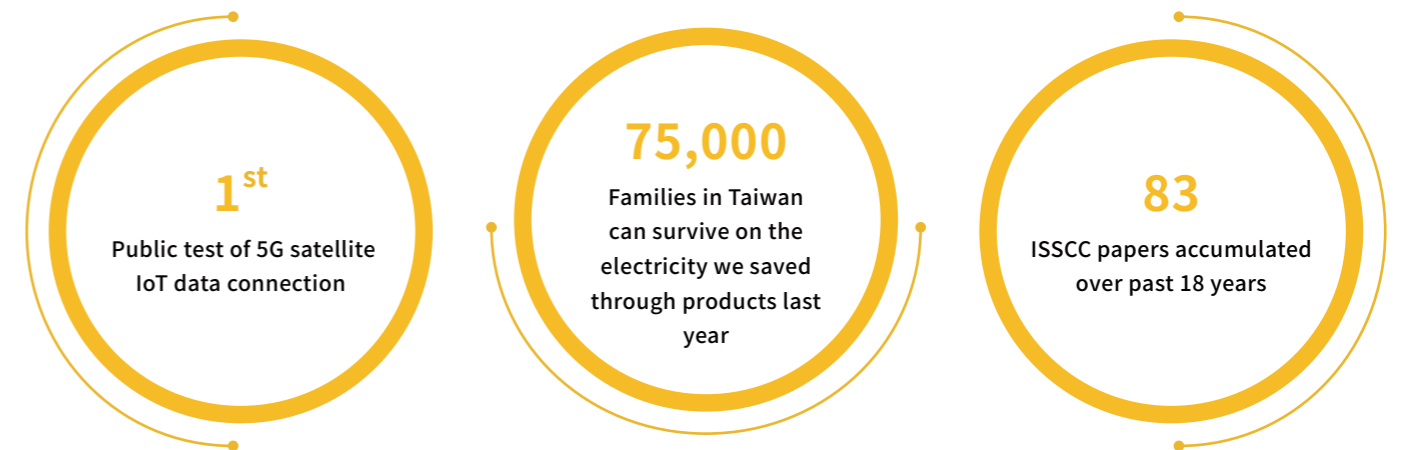
The company set three development objectives, including one that highlights the company's vision on global operation and sustainable development: we aspire to uphold our distinctive world class position and become a well-respected and strategically relevant global semiconductor company.

- Global resource pooling for R&D and operation:**
 By recruiting talent worldwide via organic growth as well as M&A, MediaTek has built up a workforce of several thousand for R&D and operation at 27 sites in the three continents of North America, Europe, and Asia, laying a solid groundwork for MediaTek to become an excellent world-class company.
- Pursuit of product inclusiveness and dissemination of technology:**
 We believe that technology can improve human life and build an effective bond with the world. We have been endeavoring to connect people from all walks of lives, actively tapping emerging markets and potentials, and, in turn, facilitate exploration of opportunities worldwide with our new technologies. To meet the needs of the multilingual society, for instance, our mobile-phone products for the Indian market boast of over 20 dialects. Aiming for inclusiveness, our camera function presents people of different ethnicities equally well with its unique algorithm and is well-received by dark-skinned users.
- Improved business performance and upgraded industrial status:**
 In 2020, with gross margin increasing by 2.1 percentage points, operating income jumped 91.5%. The company was the world's 8th largest semiconductor firm and fourth largest fabless IC design company. It hit the list of "Top 20 Best Taiwanese Global Brands" for the 6th year in a row and is the only semiconductor company on the list.
- Active participation in standards organizations:**
 The company has served key positions, such as chairman or editor, in working groups of various standards organization, such as 3GPP, IEEE 802.11 standards committee, and Wi-Fi Alliance, exercising its industrial influence to contribute to the world's latest technology standards.
- Key player that drives the development of the 5G ecosystem:**
 In addition to possession of cutting-edge products, MediaTek has joined hands with global partners, such as Ericsson, Nokia, NTT Docomo, T-mobile, Verizon, Chunghwa Telecom, and Far Eastone Telecom, in pushing 5G forward.

Innovation



MediaTek actively innovates to provide highly competitive and compelling products and services to our customers.



Of the three objectives set by the company, the first two are directly related to innovation: first, we aspire to achieve technology leadership in areas critical for business success; second, we aspire to deliver differentiated technologies, features and services, and capture the value for sustainable growth and profit. The concept of attaining sustainable growth and profit aligns with corporate social responsibility.

- R&D as driving force:**
 The company spent 77.3 billion NTD on R&D in 2020, up near 23% than the previous year, underscoring its resolve in retaining technological edge.
- Within the world's leading group for cutting-edge technology:**
 The company updated its 5G flagship SoC to Dimensity 1000+, offering high-speed 5G connection for high-end devices and innovative multimedia, AI, and imaging technology, which underscores its industrial influence on the global market.
- Enabler of green innovation:**
 In 2020, MediaTek continued to launch high-performance, low energy-consumption chips, helping end products of its customers cut energy consumption by 11% than the 2019 level, which, given the amount of chip sales, led to power saving of 294 million kilowatts/hour and reduction of CO₂ emission by 155,526 tons, or the carbon storage capacity of 255,269 acres of US forests in a year.
- Acknowledgement by global authority:**
 In 2020, 4 papers from MediaTek were accepted and subsequently published by ISSCC 2021, accumulating 83 papers in the past consecutive 18 years.
- Accumulation of IPs:**
 The company secured over 1,400 patents in Taiwan and abroad in 2020, the highest in the Taiwanese IC design industry, boosting the accumulated amount to over 12,000. The company also tops the Taiwanese semiconductor industry in the amount of global patents it holds in 5G communications, Wi-Fi, and HEVC.

*Note: Conversion based on the Greenhouse Gas Equivalencies Calculator of the United States Environmental Protection Agency as well as publicly available information of the Taiwan Power Company.

Talent



MediaTek provides an environment of diversity and inclusiveness to attract global talent, with opportunities for them to unleash their potential and grow with the company.



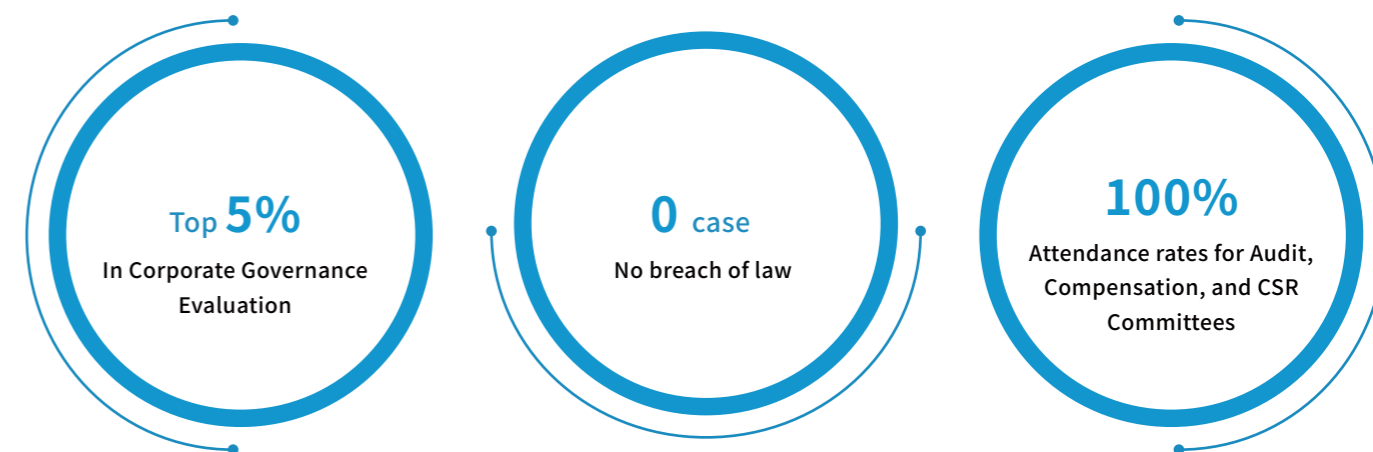
- Safeguarding employee health worldwide against the pandemic:**
The Company set up an anti-pandemic command center, instituting response procedures aligned to the standards of various countries, and adopted preemptive responses to ensure uninterrupted global operation.
- Reinforcement of leadership competence and invigoration of the learning platform:**
Leadership competence was reexamined in a newly launched competence-based manager training program, and the revamped learning platform featured global sharing and co-creation, accelerating and augmenting diffusion, interaction and effectiveness of learning.
- Follow-up on employee survey:**
Human Resources designed an improvement program centered on "communication" and "career development" for every business / functional unit to formulate their own improvement plans. The improvement process has also coupled with a simple pulse survey as a tool to timely measure the efficacy.
- Continuous effort in creating a friendly work environment:**
The Company developed and launched an HR AI Chatbot that offers employees one-stop, real-time, and self-improving HR consultation and assistance. In response to the impact of the pandemic, corresponding regulations for attendance management and leave-taking were established, including an extension of the marriage leave by up to 2 years. Office environment saw small but steady improvement this year with the institution of laboratory safety, provision of ergonomic chairs, and beautification of pantries and copy rooms.

*Note: Non-managerial full-time employees are all employees excluding the Board of Directors and key managers.

Corporate Governance



MediaTek has adopted corporate governance practices to reflect our strong commitment to protecting stakeholder interests.



- Adoption of the "Board Diversity Policy" and establishment of the "M&A Strategy Committee":**
To enhance corporate governance and the Board's diversity, the Board of Directors passed a "Board Diversity Policy," in which the members of the Board should have diversified backgrounds and perspectives. Furthermore, the Board also established a Merger and Acquisition (M&A) Strategy Committee to provide preliminary analysis and evaluation of M&A deals to the Audit Committee and the Board.
- Reinforcement of information security mechanisms:**
The Company has continued to take inventory of important documents and technologies, as well as reinforce the protection of key technologies and enhance the effectiveness of the company's cyber security measures and information security programs.
- Risk Management Committee:**
To enhance risk management and corporate governance, and thereby achieving sustainable development as the highest goal of corporate operation, the Company established the "Risk Management Policy and Procedure" and the Risk Management Committee in 2020 for the initiation and coordination of risk-management projects. At the early stage of its work, the Committee completed two risk-management training sessions to raise awareness among business and function units. Subsequently, those business and functional units started planning for risk identification, analysis, response, and mitigation measures.



Environmental Management



We ensure responsible supply chain management by reducing our environmental impact where possible, encouraging suppliers to work together on issues relating to climate change.



- Local procurement:**
 The company's local purchase value exceeds 150 billion NTD, driving growth of local semiconductor industry.
- Responsible supply chain:**
 In line with UN SDGs, MediaTek continued to hold Supplier Forums, encouraging supply-chain partners to reduce carbon intensity by 2% a year and set up targets on renewable energy. In 2020, MediaTek purchased 20 renewable-energy certificates (20,000 kWh), equivalent to reduction of 10 metric tons CO₂e emission. Through a value-add program, MediaTek also endorsed in education of the disadvantaged with the EDUpower Quality Label, in the hopes of inspiring supply-chain partners to emulate its aggressive climate actions. The company also awards excellent suppliers at supplier conferences, acknowledging their performance in dealing with the challenge of climate change.
- External verification for carbon reporting:**
 MediaTek completed ISO 14064 International Standard for GHG Emissions Inventories and Verification at all sites in Taiwan, leveling up its greenhouse-gas reporting and reduction. In 2021, ISO 50001 Energy Management Standard is planned to be introduced into the management system.
- Dedication to energy conservation and carbon abatement:**
 At full capacity, our 3 energy-efficient, high-density datacenters saves 20.3 million kWh of power a year. The current rooftop solar power system generated 200,000 kWh of power in 2020; evaluation for setting up a second one is underway. The new office building employs 100% high-performance LED lighting, and gradual upgrades are ongoing in other office buildings, substituting LED for fluorescent tubes. In cooperation with the local Bureau of Environmental Protection, the company was the first in Hsinchu Science Park to install recycle machines. It also offers inter-building e-shuttle service and integrated its own IoT chip products into the meeting-room system to save energy.



Community Engagement



MediaTek aspires to be involved through our core capabilities to empower the community with science education and innovative technological applications.







The company has been dedicated to cultivation of talent in the field of science and technology as well as digital social innovation. Over the past 20 years, the company has invested 1.8 billion NTD for the cause.







- Talent cultivation:**
 MediaTek has been collaborating with the academia and has supported their talent cultivation over the years. Our collaborative efforts include joint establishment of innovative research centers on campus, industry-university collaboration on specific projects, participation in academic research institutes, recruitment of talented professors from overseas, provision of scholarships for domestic and overseas doctoral students, and partnerships with at least 19 universities in Taiwan and abroad.
- Call for social innovation:**
 MediaTek held its 3rd "Genius for Home: MediaTek Digital Social Innovation Campaign," which received 418 innovative solutions to make communities better in Taiwan. We also supported teams from previous years in rolling out their plans.
- Support for science education:**
 To fill the gap in learning resources, MediaTek has been supporting STEM* education for many years. In response to the demand for programming teachers brought by 2019 Grade 1-12 curriculum guidelines, MediaTek has collaborated with 9 municipalities to establish a pool of programming teachers. Since 2011, we have subsidized selected elementary school science projects with the National Taiwan Science Education Center. In tandem with the National Science Fair 2020, MediaTek encouraged and facilitated nearly 4,000 elementary-school teachers and students in expanding their science learning experience, 40% of slots reserved for schools in remote and disadvantaged communities in order to narrow the urban-rural divide.
- Social services:**
 MediaTek has been actively taking part in social services and social engagement, including public education, industrial development, society and humanities, with the number of beneficiaries exceeding 10,000 in 2020.





*Note : STEM refers to the four major fields of science, technology, engineering, and math.

Stakeholder Engagement

Our stakeholder engagement has been sustained through various communication channels, including day-to-day business contact and periodic surveys with stakeholders. In the meantime, we keep up with the latest domestic and international trends of sustainable development. With information collected from the above, we analyze the gap between internal and external stakeholder input and make mid to long term plans to address stakeholders' top concerns, making rolling revisions. Below is an outline of our current strategic topics and corresponding responses.

Strategic topic and their significance	Stakeholders	Corresponding material issues		Strategic goals	Progress and results in 2020
 <h2>Innovation</h2> <p>We strive to empower people from all corners of the world with digital opportunities that may enhance and enrich their lives.</p> 	<p>Customers, shareholders and investors, employees</p>	<p>Innovation and Product Accountability</p>		<p>Provide innovative products that meet the needs of consumers: Corresponding measures:</p> <ul style="list-style-type: none"> • 5G - Roll out cutting-edge chipsets alongside the world's leading group. • AI - Take advantage of AI edge computing, plus algorithm and software tools to make major inroads into the realms of smart home, wearables, mobile phone, ASIC, connectivity and IoT. <p>Short term goal: Invest at least 50 billion NTD in R&D a year.</p> <p>Mid to long term goal:</p> <ul style="list-style-type: none"> • Achieve technology leadership in areas critical to business success. • Deliver differentiated technologies, features and services, and capture the value for sustainable growth and profit. 	<ul style="list-style-type: none"> • Invested 77.3 billion NTD in innovation and R&D • Shipped chipsets for 2 billion end devices every year, enhancing and enriching the lives of people worldwide • Rolled out 5G SoC Dimensity 1000+, packing 5G connectivity and gaming, video and power-saving technology enhancements for flagship-grade user experiences in the global market
 <h2>Talent Attraction and Retention</h2> <p>In response to the ever-changing nature of technology and the expansion of corporate operation, the company has to constantly review its needs and find the right talent. To its employees, the company provides sufficient training and guidance as well as a friendly and inclusive workplace that encourages innovation, so that employees can maximize their potential and grow with the company.</p> 	<p>Employees</p>	<p>Talent Attraction and Retention Employee Development</p>		<p>Corresponding measures:</p> <ul style="list-style-type: none"> • Provide a challenging and innovative environment to attract talent, as a leader in the field. • Provide compensation packages superior to industrial average. • Get right talent via multiple innovative recruitment channels. • Enrich employee experience by providing various training and development opportunities that meet the needs of the individual and organization, a fair, reasonable, and sustainable compensation mechanism, a diverse and inclusive workplace conducive to exercise of professional capabilities, a healthy workplace conducive to employees' physical and mental health, and flexible benefit programs. <p>Short term goal: Maintain a talent tool to meet the company's current need in terms of quantity and quality so as to uphold the company's competitiveness in the industry.</p> <p>Mid to long term goal: Satisfy the company's future demand for talent by continuing to invest in talent recruitment and development and provide competitive compensation and benefit packages.</p>	<ul style="list-style-type: none"> • Among the top 3 enterprises with average and median salary for non-managerial full-time employees at 2.647 million NTD and 2.339 million NTD, according to the Taiwan Stock Exchange (TWSE) • 17,000 full-time employees worldwide each received 100,000 NTD incentive bonus to celebrate the Group's breaking of the 10 billion USD mark in consolidated revenues • Granted the honor of "high distinction" in the evaluation of Excellence in Gender Equality in the Workplace by Hsinchu Science Park Bureau • Upgraded the global online learning platform, strengthening user experience and convenience, attracting 374,105 times of usage, up 77% • Launched online AI robot Alpha in 2020, answering inquiries by employees on human-resources issues in real time <p>Note: Non-managerial full-time employees here are defined as all full-time employees excluding Board members and the management team</p>

Strategic topic and their significance	Stakeholders	Corresponding material issues	Strategic goals	Progress and results in 2020
<p> Customer Relationship Management, Brand Identity and Market Perception</p> <p>We aspire to uphold our distinctive world class position and become a well-respected and strategically relevant global semiconductor company.</p>  	<p>Customer, industry, governments, academia, research institutes, general public, media</p>	<p>Customer Relationship Management</p> <p>Brand Identity and Market Perception</p>	<p>Customer Relationship Management Corresponding measures: In addition to regular management review on the basis of sales forecast and the amount of new cases, the company has strived to gain better understanding of customers, including their organizational structure, focus of concern, and working style, so as to win their favorable impression. Short term goal: Sustain growth in sales, close the gap between fab capacity and quantity of order, and thereby increase customer satisfaction and market share. Mid to long term goal: Develop new markets and extend our customer base through new business.</p> <p>Brand Identity and Market Perception Corresponding measures: • Adjust annual marketing plans to grow our brand exposure and the accuracy of information gathering via Internet. • Strengthen the planning-through-execution of key projects based on external consultancy. Short term goal: Increase brand value by 10% and boost corporate image. Mid to long term goal: Increase brand value by 30% and boost corporate image.</p>	<ul style="list-style-type: none"> • Learned about customer satisfaction via customer visits, new cases, and Q&A • Leveraged localized customer service and video conferences in response to travel restrictions imposed worldwide amid COVID-19 • Received Interbrand's "Top 20 Best Taiwanese Global Brands" for six consecutive years • Brand value increased to 418 million USD from 375 million USD in previous year, up 10% and attaining the 2019 short-term goal by 110%
<p> Corporate Governance, Risk Management, and Economic Performance</p> <p>To maintain due economic performance, MediaTek endeavors to fully comply with laws and regulations in its host countries and regions as well as control risks from the business environment. In other words, we aim to enhance our core-business performance to fulfill more corporate social responsibility.</p>  	<p>Investors, employees, industry, the governments, academia, research institutes, and the media</p>	<p>Corporate Governance and Compliance</p> <p>Risk Management</p> <p>Economic Performance</p>	<p>Corporate Governance Corresponding measures: • Enhance corporate governance by adopting a "Board Diversity Policy" and establishing a Merger and Acquisition (M&A) Strategy Committee under the Board • Form a Risk Management Committee aiming to achieve the ultimate goal of sustainable development Short term goal: • Prevent major violations against social, environmental, and economic laws and regulations • Advance to top 5% of listed companies at the Corporate Governance Evaluation • Conduct self-evaluation of performance of the Board of Directors Mid to long term goal: Enhance overall Board function by responding robustly to corporate governance practices recommended by government agencies and institutions</p> <p>Risk Management Short term goal: Reinforce the organizational structure for risk-management and establish a complete risk-management policy Mid to long term goal: Define key risk indicators and employ uniform risk-quantification standards, so as to enhance company's crisis response capability and to establish a risk alert mechanism</p> <p>Economic Performance Corresponding measures: Balance revenues from all major businesses, monitoring the latest development of US-China trade and geopolitical economy. Short term goal: Maintains gross margin in the current range of 43% to 44%. Mid to long term goal: • Raise profit margin further while boosting sales. • Create long-term value for our shareholders by leveraging our technological capabilities and product portfolio.</p>	<ul style="list-style-type: none"> • Passed the Board Diversity Policy and instituted the M&A Strategy Committee (both disclosed on the official website) • Successfully advanced to top 5% (i.e., the first tier) of listed companies in 2020 Corporate Governance Evaluation (ranked as the second-tier, 6%-20%, in 2019) • Instituted the Risk Management Committee to be in charge of formulating risk-management policies and to report to the Board of Directors every year • Net revenue increased 30.8% from 2019, with operating income jumping nearly 91.5% and gross margin increasing by 2 percentage points • Attained 2019 short-term goal by having boosted revenue in the growth area by 15%

Strategic topic and their significance	Stakeholders	Corresponding material issues	Strategic goals	Progress and results in 2020
<p> Community Engagement</p> <p>Community engagement is one of the primary concerns to many of our external stakeholders, as we have made relatively little communication on the topic and have focused our support on less publicly known areas like advanced science/tech education and research. In response, we have increased communication and invited a wider group of people in recent years to join us in creating value for this society.</p> 	<p>Industry, governments, academia, research institutes, general public</p>	<p>Social Welfare Activities</p>	<p>Corresponding measures: Hold "Genius for Home: MediaTek Digital Social Innovation Campaign," foster programming education, engage in industry-university collaboration, and provide long-term support for artistic, cultural, and educational activities.</p> <p>Short term goal: Hold social innovation competition, soliciting ideas and proposals, while strengthening external communication.</p> <p>Mid to long term goal: Encourage implementation of projects, track results, and let social public understand MediaTek's effort in cooperating with society for value creation.</p>	<ul style="list-style-type: none"> Spent over 1.8 billion NTD over the past 19 years, where community investment took up 68.46 million NTD With "Genius for Home" over the past 3 years, accumulated 4,522 participants and 1,101 solutions targeting 22 cities and counties, touching upon economy, civic participation, environment and ecology, health and medical services, education and culture, information technology Supported 9 teams in carrying on with their projects over the past 2 years
<p> Multi-Channel Communication</p> <p>In order to establish a solid, sustainable labor-management relationship, we built real-time, two-way communication channels that facilitate timely and accurate communication between the management and employees. Provision of diverse communication channels and environment is conducive to enhancing employee satisfaction.</p> <p>In order to foster a positive business environment, we have reinforced our external communication to establish corporate reputation, enhance brand awareness and trust, and create win-win situations with external parties.</p> 	<p>Employees, industry, governments, academia, research institutes, media</p>	<p>Multi-Channel Communication</p>	<p>Internal Communication</p> <p>Corresponding measures:</p> <ul style="list-style-type: none"> Promote global communication guidelines and advocate the 5C model to ensure effective cross-language team communication via online and offline channels. Conduct Employee Surveys periodically and make improvements accordingly to boost mutual understanding between the company and employees. <p>Short term goal: Implement global communication guidelines and utilize various communication channels to effectively disseminate corporate goals and policies and respond timely input/feedback from employees.</p> <p>Mid to long term goal:</p> <ul style="list-style-type: none"> Conduct periodic Employee Surveys and form a task force to draft and implement improvement plan in response to the results, so as to enhance employee satisfaction. Continue engaging in online and offline communication to facilitate attainment of corporate goals. <p>External Communication</p> <p>Corresponding measures:</p> <ul style="list-style-type: none"> Establish effective two-way communication channel to remove barriers for corporate operation and improve external business environment. Take part in policy-making to enhance business performance Based on results of the Perception Survey, determine topics of communication, convey corporate brand messages, maintain media relations, proactively participate in public affairs, and actively handle crises and risks. <p>Short term goal: Boost corporate publicity.</p> <p>Mid to long term goal: Increase preference for and trust in the company.</p>	<ul style="list-style-type: none"> Launched Communication Platform, (FAQ 2.0), its enhanced user interface facilitating employee feedback and troubleshooting Held manager communication meetings and labor meetings quarterly Launched an interactive platform with an AI robot to offer employees real-time look-up on HR resources Communicate and work with the industry, governments, academia and research institutes to establish trust relations Communicate through media events to the public our vision, products and services, as well as business operation to facilitate understanding

Strategic topic and their significance	Stakeholders	Corresponding material issues	Strategic goals	Progress and results in 2020
 <p>Product Accountability and Carbon Abatement</p> <p>As a fabless company, the office space is the area where we can take full responsibility. Beyond office buildings, however, we also work on energy saving in products, tracking relevant data, and take initiative with suppliers, holding Supplier Forums.</p> 	Consumers	Innovation and Product Accountability Supply Chain Management	<p>Short term goal:</p> <ul style="list-style-type: none"> Enhance energy efficiency in product Induce supply-chain partners to reduce carbon intensity by 2% a year and increase the proportion of renewable energy consumption <p>Mid to long term goal:</p> <ul style="list-style-type: none"> Support domestic and international advocacy of environmental protection and carbon abatement and encourage suppliers to do the same Conduct inventory of supply-chain greenhouse-gas emission Conduct supply chain audits 	<ul style="list-style-type: none"> Held Supplier Forum to encourage accountable operations Encouraged suppliers to target a 2% annual carbon intensity reduction and promote the use of renewable energy Purchased 20 renewable-energy certificates (20,000 kWh), equivalent to reduction of 10 metric tons CO₂e emission, hoping to inspire The current rooftop solar power system generated 200,000 kWh of power in 2020, reducing 102 metric tons of CO₂; evaluation for setting up a second one is underway Completed ISO 14064 external verification

Identification of Stakeholders

Via assessment of the connection and extent of influence between various stakeholders and MediaTek, as outlined by the five principles of AA 1000 Stakeholder Engagement Standard (SES), namely dependency, responsibility, influence, diverse perspective, and tension, the company has identified six major stakeholders as communication targets: customer, industry/governments/academia/research institutes, employees, shareholders and investors, suppliers, and general public/consumers/media. Table 1 is a model and status update of our communication with stakeholders.

Analytical Flow for Materiality

1. Benchmark analysis:

Information collected through major sustainability rating institutes, like DJSI, Sustainalytics, CSR Hub, showed a continuation of trend among international peers (see p.14 of our 2018 CSR Report).

2. Issue identification:

We used the same 23 issues established based on results of our benchmark analysis and ESG issues of concern to stakeholders (see p.12 of our 2018 CSR Report).

3. Sequencing of material issues:

The sequencing was done according to periodic communication with customers, suppliers, shareholders, employees, and so on as well as quantitative and qualitative surveys in four categories: (A) Material Issue Survey (2019, 2020), (B) Employee Survey (2016, 2019), (C) Brand Survey (2018, 2019), and (D) Perception Survey (2017, 2020). The surveys were done with an interval of 2-3 years. We compared new results with their older counterparts to modify our goals and update our priorities.

Communication channels with stakeholders		2016	2017	2018	2019	2020
External and Internal	Day-to-day business contact (Table 1)	●	●	●	●	●
Internal	A.1 Executive Manager Survey and in-depth interviews (11 top managers)				●	
	A2. Material Issue Survey (6 top managers)					●
External	A2. Material Issue Survey (147 stakeholders)					●
	B. Employee Survey (>9,000 employees)	●			●	
	C. Brand Survey (1,202 customers, opinion leaders, and consumers)			●	●	
	D. Perception Survey (100 opinion leaders and 1,333 general public)		●			●

4. Establishment of material issues:

Based on the results of aforementioned communication and surveys, working groups of the CSR committee looked into fundamental reasons and planned corresponding improvement measures, which were finalized by the Committee Chair (a.k.a. the CEO). The company made minor adjustment of material issues according to stakeholder interest and impact on business in the annual review. The 11 prioritized material issues were derived from the findings of the Material Issue Survey (A), where items with the highest extent of stakeholder interest and impact on business were selected. Apart from those items, we added Social Welfare Activities from the Perception Survey (D) findings, Multi-Channel Communication from Employee Survey (B) findings, and Supply Chain Management from routine communication with stakeholders. The following matrix represents material issues according to findings of the 2020 Material Issue Survey; the 11 prioritized material issues are bolded (see Table 2 for their respective scopes in the value chain):

MediaTek Material Issues Matrix

● Economic aspect ● Social aspect ● Environmental aspect

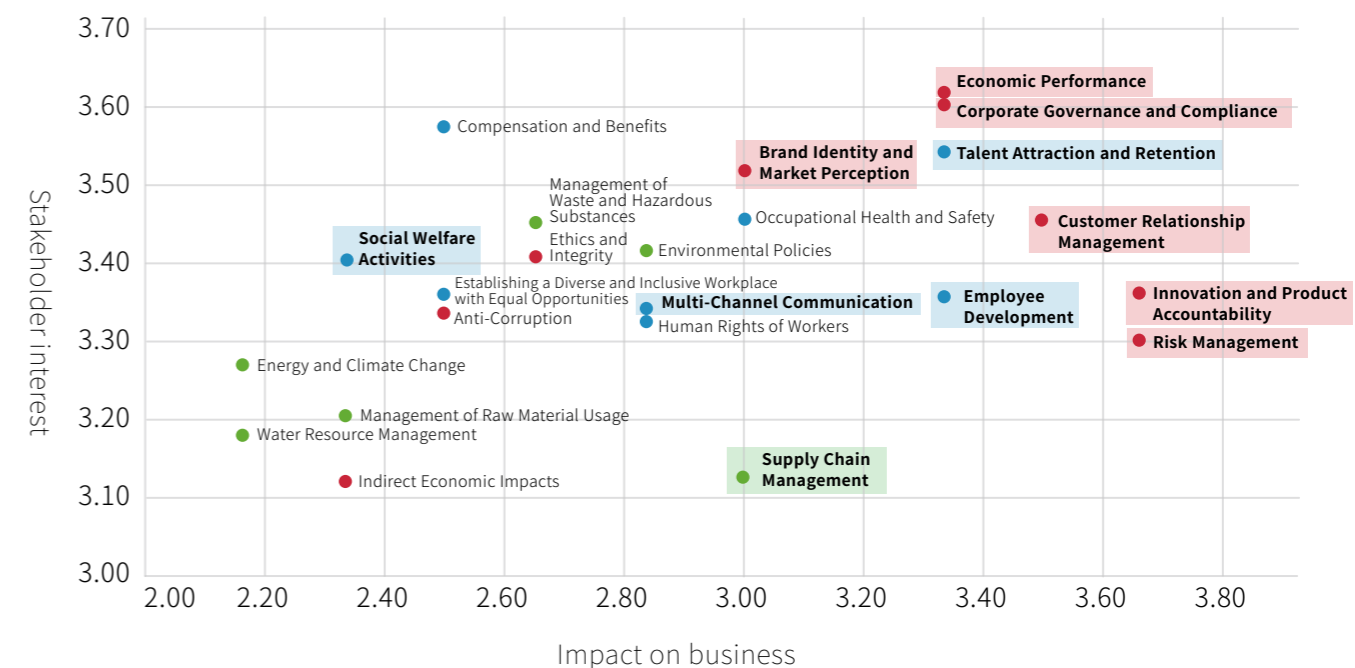


Table 1: Model of Stakeholder Engagement














Stakeholder	Significance	Method		Frequency	Sustainability Focus	Response
 Customers	We develop products and services in the spirit of customer focus, striving to facilitate customer success. Customers are the cornerstone for the sustainable development of our businesses.	<ul style="list-style-type: none"> • Visits, phone calls, and e-mails • Video conferences, online summits, online launch events • Channel for handling customer complaints 		<ul style="list-style-type: none"> • Daily • According to project schedule • Immediate 	<ul style="list-style-type: none"> • Products and innovation • Customer relationship management • Brand identity and market perception 	<ul style="list-style-type: none"> • Put ourselves in clients' shoes and communicate through various channels towards an effective resolution • Develop products meeting local needs • Communicate a new brand identity through a wide variety of owned, sponsored or paid-for channels • In response to travel restrictions imposed by countries worldwide amid the COVID-19 pandemic, the company took advantage of local customer teams, video conferences, online summits, and online launch events to maintain smooth communication and commitment.
 Industry, Governments, Academia & Research Institutes	Governments, industrial associations, research institutes, and think tanks are key stakeholders of MediaTek. MediaTek responds to legal requirements of host governments and work with them on fostering a positive business environment.	<ul style="list-style-type: none"> • Collection of data on international laws/regulations and compliance • Collection of data, consultation, communication, and compliance on central-government laws/regulations • Project meetings 		<ul style="list-style-type: none"> • Immediate • According to the schedule of the law-making process • According to project schedule 	<ul style="list-style-type: none"> • Industrial policy and environment: taxation, talent, market competition • Evaluation of influence on industrial operation • Consultation on corporate governance and compliance • Talent cultivation in higher education 	<ul style="list-style-type: none"> • Actively respond to government inquiry about formulation of laws / regulations and business environment, joining effort in improving general business environment • Collaborate in the dissemination of science and technology education and the development of the industry. In 2020, MediaTek sponsored 26 projects carried out at Research Centers in NTU, NCTU, and NTHU, leading to 3 patent applications and 48 paper publications.
 Employees	As a fables company, MediaTek's most important asset is employees. Team effort in creating innovative design is key to MediaTek's global technological leadership.	<ul style="list-style-type: none"> • Labor meeting • Global communication meeting with employees of all levels • Employee surveys • Communication Platform (FAQ 2.0) • Ombudsman service & corporate suggestion box • Interactive HR AI Chatbot 		<ul style="list-style-type: none"> • Quarterly • Monthly • Quarterly • Periodic • Immediate • Immediate 	<ul style="list-style-type: none"> • Talent attraction and retention; salary, employee experience, benefits • Employee development and promotion • Establishing a diverse, inclusive workplace with equal opportunities 	<ul style="list-style-type: none"> • Provide competitive and diverse compensation and benefit packages • Every full-time employee received 100,000 NTD incentive bonus to celebrate the Group's breaking of the 10 billion USD mark in consolidated revenues • Provide equal employment and development opportunities and a safe and friendly working environment • Release opening job opportunities to all employees and have completed over 100 internal transfer, each taking approx. 4 months after approval
 Shareholders & Investors	Shareholders and investors are backers and drivers of MediaTek, enabling the company to proceed along the path of sustainable development with their capital injection and participation in governance.	<ul style="list-style-type: none"> • Shareholders' General Meeting • Investor conferences • Domestic and overseas roadshows • Interviews with institutional investors 		<ul style="list-style-type: none"> • Annual • Quarterly • Over 30 sessions a year, depending on invitation status • Over 300 sessions a year, depending on invitation status 	<ul style="list-style-type: none"> • Economic performance • Corporate governance and compliance 	<ul style="list-style-type: none"> • Operating profit jumped 91.5% in 2020 • Interact with and listen to suggestions from our investors and use these as important references for developing future strategies • Presented in investor conferences in Taiwan and abroad, held over 300 investor meetings with institutional investors, servicing over 9,000 investors worldwide in 2020
 Suppliers	As best partners, suppliers help MediaTek produce excellent products and services, both parties capable of extending help to each other during times of crisis and sustaining growth side by side.	<ul style="list-style-type: none"> • Supplier Conference • Supplier audits • Grievance mechanism 		<ul style="list-style-type: none"> • Annual • Annual • Immediate 	<ul style="list-style-type: none"> • Supply chain management 	<ul style="list-style-type: none"> • Encourage quality suppliers with the "MediaTek Supply Chain Social Responsibility Award" awarded at the Supplier Conference • Audited and communicated with 7 key suppliers on carbon reduction in 2020 • Request suppliers target 2% annual carbon intensity reduction and promote the use of renewable energy • Purchased 20 renewable-energy certificates (20,000 kWh), equivalent to reduction of 10 metric tons CO₂e emission
 General Public Consumers Media	The public is MediaTek's partner in enhancing and enriching everyone's life, and public opinion has certain influence on public policies. We strive to enhance mass communication and work with local communities, the media and nonprofits to fulfill our responsibility as a corporate citizen.	<ul style="list-style-type: none"> • Press conferences • News releases • Media interviews • CSR mailbox • Expansion of social participation • Corporate website and social media 		<ul style="list-style-type: none"> • Non-periodic • Non-periodic • Non-periodic • Immediate • Non-periodic • Constant 	<ul style="list-style-type: none"> • Innovation • Brand identity and market perception • Social welfare activities 	<ul style="list-style-type: none"> • Roll out 2 billion sets of cutting-edge products, so that more people around the world can benefit from technological innovation • Facilitate the dissemination of science and technology, with the concept of technology inclusiveness in mind • Hold "Genius for Home: MediaTek Digital Social Innovation Campaign" to advocate care for hometown. In 2020, 1,713 people took part, putting forth 418 proposals. Accumulated coverage of proposals over the past 3 years was 278 towns and villages, or 76% of land.

Table 2: Material Issues and MediaTek's Value Chain

As an IC design company that does not have in-house production lines or fabs, MediaTek is located at the top of the overall value chain, and our main business is design and sales of products. Our suppliers carry out the entire manufacturing process, including raw materials procurement, wafer processing, assembly, and testing. The following is review of the direct/indirect impact of each material issue on our value chain, where icons for boundary levels are shown in the table below:

Impact level ● Direct ● Indirect

Material issue	Chapter	Corresponding GRI material topics	Scope of impact on value chain			
			R&D	Client commissions	Supplier manufacturing	User
 Innovation and Product Accountability	Ch.2 Innovation p.23	Non-GRI material issue	●	●	●	●
 Customer Relationship Management	Ch.1 Global Presence p.13	Non-GRI material issue		●		
 Brand Identity and Market Perception	Ch.1 Global Presence p.13	Non-GRI material issue	●	●		●
 Risk Management	Ch.4 Corporate Governance p.47	Non-GRI material issue	●	●	●	●
 Economic Performance	Ch.1 Global Presence p.13	GRI 201: Economic Performance 2016	●	●	●	●
 Corporate Governance and Compliance	Ch.4 Corporate Governance p.47	GRI 307: Environmental Compliance 2016 GRI 419: social and economic legal compliance 2016	●		●	
 Talent Attraction and Retention	Ch.3 Talent p.29	GRI 401: Socioeconomic Compliance 2016	●			
 Employee Development	Ch.3 Talent p.29	GRI 404: Training and Education 2016	●			
 Social Welfare Activities	Ch.6 Community Engagement p.65	Non-GRI material issue	●			●
 Multi-Channel Communication	Ch.3 Talent p.29	Non-GRI material issue	●			
 Supply Chain Management	Ch.5 Environmental Management p.54	GRI 308: Supplier Environment Assessment GRI 414: Supplier Social Assessment			●	

1 Global Presence

MediaTek aspires to lead and operates with a global mindset.

1.1 Brand Vision

1.2 Global Operations

1.3 Customer Services

1.4 Financial Performance

Material issues in this Chapter

- Brand identity and market perception
- Customer Relationship Management
- Economic Performance

MediaTek Group Scale-up

Consolidated revenues reached the **10 billion** USD milestone.

Worldwide R&D capabilities

27 sites distributed globally

Emphasis on local talent

More than **93.9%** of managers at overseas sites are local hires.



1.1 Brand Vision



Management Guidelines: Brand identity and Market Perception (Non-GRI Material Topic)

Importance to MediaTek:

Enrich and enhance everyone's life through our innovative technologies, leading products, strong business model, and effective corporate feedback.

Commitments and Policies:

We are continually improving our market image in order to generate increasing brand value. This is realized through innovations in leading technologies, strategies, marketing, management, and processes.

Goals	Customer relationship management	Regularly update sales forecasts and maintain close oversight of ongoing projects. Understand our customers' business focus, organization and working philosophy in order to enhance our relationship. Our mid to long-term strategy is to develop new markets and extend our customer base through new	Achievement
	Brand image	Refresh our annual marketing plans to grow our brand exposure and the accuracy of information gathering via Internet. We are strengthening the planning-through-execution of key projects with the assistance of external consultancy.	
	Brand value	Commitment to increase our brand value and respective corporate image by 10% in the short term (1-2 years), followed by a 30% increase in the mid-to-long term (3-5 years).	
Our Management System	Responsible units	Sales and Marketing	
	Resources	Corporate Marketing (15-20 employees) is directly responsible for establishing brand identity and guidelines for all employees to apply in their communication.	
	Communication channels	<ul style="list-style-type: none"> • Digital channels such as social media, corporate websites, newsletters, brand stores • International exhibitions (whether live or virtual) • Global technology meetings and conferences (whether live or virtual) 	
	Evaluation mechanism	Evaluation results for global brands	

- Won the "Outstanding Asia Pacific Semiconductor Company Award" from the Global Semiconductor Alliance (GSA): 8-time winners from 2009 to 2020
- Won TCSA "The Most Prestigious Sustainability Award - Top 10 Domestic Corporates" continuously for 6 years; MediaTek also received "People Development Award", "Growth through Innovation Award", "Social Inclusion Award" and "Supply Chain Management Award" for the Manufacturing industry
- Honored as "Top 20 Best Taiwan Global Brands" by Interbrand continuously for 6 years. During this time brand value increased by 10% up to 418 million USD over 2019
- MediaTek is the only Taiwan-based semiconductor company with papers selected by International Solid-State Circuits Conference (ISSCC) for 18 consecutive years




1.1.1 Powering the Brands You Love

MediaTek powers the biggest brands around the world from smartphones, TVs, and voice assistants to Chromebooks, fitness equipment, and Wi-Fi routers. We power the brands consumers love, and together this makes great technology available to everyone, enriching and enhancing everyday life. Expect incredible when it's powered by MediaTek.

We ensure our chips, products and platforms share core technologies, so every market segment benefits from our comprehensive intellectual property. MediaTek is known for its advances in multimedia, AI, seamless connectivity and technology integration and chip design expertise. Nearly 2 billion devices a year use MediaTek chipsets including the biggest global brands like Oppo, LG, Samsung, Amazon, Vizio, Belkin, Lenovo, Peloton and many more. With MediaTek you can expect incredible performance, advanced intelligence, brilliant imaging, stunning displays, and incredible capture quality in photos and video.

1.1.2 Expecting Incredible with MediaTek Dimensity 5G SoC Family

MediaTek has made ongoing developments across a wide range of technology frontiers, maintaining or establishing a leading position across markets. Our technology expertise encompasses:

 <p>Leading Connectivity</p> <p>2G-5G and NB-IoT cellular, Bluetooth 5.x, GNSS, Wi-Fi 6/6E, plus proven power-efficiency and reliability enhancements in all connectivity technologies.</p>	 <p>Power-efficient Computing</p> <p>Implementations of diverse high-performance processing elements (CPU, GPU, APU, ISP, DSP, etc.) for respective markets. In-house DLA designs.</p>	 <p>Premium Multimedia</p> <p>Rich functions and features through our industry-leading branded technologies including MiraVision display, Imagiq camera, HyperEngine gaming technology, UltraSave power-efficiency, and more.</p>
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In 2020, MediaTek launched its suite of Dimensity 5G SoC family products, from flagship to mainstream, with the aim of providing the most comprehensive and capable range of 5G-integrated chips for smartphones through unrivaled combinations of connectivity, multimedia, AI and imaging innovations. Smartphone users have a wide choice of seven 5G-integrated chips that offer best-in-class features and performance, from flagship-class 1000+, to mid-range 800 series to mainstream 700 series. Our aim with Dimensity, was to always create incredible 5G experiences.

Beyond smartphone, MediaTek continues to build products with capabilities that meet top-to-tail market needs, with targeted growth in flagship markets. Respective market shares in these emerging markets and product categories in 2020 were as follows:

- Market leader in smart speakers, earbuds, voice assistant device, feature phones, digital TVs, Android tablets, connectivity and networking, as well as optical storage and Blu-ray disk player.
- MediaTek became the world's biggest smartphone chip vendor in Q3 2020, with 31% market share, growing 5 points YoY. That is, more than 100 million smartphones with MediaTek chips were sold globally.

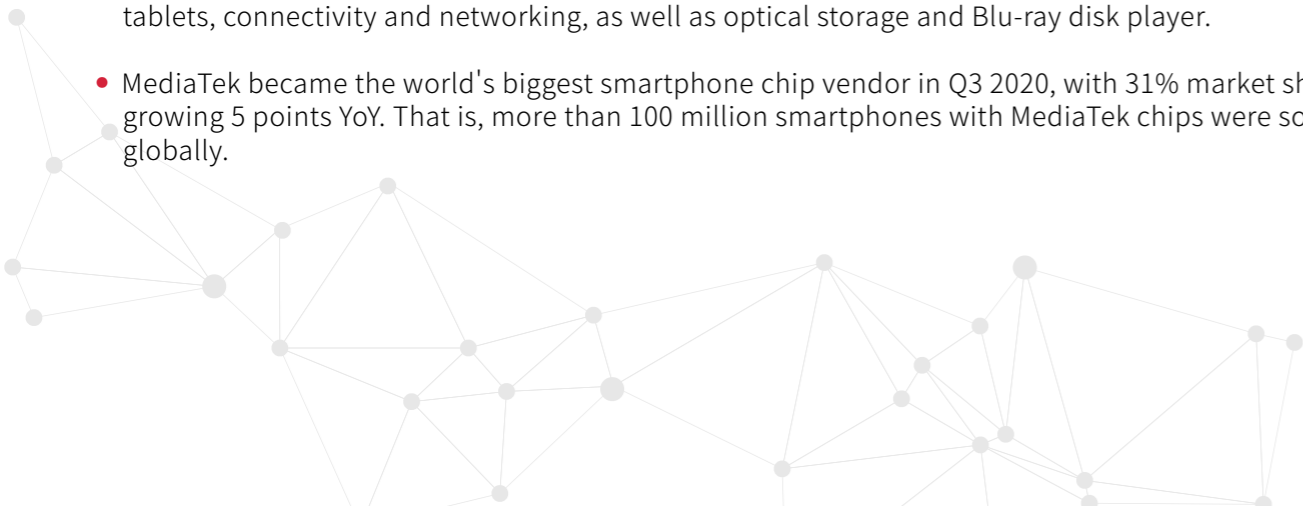
1.1.3 Global Brand Activities

Brand communication for MediaTek is balanced between internal and external communications. Internally, we've built a consensus on MediaTek's brand by helping each employee to understand the process of brand development, brand positioning, and the importance of implementing the spirit of our brand. Complying with our brand values, we develop products that make technology easy to use and, in-turn, more popular by providing more effective solutions.

MediaTek shapes a consistent brand image through external brand communication and long-term brand building projects; we express our corporate brand and product brand positions and commitments globally via a variety of communication channels and participation in global exhibitions. We are committed to pursuing leading technological trends, furthering our technological advantages and creating a positive perception, thus displaying strong brand competitiveness in the face of highly competitive markets. We showcase our technological innovation and competitive products to key influencers, global analysts and media, and direct to consumers through an ongoing series of activities, campaigns, owned channels (blogs) and social media.

1. Consumer Electronics Show (CES) in Las Vegas (7-10 January 2020)

At CES 2020 MediaTek showcased its 5G Dimensity, Smart Home, AIoT and Automotive solutions. We introduced Dimensity 800 series 5G chipset family to bring flagship features, power and performance to premium mid-range 5G smartphones. We also met with major carriers, OEM/Module vendors in US market.





2. Virtual India Mobile Congress (8-10 December 2020)

MediaTek participated in the Virtual IMC 2020 as a 5G partner, building awareness and thought leadership around MediaTek Dimensity 5G solutions among our ecosystem partners, various government/trade organizations, and consumers via media outreach, branding opportunities, and panel discussions. MediaTek Dimensity 800U was one of the key highlights during the event, followed by an engaging panel discussion with Reliance Jio, COAI, Realme, KPMG, among others.



3. Virtual Executive Summit (10 November 2020)

MediaTek conducted its second-annual Executive Summit and invited nearly 200 reporters, analysts and KOLs from the US, UK, Latin America, India, China, Taiwan and other parts of Europe to join the virtual call together with our Executives, including CEO, CFO, Wireless Communications Business Lead and Intelligent Devices Business Lead. During the event we announced the arrival of Dimensity 700 chipset, highlighting the company's mission to make 5G more accessible, as well as two new Chromebook chipsets, MT8192 and MT8195. We also shared our insights about the business and future opportunities, as well as the company's vision for 2021. Through this virtual event, we generated around 200 tweets, 40 Instagram posts/stories and more than 1,500 release articles globally. All executive summit sessions can be found on [MediaTek YouTube channel](#).

MediaTek YouTube channel



Virtual Executive Summit



4. IEEE Global Communications Conference(GLOBECOM) in Taipei Taiwan (6-8 December 2020)

MediaTek participated GLOBECOM: one of the IEEE Communications Society's flagship conferences. Our CEO, Rick Tsai, delivered a keynote speech "Accelerating the Digital Economy Post COVID-19" to more than 3,000 scientific researchers and industry experts in communication technologies. We also showcased a variety of customer devices during the event.



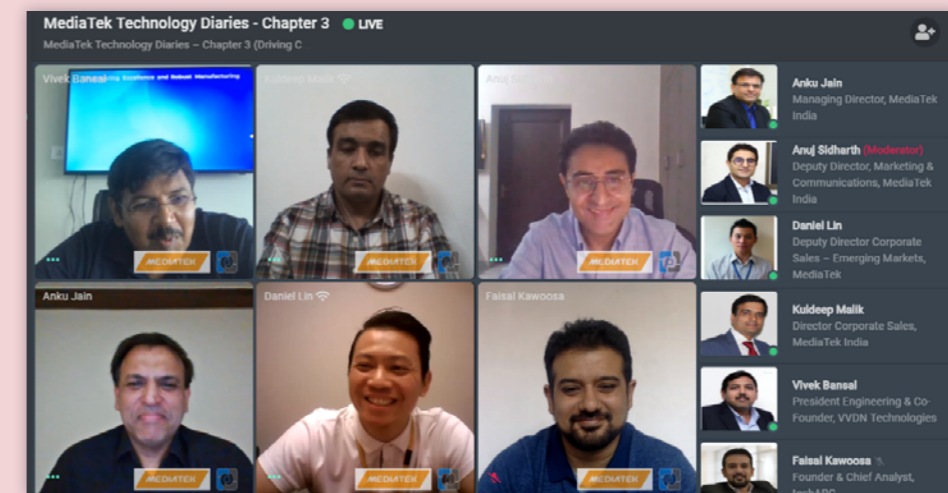
5. Dimensity 1000+ Virtual Launch Event (7 May 2020) and 820 Virtual Launch Event (18 May 2020)

MediaTek held two virtual events in May to launch its new 5G SoC – Dimensity 1000+ and Dimensity 820. At launch, Dimensity 1000+ includes 5G connectivity and gaming, video and power-saving technology enhancements for flagship-grade user experiences. Approximately 70 media/KOL participated the event and in total it generated 1,637 media articles, with 27 million views. Later in May, we continued the momentum to launch Dimensity 820, where approximately 130 media/KOL were in attendance. Its launch generated 4.73 million video views with 3.2 million engagement. There were 102,206 media articles published with 4.33 billion total article views.



6. Virtual Technology Diaries in India (9 September 2020)

The virtual event was conceptualized on the sidelines of the Covid-19 pandemic. Key highlights discussed at the event included the smart-device ecosystem enabled by MediaTek's initiatives in the Indian milieu, MediaTek's collaboration with VVDN Technologies, a leading product engineering & manufacturing company, and the launch of MediaTek Smart Device microsite for the Indian market.

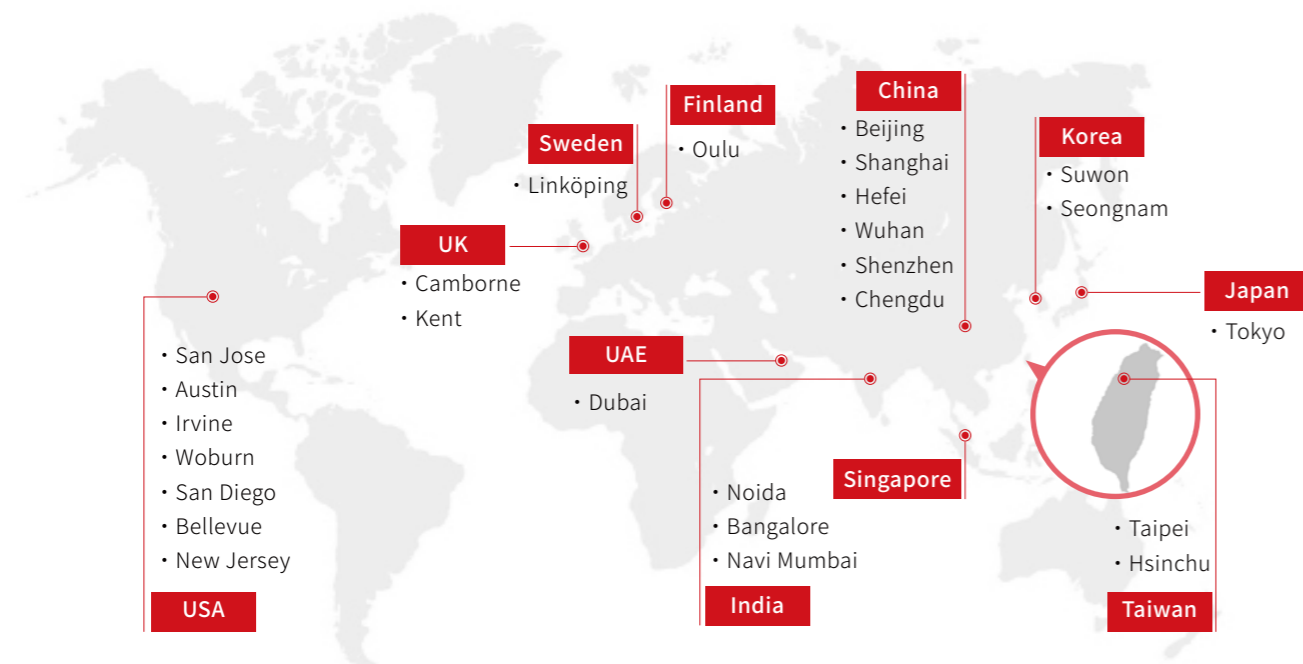




1.2 Global Operations

1.2.1 Worldwide R&D capabilities

MediaTek is headquartered in Hsinchu Science Park, Taiwan and has 27 sites across the globe. Apart from the US, UK, Finland, Singapore, and India, we continue to expand and leverage our presence in emerging markets such as Southeast Asia, Africa, China, and India. All with the goal to provide people all throughout the world with new opportunities made possible by innovative technologies, and thus putting our brand mission into practice.



Hsinchu & Taipei, Taiwan

Founded In
1997

Operations / features

- Headquarters
- Coordination of all business operations and R&D in fields of AI/deep-learning, IoT, IoV, connectivity, AR/VR services

Chengdu, Beijing, Shanghai, Hefei, Wuhan, & Shenzhen, China

Founded In
2001

Operations / features
Development of communication products



San Jose, Austin, Irvine, Woburn, San Diego, Bellevue, & New Jersey, USA

Founded In
2003

Operations / features
Development of pioneering technologies and communication products



Noida, Bangalore & Navi Mumbai, India

Founded In
2004 (Noida)
2014 (Bangalore)

Operations / features

- Development of communication technologies
- Local customer engagement



Singapore

Founded In
2004


Operations / features
Development of relevant technologies to chip design



Camborne & Kent, UK

Founded In
2007

Operations / features
Development of RFICs that can be applied to future 5G, industrial, and narrowband IoT (NB-IoT) technologies



Dubai, UAE

Founded In
2010

Operations / features
Business development and client engagement

Linköping, Sweden

Founded In
2012


Operations / features
Development of digital signal processors (DSP) for mobile communication



Tokyo, Japan

Founded In
2007

Operations / features
Business development and client engagement




Oulu, Finland

Founded In
2014

Operations / features


- R&D in 5G technologies
- Ongoing, mutually beneficial partnerships with local academic entities and businesses



Seongnam & Suwon, Korea

Founded In
2007

Operations / features
Business development and client engagement




1.2.2 Global exchanges and accommodation of local cultures

MediaTek has been expanding globally since its inception, displaying ceaseless, innovative R&D capabilities with the help of thousands of R&D personnel worldwide. We have invested in 5G development for several years, and have collaborated closely with global ecosystems, working together with our international partners to promote popularization of 5G applications. We facilitate technical communication between our global sites and our Taiwan headquarters through regular R&D exchange activities and collaboration systems. We are active in attracting local talent at all our operational sites, and are tireless in hiring talented individuals, adjusting our management styles to fit with local needs, and providing benefits that comply with local cultures. This will foster an environment where MediaTek employees throughout our global offices can enjoy the best working environments and experiences, and thus be inspired to develop innovative products and attain leadership in our target markets.

Global academic exchanges

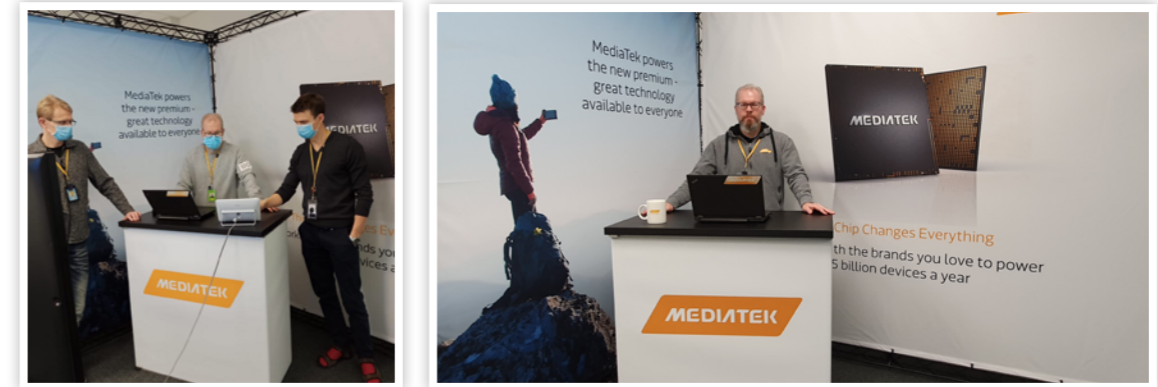
USA

We have invested considerably in R&D resources and recruited experienced technical personnel from various fields into our 20 plus teams throughout the US. 26% of our employees hold a PhD degree from leading institutions around the world. In 2020, we hired near 30 interns at our sites in California, Massachusetts, and Texas. 94% of these interns came from Top 50 US universities in the engineering field (according to the 2020 US News & World Report), and over 40% were PhD students from top US universities. Although they had to work from home due to the pandemic, the HR managed to arrange online events, such as welcoming sessions, experience sharing, and virtual parties, for them to bond with each other and hopefully inspire a sense of belonging to the organization.



Finland

In 2020, MediaTek conducted a number of academic exchanges with local universities, including a career event hosted by the University of Oulu, to help students get to know the Company and vice versa. Beginning this year, MediaTek also offered 6 internships to university students. MediaTek also connected with local university students through a platform, TUUDO, and took part in virtual recruiting events.



UK

Due to the pandemic, MediaTek joined virtual job fairs held by the University of Edinburgh, Imperial College London, the University of Southampton, the University of Bristol, the University of Cambridge, and University of Surrey, with an aim to increase brand visibility. In addition, the Company held virtual technology forums, “5G beyond smartphones” and “5G SoC testing challenge,” at Imperial College London, the University of Cambridge, the University of Southampton, and the University of Bristol.



A Focus on Local Management

In 2020, 93.9% managers were locally hired.

MediaTek is active in attracting global talent and we emphasize diversity and localized management for our employees. Over the past three years we have hired many local professionals to serve in management positions. As a result of this policy, currently, over 92% of all managerial positions at overseas sites are locally hired (93.9% in 2020), and we will continue to tap the global talent market in the future.

Employee development for local workforce

In order to maximize the synergy between worldwide teams and attain continuous technological development, the Company values employee development in terms of leadership, technology, and personal effectiveness, etc. At the peak of the US pandemic, for instance, the Company provides an All You Can Learn all-around online learning program with dozens of courses, accumulating 440 hours of learning. 298 courses were completed in 2020, where every learner spent 4 hours on average in the program.



Creating a diverse, inclusive and friendly workplace experience

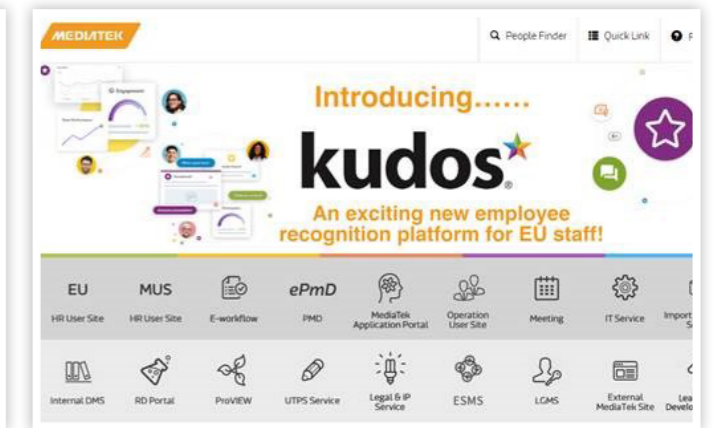
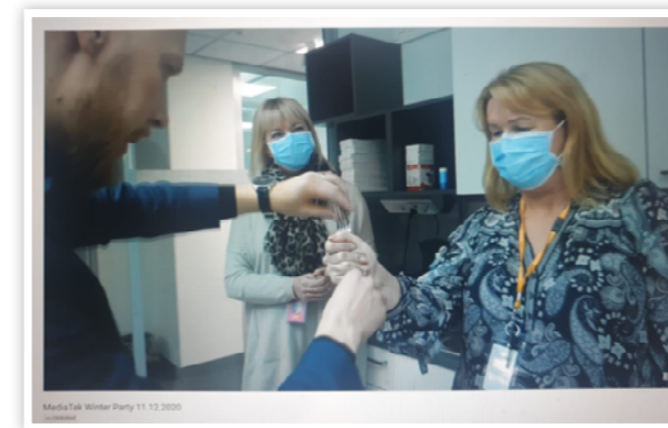
MediaTek operates in 27 sites globally. As such, we accommodate different cultures with flexible management and benefits. For example, we adjust our work calendar that go beyond complying with local laws and regulations by including vacations that cater to individual differences in culture and religion. In Singapore, where our employees hail from the highest diversity of nationalities, we have implemented a flexible benefits policy so our employees can choose their own vacation times; we have also included subsidies for plane tickets to and from home and expenses for visa applications for employee family members as part of our benefits packages. Benefits plans for employees of all our international sites prioritize the needs of local employees. For important local festivals, such as Diwali and Holi in India, or Christmas in Western countries, we also host company-wide activities and cordially invite all our employees to participate.



Working together through the pandemic



The Company endeavored in providing care at a time when most sites had to work from home. For one, MediaTek Finland held a virtual end-of-year party to enjoy performances and play games together. Their kudos recognition event also facilitated bonding.



The Company also offered employees resources for remote working, workout, and family support. For instance, MediaTek USA subsidized the relevant hardware and software for remote employees, application rate reaching 98%. Their online yoga classes and 10,000-step-a-day campaign attracted over 200 employees. Expert were hired to help parents assist in distance learning, a workshop well received by the 70 participating employees.

1.3 Client Services

Management Guidelines: Customer Relationship Management (Non-GRI Material Topic)

Importance to MediaTek:

"Customer Focus" is one of MediaTek's six core values and is a guiding principle for our sustainable development.

Commitments and Policies:

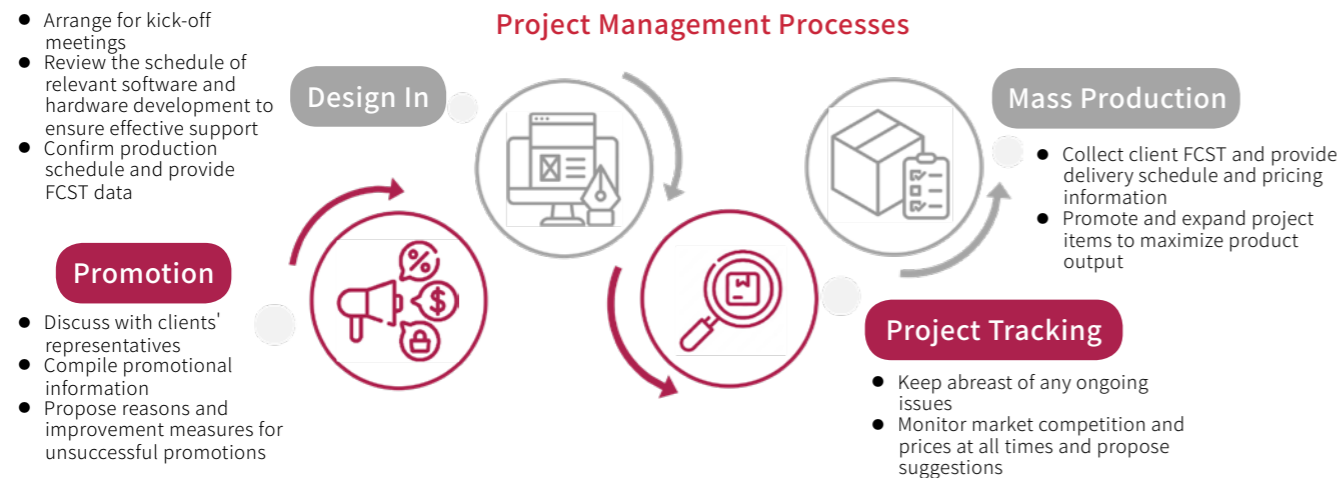
We view clients as our business partners and always take client needs into consideration. We prioritize client requests, with an aim to improve end user experience while also actively enhancing client value.



Goals	Short term	Enhance client satisfaction, sales, and forecast accuracy	Achievement
	Mid to long term	Provide the most competitive products and services to clients worldwide, meet challenges, and explore market opportunities	
Our Management System	Responsible units	Led by Vice President of Corporate Sales, but managers of all levels participate proactively	
	Resources	Around 300 Corporate Sales employees	
	Communication channels	<ul style="list-style-type: none"> Provide online sales and audit email addresses that serve as communications and grievance reporting channels from non-specified persons; these communications are independently reviewed by audit units e-Service online support 	
	Evaluation mechanism	Forecast accuracy and client satisfaction	
		<ul style="list-style-type: none"> Markets cover Europe, the Americas, China, Taiwan, Japan, Korea, India, Africa, South-East Asia, Middle East, Australia, etc. Growing with renowned clients worldwide (e.g., Amazon, Microsoft, Facebook, OPPO, VIVO, Xiaomi, Acer, SONY, Panasonic, Samsung, LG, Tecno), the Company continues to explore into the markets of 5G smartphones, data cards, 8K TVs, AI voice assistants, Chromebooks, Wi-Fi 6 connectivity, ASIC, etc. We regularly employ various quantitative and qualitative methods such as visits, active project numbers, and Q&A numbers to obtain feedback from clients. Bucking the trend amid the pandemic, net revenue in 2020 increased 30.84%. Our online mailbox collect 5,000 queries annually from potential clients, which were passed onto relevant departments to follow up. To prevent oversight and misunderstanding, we integrate feedback from ODM and Brand customers via sales personnel. 	

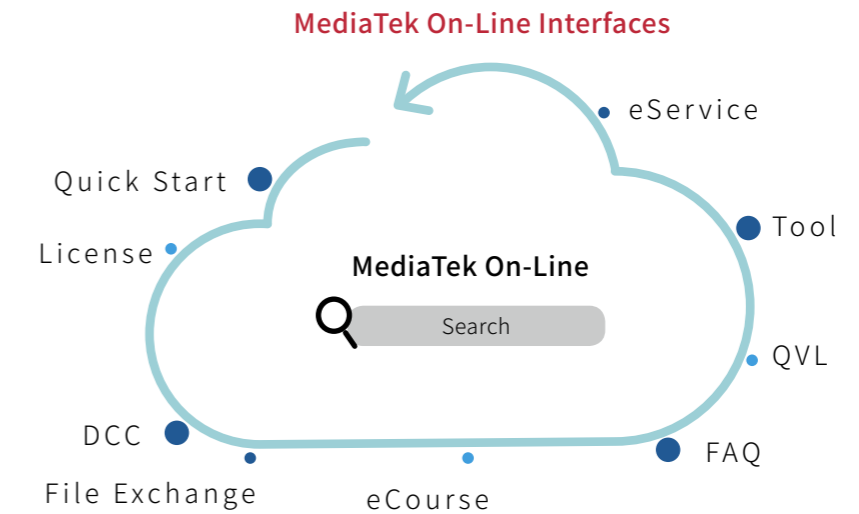
1.3.1 Management Processes for Innovative Projects

In order to provide our clients with the best possible service, our project management processes are initiated from the moment we contact a client. MediaTek uses an established client service platform that compiles all client suggestions, strategic considerations, and relevant questions; these are periodically updated and maintained. Further, we provide strategic recommendations to clients so they can benefit from MediaTek's rigorous attention to detail in product service processes. For more information on our project management processes, please refer to the table below.



1.3.2 High-quality Service Tools

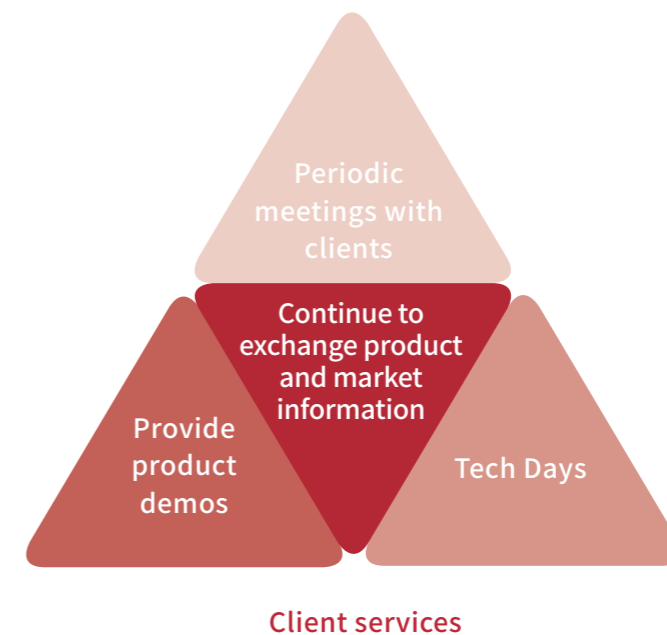
MediaTek On-Line was established to simplify client administrative processes and enhance efficiency through improved user-friendliness. The platform contains a variety of system functions, including software authorization, document management, file transfers, online courses, lists of recommended components, software downloads, FAQ, and online Q&A. These functions help MediaTek attain an accurate view of client needs, and can speed product development, shorten product commercialization time, and fulfill client expectations for product functions.



When clients have questions or suggestions regarding our products or services, they can consult with us via the eService online support function of MediaTek On-Line. Dedicated personnel are responsible for handling client queries and designating queries to responsible units based on their attributes. Professional personnel help solve client problems related to product development in a timely manner.

1.3.3 Local Services

MediaTek's products are everywhere. We believe that, in addition to providing great product quality, maintaining good communication channels and understanding client needs are the most successful methods for mutually beneficial outcomes. We listen to our clients and put ourselves in their shoes as we assist with problem-solving and technical support, product development acceleration and mutual success. In order to provide timely and customized services for clients, we have market development personnel in every region.





1.4 Financial Performance



Management Guidelines:
Economic Performance (GRI 103-1, 103-2, 201-1, 201-2, 201-3, 201-4)

Importance to MediaTek

We are committed to pursuing sustainable operations and long-term benefits, maintaining our industry leadership, and generating a multitude of values for our stakeholders

Commitments and Policies

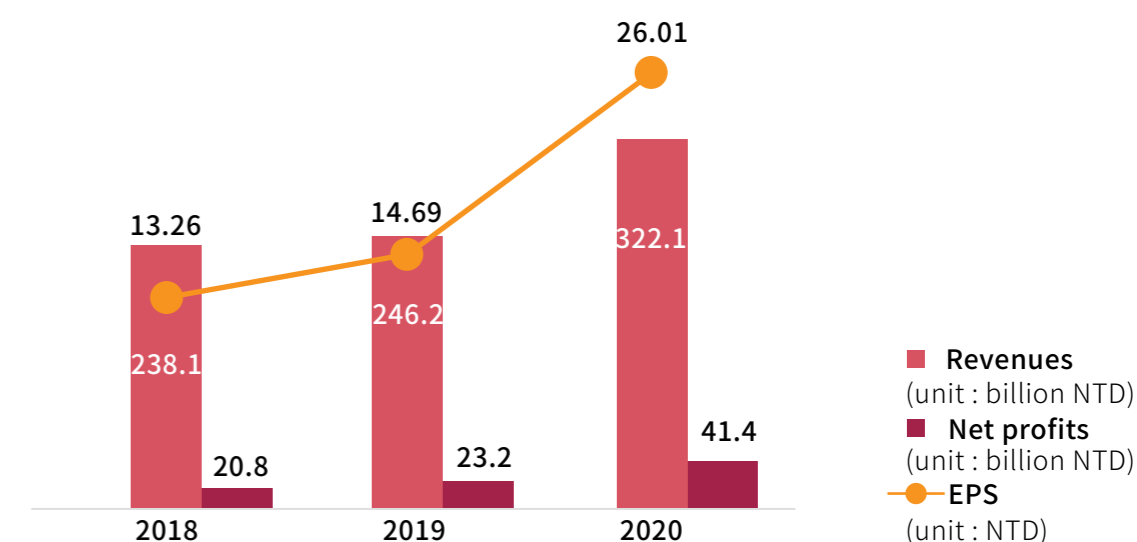
MediaTek continues to focus on our global outlook. This includes structural optimization of product portfolios and improvement of profit structures, and investment in visionary technologies and potential markets in order to form virtuous cycles for Company operations. We provide high quality working environments for our talented semiconductor personnel to fulfil their potential. We continue to extend our industrial leadership to generate higher shareholder value.

Goals	Short term	<ul style="list-style-type: none"> Fully grasp market trends and client needs; continue to develop highly competitive and advanced process designs; and launch highly cost-effective products that appeal to client's needs. Integrate products and existing cross-platform market advantages to assist clients in rapid and smooth mass production processes that take advantage of market opportunities. Maintain sound and flexible financial systems that support R&D needs. 	Achievement
	Mid to long term	<ul style="list-style-type: none"> Strengthen long-term relations with international clients and business partners to develop new business opportunities. Establish a more comprehensive global management system to strengthen internal operational efficiency and effective external communications, maintain good relations with global capital markets, and seek out appropriate investment targets that are beneficial to product expansion. 	
Our Management System	Responsible unit	Management team	<ul style="list-style-type: none"> Consolidated revenues for the year equaled 322.1 billion NTD, consolidated gross margin increased from 41.9% to 43.9% compared with 2019, operating income grew by 91.5% compared to the previous year, consolidated operating margin increased by 4.3%, which are contributing to the gradual building of a healthy profit structure. Market leadership in mobile phones, voice assistants, digital televisions, and network connection devices. We work closely with world-class companies such as Amazon, Google, Microsoft and Alibaba to create in-chip AI opportunities.
	Resources	Finance, Sales and Investor Relations	
	Communication channels	<ul style="list-style-type: none"> Investor Relations office: Ms. Wang Telephone number: 886-3-567-0766 Email address: ir@mediatek.com 	
	Evaluation mechanism	Board of Directors and Shareholders' Meetings	

In terms of market share, an estimation report issued by Gartner in 2021 showed that revenue for the semiconductor industry in 2020 was 466.2 billion USD and that MediaTek's global market share was 2.4%, ranking No. 8 in the global semiconductor industry and No. 4 among IC design companies. Looking to 2021, our experienced management team will continue to lead MediaTek, making use of our strong capabilities in highly-integrated system-on-a-chip products as we work with clients to provide highly competitive products. We anticipate 5G technologies and subsequent applications will allow us to expand relevant product markets and continue to extend our market leadership.

Item	2018	2019	2020	Unit (NTD)
Revenues	238.1	246.2	322.1	billion NTD
Operating costs	146.3	143.2	180.6	billion NTD
Employee benefits expenses	45.1	49.5	60.7	billion NTD
Income tax expenses	2.9	3.8	6.1	billion NTD
Net profits after tax	20.8	23.2	41.4	billion NTD
EPS	13.26	14.69	26.01	NTD

Financial Performance



Affiliated Companies

MediaTek's affiliated companies operate in business areas that include R&D, marketing, and after-sales service for digital consumer electronics, wireless communications products, digital televisions, network communications products, and analog chipsets; as well as investment. In terms of labor divisions, affiliated companies acquire advanced technologies through investment to ensure MediaTek's global market leadership. For more information on affiliated companies and to see the organizational structure of our affiliates, please refer to p.94-105 of our [2020 Annual Report](#).

2 Innovation

MediaTek actively innovates to provide highly competitive and compelling products and services to our customers.

2.1 Core Concepts

2.2 Innovation in Practice

2.3 Innovation Achievements

Material Issue in This Chapter

- Innovation



Management Guidelines: Innovation (Non-GRI Material Topic)



Importance to MediaTek

MediaTek engineers worldwide work unceasingly on a wide variety of R&D projects across various technical domains so MediaTek can continue its technology leadership in order to deliver products and services that enhance and enrich everyone's lives.

Commitments and Policies

We seek to innovate by building a strong team of technical personnel and establishing strong, collaborative partnerships. Our internal corporate culture encourages our employees to be innovative while actively interacting with external partners and participating in international technical forums and associations, so that MediaTek can be among the elite in all domains of technology.

Goals	Short term	<ul style="list-style-type: none"> • Mass-produce multiple 5G products for different groups of clients in 2021 • Apply Artificial Intelligence (AI) features through a wide range of products • Increase energy efficiency of our products 	Achievement	Product <ul style="list-style-type: none"> • Rolled out flagship 5G SoC Dimensity 1000+ packed with multiple leading technologies • Completed world's first 5G satellite IoT data connection test • Reduced power consumption of products by 11% and chip sizes by 11% (cf. 2019)
	Mid to long term	<ul style="list-style-type: none"> • Realize application of 5G technologies in various product categories • Establish AI application ecosystem for various product categories 		Corporate Culture <ul style="list-style-type: none"> • Continues to publish papers in the International Solid-State Circuits Conference (ISSCC) and is the only Taiwanese company that has had papers selected for publication for 18 consecutive years • Continues the in-house Innovation Awards and Special Contribution Awards
Our Management System	Responsible unit	R&D		Technical Exchanges <ul style="list-style-type: none"> • Participated in standard organizations • Collaborated with business partners • Cultivated AI talent
	Resources	77.3 billion NTD invested in 2020		Patent Strategies and Establishment of Industry Specifications <ul style="list-style-type: none"> • Maintained over 12,000 global patents, wherein 1,400 of them were acquired in 2020; No. 1 in the industry in Taiwan • Ranked No. 1 in the Taiwan industry in its number of global patents in 5G, Wi-Fi, and HEVC
	Communication channels	Our R&D and Sales maintain active two-way communication with our clients to help us keep abreast of market trends and consumer needs		
	Evaluation mechanism	<ul style="list-style-type: none"> • ISSCC • Patents 		

77.3 billion NTD investment in R&D activities in 2020

World's 1st successful 5G satellite IoT data connection test

For 18 consecutive years, MediaTek published 83 papers in ISSCC.

MediaTek designs saved 11% more power for end users than in previous year, which was enough for 25,090 households in the US to go for a year.

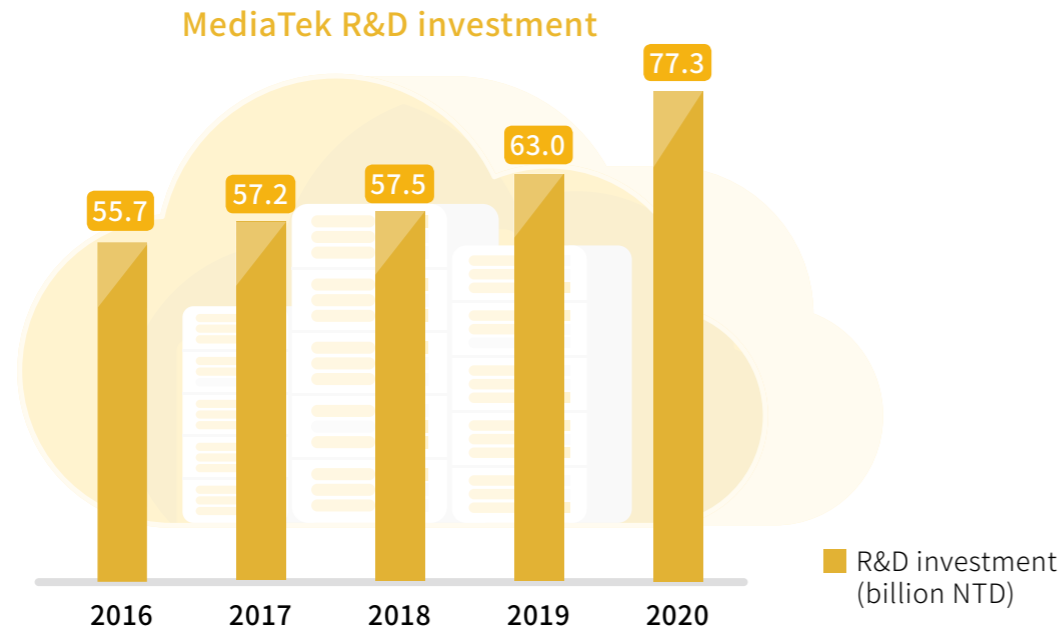
Among peers in Taiwan, MediaTek is the No.1 patent holding company in 5G communication, Wi-Fi, and HEVC.





2.1 Core Concepts

Innovation is a never-ending relay race. MediaTek strives to utilize technological innovation to solve problems, and enhance and enrich the quality of life for everyone. IC design companies are located at the top of the semiconductor value chain, therefore they must keep pace with external developments and have a deep understanding of user needs and industrial changes in order to stay at the cutting edge of innovation, and ultimately help end users benefit from opportunities brought about by these technological advances. We believe that innovation is the driving force for sustainable corporate growth and brand recognition; through invention and innovation, we strive to continue providing the most competitive products and services.



In recent years, MediaTek has continued to invest in cutting-edge research in new fields relating to 5G and AI. In 2019, our R&D investment reached 63 billion NTD, which was further increased to 77.3 billion NTD in 2020. We will continue to lead global developments in 5G and AI industry clusters and bring about highly compelling products and services.



2.2 Innovation in Practice

2.2.1 Talent

MediaTek has been proactively reorganizing internal Human Resources over the past few years, transferring several hundred R&D and product personnel to key technical and product development fields such as 5G and AI. Through this action we are continuing to work toward a goal of Technology Leadership. For more information, please refer to Section 1.2 Global Operations of this report.

2.2.2 Corporate Culture

MediaTek began hosting its Innovation Awards and Special Contribution Awards (ISCA) since 2002 and 2003 respectively. These awards symbolize the highest achievements of MediaTek personnel through innovations and contributions to the company, whether in technological development, strategic planning, or process management. Teams and individuals were selected and honored after a rigorous evaluation process. Special Contribution Awards were split into two categories, Project / Product and Operation; focus of the Innovation Awards to acknowledging the contribution of the vital few.

MediaTek encourages employees to take part in internal and external events and forums, to motivate, inspire, and intensify their engagement in innovation and invention.

2020 ISCA

In 2020, 24 teams took part in the competition; among 256 project members, 54 of whom from overseas units. Nine teams were awarded, including two for the Innovation Award, four for the Special Contribution Award – Project/Product, and three for the Special Contribution Award - Operation.



The International Solid-State Circuits Conference (ISSCC)

The ISSCC is the world's largest, most prestigious, and highest-standard conference on solid-state circuits, with thousands of participants from the academia and industry every year. In 2021, ISSCC published 4 papers from the MediaTek Group. Along with Samsung and Intel, MediaTek was among the top three in number of published papers. Since 2004, MediaTek have had papers accepted by the conference for 18 years in a row, 83 in total, testifying the company's extraordinary technological and innovative strength.

MediaTek is the only Taiwanese company whose papers have been accepted at ISSCC for 18 consecutive years.

The International Solid-State Circuits Conference acts as a leading indicator of global R&D trends in semiconductor and solid-state circuits. It is the best forum for exchanges of cutting-edge technologies in the fields of semiconductor and chipset, often referred to as the Olympics of the IC design domain.

2.2.3 Exchanges

AI is a key driver of the Fourth Industrial Revolution, which is expected to bring multiple changes to various professions, businesses, and our daily life. MediaTek produces cutting-edge ICs to raise AI computing capacity significantly, enabling AI to bring us much daily-life conveniences. Meanwhile, the company has been engaged in R&D and talent cultivation continuously, often via exchanges with universities, business partners, and various technology associations.

Developing Top Talent with the Academia

MediaTek has trained 7,500 people in the field of AI.

Given the expected huge influence of AI on scientific and industrial development, as well as people's daily life, MediaTek sponsored, along with several others, the founding of Taiwan AI Academy in 2017, providing AI training to an accumulated 7,500 people as of the end of 2020.

With Taiwan AI Academy, MediaTek began offering a course in AI, leveraging its core capabilities in 5G SoC, 8K smart TV, AIoT in the course content. The training included lectures and labs, covering principles, trends, and applications of the latest edge AI technology. Selected MediaTek managers directly engaged in training AI specialists that are now in high demand. For the labs, 20 sets of the latest MediaTek AI development platform, i500, was donated to AI Academy. This course was to become mandatory in AI Academy, with the aim of developing top talent in AI in response to the industry demand.



Tapping Emerging Opportunities with Value Chain

MediaTek collaborates with Intel to bring 5G experiences to next-generation PCs.

MediaTek's 5G roadmap extends from mobile to PC and other areas. In 2020, MediaTek announced advances in its collaboration with Intel to bring 5G experiences to next-generation PCs with the successful development and certification of its 5G modem data card. The first laptops enabled by the MediaTek and Intel 5G modem solution are expected in early 2021.

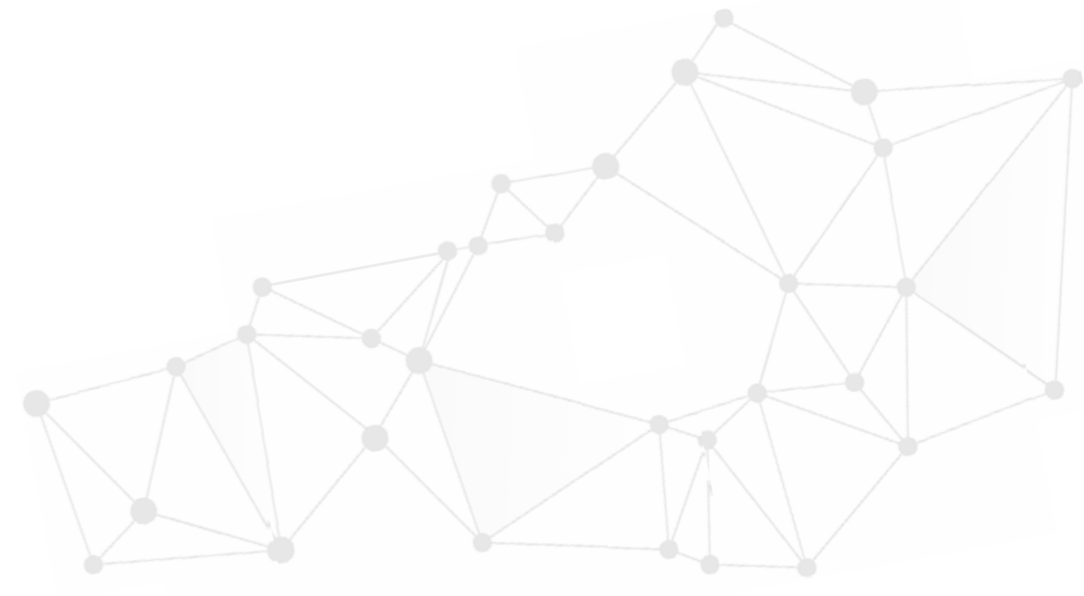
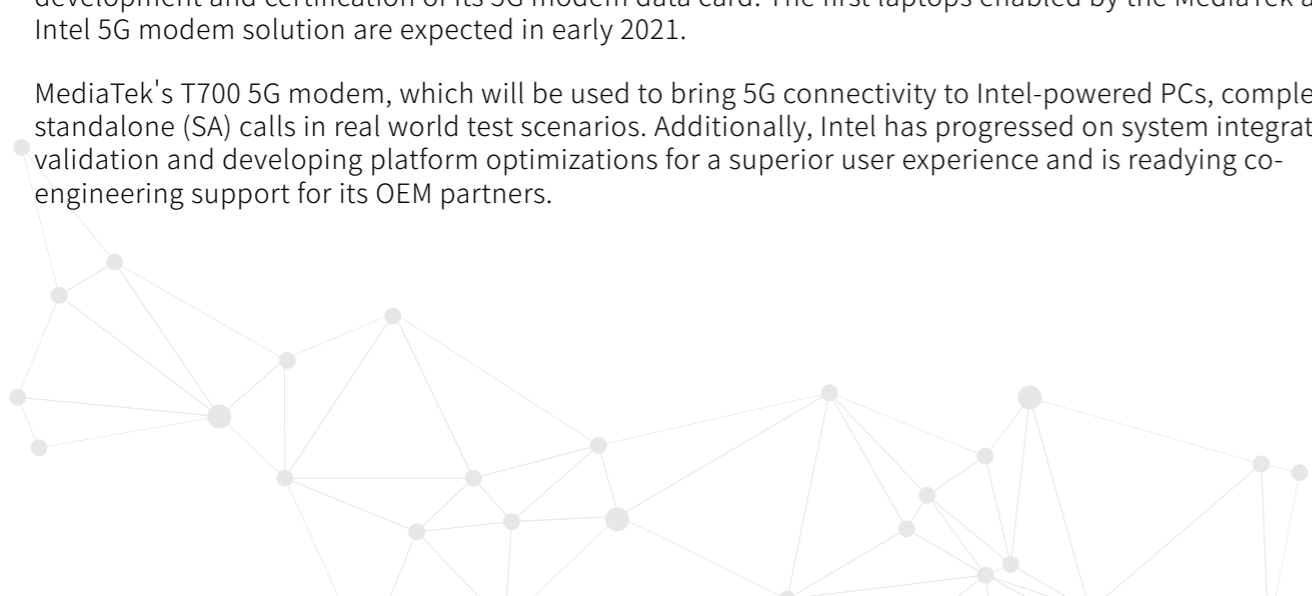
MediaTek's T700 5G modem, which will be used to bring 5G connectivity to Intel-powered PCs, completed 5G standalone (SA) calls in real world test scenarios. Additionally, Intel has progressed on system integration, validation and developing platform optimizations for a superior user experience and is readying co-engineering support for its OEM partners.

Participating in International Conferences

MediaTek played a major role in hosting the 2020 IEEE GLOBECOM, world's largest communications conference.

For the first time in 18 years, IEEE Global Communications Conference, the world's largest communications conference, was held in Taiwan in 2020. IEEE GLOBECOM offers a platform for interaction and exchanges among the world's top-notch experts in electrical engineering and communications, enabling attendees to have a firm grip on next-generation communications technology, to track global trend in commercial applications, and to seek opportunities for international cooperation.

MediaTek played a major role in the conference taking place in Taiwan, as evidenced by CTO Dr. Kevin Jou serving as vice chairman of the conference. CEO Dr. Rick Tsai delivered a keynote speech titled "Accelerating the Digital Economy post COVID-19 Pandemic," stressing that the "new normal" in the post-pandemic era will speed up digital-economy applications and that the popularization of 5G services will foster brand new business models and application scenarios in stark departure from our existing concept of services, a change in which semiconductor will be a major mover. As the host of a 6G Industry Forum, MediaTek invited top-notch wireless communications experts from Ericsson, Nokia, Samsung, and Prof. Andreas Molisch from the University of Southern California and Fellow of the IEEE to exchange ideas on 6G vision and technological trends.



Participating in Technical Associations

As technologies continue to transform and evolve, MediaTek not only generates new integrated technologies and applications in collaboration with our business partners, but also participates in Internet communications, multimedia, and semiconductor technical associations to foster interactions with industry peers and academic institutes that can inspire novel ideas.

Internet Communication

- ETSI (European Telecommunications Standards Institute)
- GSMA (Groupe Speciale Mobile Association)
- 25 Gigabit Ethernet Consortium
- GCF (Global Certification Forum)

Multimedia

- Blu-ray Disc Association
- DVD CCA (DVD Copy Control Association)
- SMPTE (Society of Motion Picture & Television Engineers)
- VESA (Video Electronics Standards Association)

Semiconductor

- TSIA (Taiwan Semiconductor Industry Association)
- TIARA (Taiwan IC Industry and Academia Research Alliance)
- 25 Gigabit Ethernet Consortium
- GSA (Global Semiconductor Alliance)
- TCA (Taipei Computer Association)
- JEDEC Solid State Technology Association
- PCI-SGI (Peripheral Component Interconnect Special Interest Group)
- SD Card Association
- USB-IF (USB Implementers Forum)
- MIPI Alliance
- The Serial ATA International Organization

Note: MediaTek is on the Board of Directors of the Global Semiconductor Alliance (GSA), Taipei Computer Association (TCA), and Taiwan Semiconductor Industry Association (TSIA). MediaTek also serves as the Vice Chairman of the Taiwan IC Industry and Academia Research Alliance (TIARA).

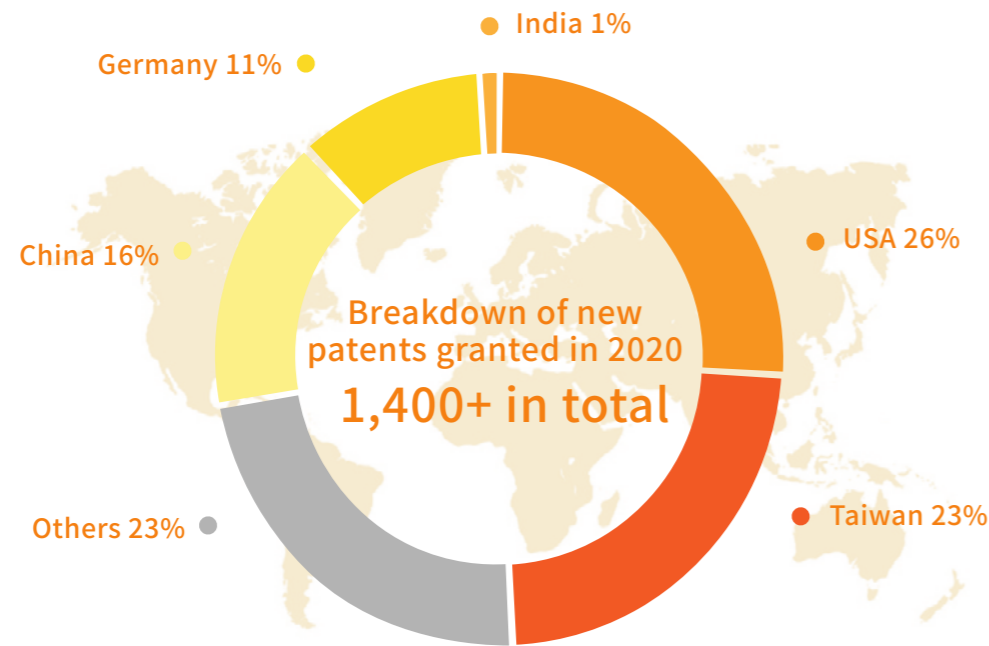
MediaTek's participation in technical specification organizations

Name of Technical Specification Organization	MediaTek's Role
Third Generation Partnership Project (3GPP)	<ul style="list-style-type: none"> • Elected as the Chairman for RAN Working Group 2 and focus on developing protocols for B5G (beyond 5G) technologies. • Served as project leader for new technologies for R17, actively promoting standard-setting efforts for B5G technology. • Continued to submit revised 5G/LTE technology proposals based on product experiences to improve upon specification details.
Taiwan Association of Information and Communication Standards (TAICS)	<ul style="list-style-type: none"> • Served as chair for TC1, integrating the technical consensus among Taiwanese companies for 3GPP and enhancing Taiwan's influence in the decision-making of key technologies. • Participated in international technical conferences as a representative of Taiwan and presented B5G R&D developments, enhancing Taiwan's visibility in the international 5G industry.
Institute of Electrical and Electronics Engineers (IEEE) 802.11 Wireless Local Area Networks	<ul style="list-style-type: none"> • Actively participated in the formulation of physical-layer standards for past Wi-Fi generations (e.g., 802.11ac, 802.11ax, 802.11be) and undertook the position of Task Group AZ editor. • Collaborated with Wi-Fi industry-related companies worldwide, including testing, IC design, system, telecom and broadband service providers in assuring consideration of scenarios for actual commercial applications in the formulation of detailed standards
Wi-Fi Alliance (WFA)	<ul style="list-style-type: none"> • Participated among the pioneers in the testing and development of multiple WFA interoperability certification platforms • Actively participated in the formulation of new Wi-Fi technology standards as the Multi-AP (EasyMesh) TTG chair and AX (Wi-Fi 6) TTG vice chair • Dedicated itself to the expansion of Wi-Fi applications and availability and provided excellent connection experience via development of innovative technologies, interoperability certification, and advocacy of fair frequency-spectrum usage
Joint Video Experts Team (JVET)	<ul style="list-style-type: none"> • Participated in the formulation of H.266/VVC (Versatile Video Coding) v2 standards, tracking the latest development in video coding technology for early deployment of next-generation video compression standards (e.g., H.267). • Served as chair in multiple projects

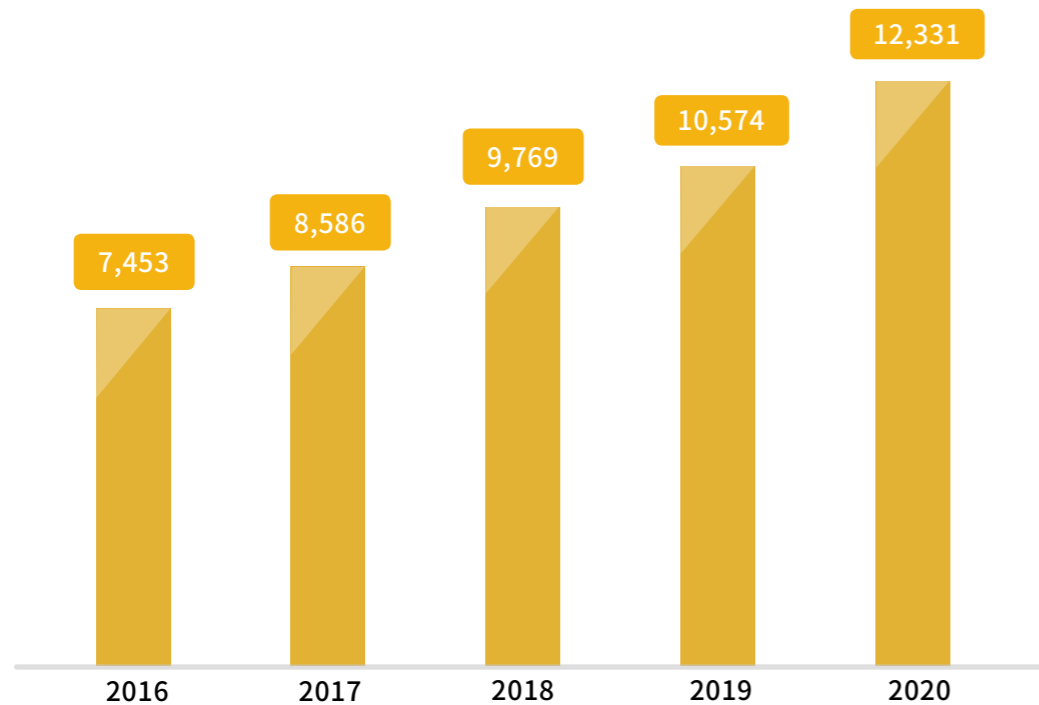
2.2.4 Patent Strategies

Since its inception, innovation has been the cornerstone of MediaTek's daily operation. In order to safeguard its precious R&D results, consolidate its global competitiveness, and sustain its technological leadership in key areas, the company formulated an intellectual property (IP) management plan based on its business goals, with an aim to offer clients worldwide top-of-the-line products and services and pursue leadership in the industry.

MediaTek has over 20 R&D locations worldwide, and we have filed more than 10,000 patent applications across the United States, China, Europe, Taiwan, India, Japan, Korea, Brazil, and South Africa. As of the end of 2020, the company had maintained 12,000 patents worldwide, including 1,400 obtained in 2020, the highest number in the Taiwanese IC design industry. According to the statistics of the Intellectual Property Office, the Ministry of Economic Affairs, MediaTek ranks among the top 5 in patent applications by local judicial persons in the past 3 years and 1st among local companies in the amount of patents worldwide in 5G communication, Wi-Fi, and HEVC.



Number of patents maintained



Note : Each number was collected at the end of its respective year.



2.3 Innovation Achievements

5G-Integrated Dimensity 1000+ for Flagship User Experience

Dimensity 1000+ packed a suite of world-leading innovations in 5G connectivity and power-efficiency, plus unique display, video and gaming technologies to bring 5G smartphone users thorough flagship experience.



World's Most Advanced 5G Technology

Dimensity 1000+ delivers leading 5G capabilities including the only 5G NR 2CC at the time, dual 5G SIM, and so on, providing superfast 5G speeds for users at all times.

Best-in-Class Power Efficiency

In addition to being ahead of the competition with a fully SoC integrated, 7nm design, MediaTek 5G UltraSave technology enables power efficiency 48% beyond peers. MediaTek's 5G UltraSave power saving technologies dynamically adjusts the modem's power configuration and operating frequency according to network conditions and user activities to significantly save power. Combining OTA Content Awareness, Network Environment Detection, Dynamic BWP, and Connected DRX, the technology significantly increases battery life.

Optimal Computing Performance

Dimensity 1000+ incorporates the latest HyperEngine 2.0 technologies, which optimizes the whole smartphone for a more fluid and immersive gaming experience. This includes a Resource Management Engine to ensure game performance fluidity with minimal power consumption by intelligently managing CPU, GPU and memory resources. The upgraded Networking Engine enables call and data concurrency, ensuring the data connection remains live when a call is received. In addition, an intelligent switch between 5G and 4G networks based on application needs, minimizes power consumption while maintaining user experience.

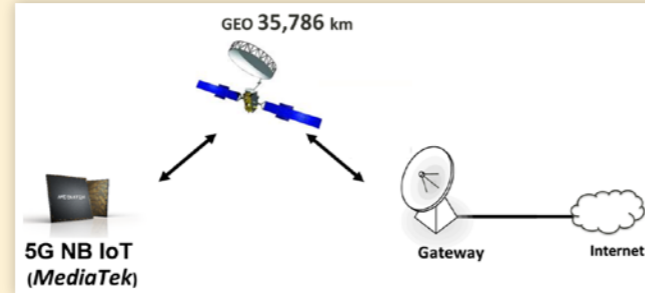
Ultimate Visual Experience

Dimensity 1000+ supports the highest 144Hz refresh rate; this operates 2.4 times faster per second than an ordinary 60Hz display found on many smartphones. 144Hz displays are a perfect match for high frame rate videos and gaming apps, minimizing motion blur and jitter, showcasing an ultra-fluid and highly responsive gaming experience.

World's First Public Test of 5G Satellite IoT Data Connection with Inmarsat

MediaTek contributed to the 3GPP R17 5G standards, surpassing the constraints of low intensity and high latency in signal transmission to GEO satellites, by enabling connection in remote areas.

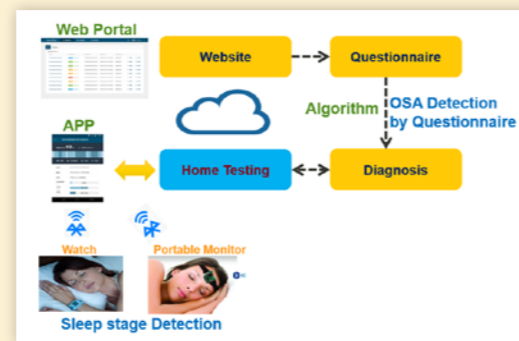
Using its narrowband IoT (NB-IoT) chip, MediaTek pushed the boundaries of advanced IoT 5G satellite communications in 2020 with a successful field trial that transferred data through Inmarsat's Alphasat L-band satellite, in Geostationary Orbit (GEO) 35,000 kilometers above the equator. Taking advantage of its cutting-edge technologies and advanced deployment, the Company managed to overcome the challenges of significantly reduced signal intensity and high latency in transmissions to GEO satellites. The technology could be applied in future communication networks to offset the insufficient coverage of base stations for the world to truly enjoy the 5G scenario of massive machine-type communication.



The results of MediaTek and Inmarsat's IoT field test were contributed to the 3rd Generation Partnership Project (3GPP)'s Rel-17 standardization work on Non-Terrestrial Networks (NTN), which is part of its overarching initiative to establish 5G standards toward new use cases and services. Non-terrestrial networks, as its name indicates, means networks using airborne or spaceborne vehicle for transmission and are currently applied in areas not covered by terrestrial cellular networks, such as the oceans, deserts, mountains, polar regions.

Award-Winning Innovative Technology that Enhances People's Lives

MediaTek has been collaborating with the sleep center of National Taiwan University Hospital (NTU Hospital) and the College of Electrical Engineering and Computer Science, National Taiwan University, in developing a Remote Sleep Apnea Management Platform (NTUH-RSAMP). In 2020, the project received a National Innovation Award in Clinical Research. Combined with biomedical sensing and AIoT technologies, the Platform aims at providing all-around care for people with sleep disorders, beginning with obstructive sleep apnea (OSA), and is to be first introduced to primary healthcare institutions signed up to NTU Hospital's Patient-Centered Seamless Transitional and Referral System. In the future, people in Taiwan can track their sleep at home by wearing smart watches, making timely, localized diagnosis and treatment possible.



Obstructive sleep apnea (OSA) is a common sleep disorder caused by a blockage of the airway, resulting in an involuntary cessation of breathing that occurs while the patient is asleep. Currently, people having trouble in sleep usually have to wait for an average of 6 months and above to receive a sleep study, which is key to diagnosis and needed to be done in one of the few institutions certified by the Taiwan Society of Sleep Medicine. Smart watches powered by MediaTek's bio-sensing chip enabled at-home sleep data collection, such as sleep apnea frequency, sleep pattern, heart rate, heart rhythm, and physical activities. The data could then be integrated into the AI-based NTUH-RSAMP for sleep staging, diagnosis, and treatment monitoring.



Green Innovation

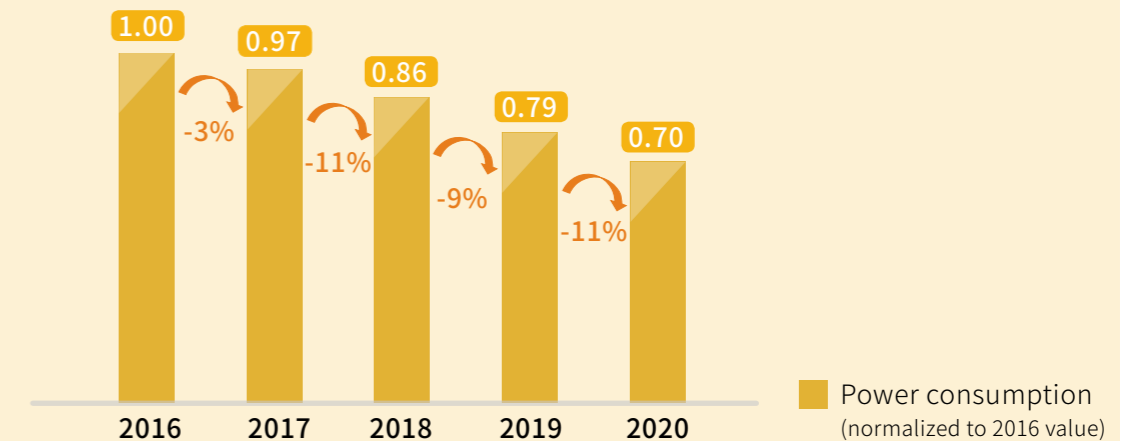
Since MediaTek's chipsets power a variety of end devices, environmental considerations are included at all stages in the design. We aim to reduce our impact on the environment during usage and disposal by minimizing power consumption and the physical size.

Usage

Enhancement of energy efficiency: We have lowered 11% of power consumption of end devices powered by MediaTek in 2020 (cf. 2019). Based on the shipment volume of the year, MediaTek contributed to the energy conservation of devices powered by our products by 294 million kWh of electricity per year, the equivalent of 155,526 tons of carbon emissions, the carbon storage capacity of 255,269 acres of US forests in a year, or 25,090 American homes' energy use for one year^{Note}.

Note: Electricity emission factor (0.509 kg CO₂e/kWh) is based on data released by the Taiwan Bureau of Energy. Other conversions reference the Greenhouse Gas Equivalencies Calculator of the United States Environmental Protection Agency, where every year, 0.82 metric tons CO₂ is sequestered by each acre of average US forest and an average American household consumes 8.30 metric tons CO₂.

Power Consumption Trend Chart

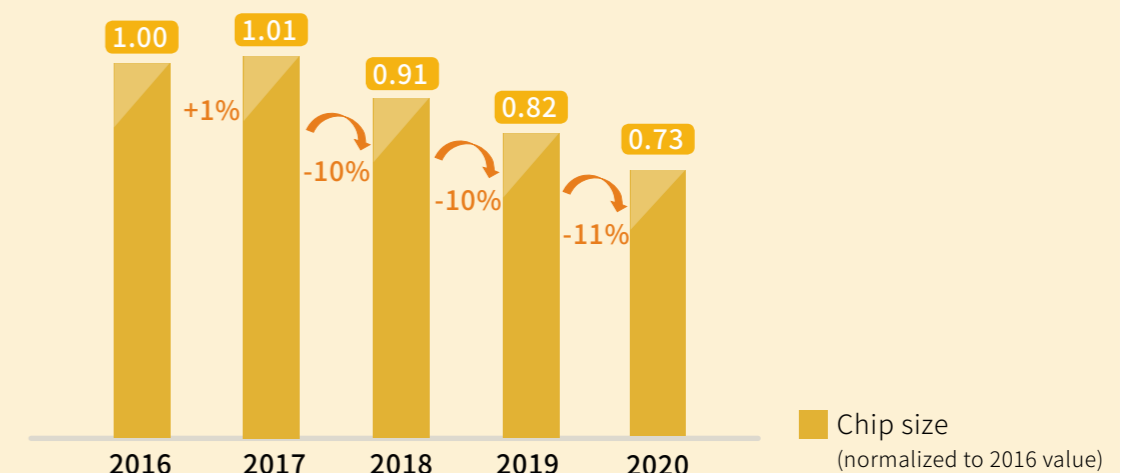


Disposal

Minimization of chip designs: We have reduced the size of our IC products by 11% in 2020 (cf. 2019), equivalent to 21,890 kg of waste, or 45 tons carbon emissions^{Note}.

Note: Conversion based on the parameters set by the Environmental Protection Administration of Taiwan, where 1kg of waste production increases 2.06kg of carbon emission

Chip Size Trend Chart



3 Talent

MediaTek provides an environment of diversity and inclusiveness to attract global talent, with opportunities for them to unleash their potential and grow with the company.

- 3.1 Talent Strategy
- 3.2 Best Employer
- 3.3 Employee Development
- 3.4 Employee Experience

Material Issues in this Chapter

- Talent Attraction and Retention
- Employee Development
- Multi-channel Communication

Global turnover rate of **6.2%**, **4.7%** in Taiwan, lower than industry average (turnover rate of high-tech industry stands at 20.2% globally and 11.0% in Taiwan)

According to 2020 statistics of the Taiwan Stock Exchange, MediaTek's employees received pays among the leading group of the local semiconductor industry listed on the TWSE and OTC markets in 2019, average cost of employee remuneration, average salary and median salary of full-time non-managerial employees, reaching **2.921 million NTD**, 2.647 million NTD, and 2.339 million NTD respectively.

The company's 17,000 full-time employees each received **100,000 NTD incentive bonus**, as the group's consolidated revenue broke the US\$10 billion mark for the first time.

The global online learning platform upgrade enhanced user experience and boosted the number of attendees to 374,105, **up 77%** from 2019.

MediaTek was granted the honor of "**high distinction**" in the evaluation of **Excellence in Gender Equality in the Workplace** by Hsinchu Science Park Bureau

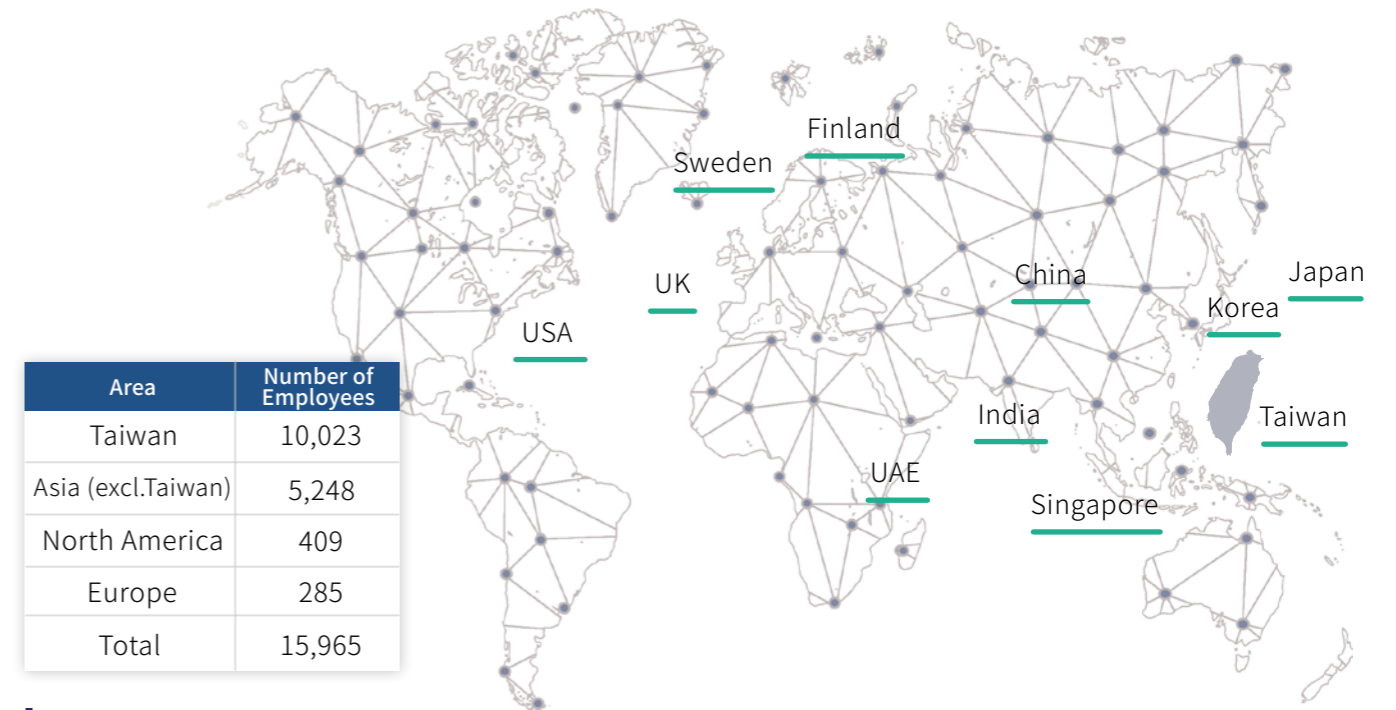
Alpha the AI chatbot went online in 2020, providing employees timely HR information and assistance.



3.1 Talent Strategy

As research and development is a core requirement, MediaTek is driven by a need to seek out leading technical talent globally. As of the end 2020, the total number of MediaTek staff (including contractors) and our global subsidiaries have amounted to 15,965. In order to effectively leverage our global R&D capabilities, MediaTek has established 27 sites around the world. Our overseas employees make up 37.2% of the total. We hope to increase the timeliness of product development and technical support through exchanges and collaboration between our global employees.

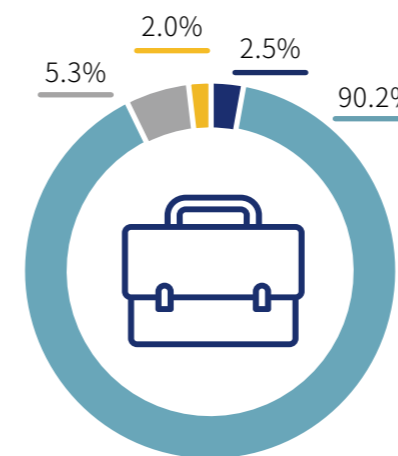
Geographical Distribution of Employees



3.1.1 Manpower Structure

Employee Function

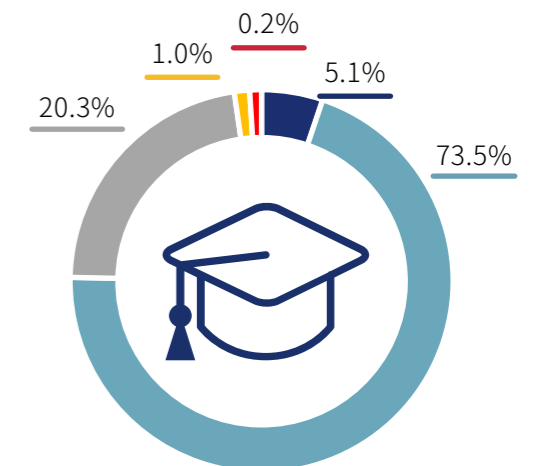
Approximately 90% of employees are R&D and technical support personnel.



- Marketing
- R&D and technical support
- Administration and management
- Supply chain management

Education Level

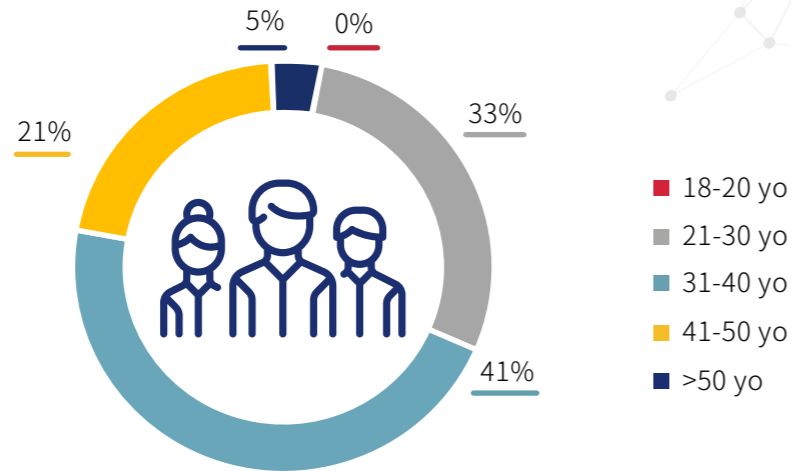
78.6% of employees hold doctorate or master degrees.



- PhD
- Master
- Bachelor
- Associate
- High School

Age structure

The largest age group is 31-40 years old (41%), with the share of those aged under 30 standing at approx. 33% and those over 40 at 26%.



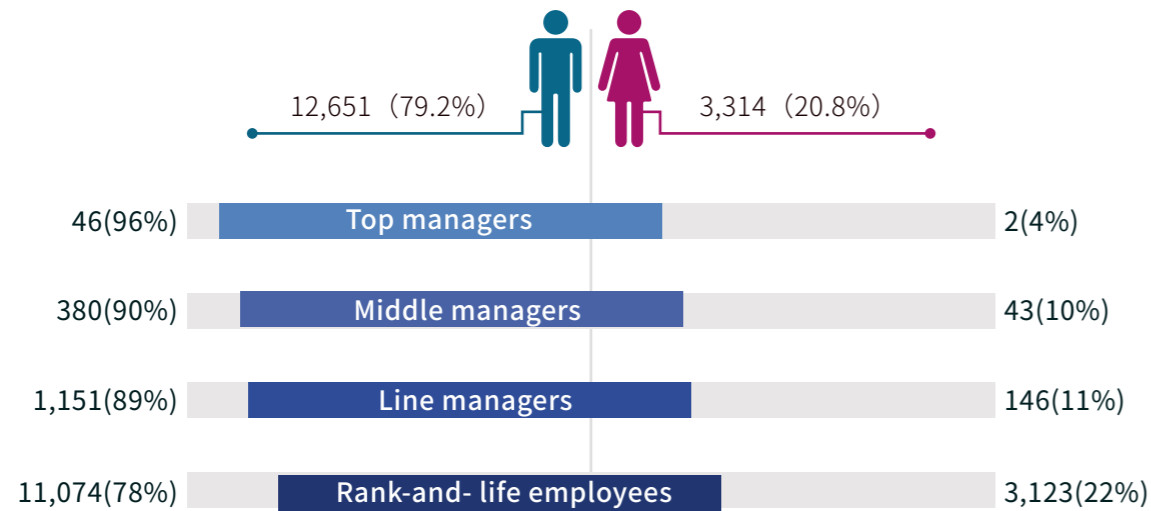
Type of employment

Full-time employees account for 92% of the workforce, including disabled people, in line with the legal requirement concerning reserved quota for them in employment. In 2020, the company hired 71 disabled employees, offering them fair job opportunities.

Employment contract	Type of employment	Male	Female	Subtotal
Formal posts	Full-time	12,039	2,708	14,747
	Part-time	4	4	8
	Subtotal	12,043	2,712	14,755
Provisional posts	Full-time	580	565	1,145
	Part-time	28	37	65
	Subtotal	608	602	1,210

Distribution of Gender by Levels

The majority of MediaTek employees are men, given the characteristics of the labor market in the tech industry. In terms of recruitment, both genders are equally welcome.



[Note]The above information covers regular employees, contractors, and temporary workers; the only exception is education level distribution, which is only disclosed for regular employees.

[Note]The above information includes employee numbers from MediaTek and its subsidiaries (including MStar and Nephos that joined in 2019), but does not include employees at independently operating subsidiaries (Airoha and Richtek).

[Note]The above information was retrieved on December 31, 2020.

3.2 Best employer

Management Guidelines: Talent Attraction and Retention (GRI 103-1, 103-2, 103-3, 401-1, 401-3)



Importance to MediaTek:

Regarding talent as its foremost assets, MediaTek has been striving to enlist excellent talent to join its professional team via multiple recruitment channels, offering them compensations with market competitiveness and internal equity, as well as multiple impressive fringe benefits to enhance their engagement and drive sustainable business growth of the company.

Commitments and Policies:

The company has instituted responsible organization and unit, recruiting necessary talent via multiple innovative channels and formulating overall compensation strategy with industry competitiveness, as well as legally compliant retirement benefits and multiple fringe benefits, such as various subsidies and annual physical examination, which shape a caring workplace for sustainable corporate development.

Goals	Our Management System	Achievement
Short term <ul style="list-style-type: none"> Institute multiple innovative channels to recruit qualified talent Offer competitive compensation and fringe benefits Institute flexible fringe-benefit program meeting employee's needs 	Responsible units : Human resources-related units, employee welfare committee Resources : Operating management budget, employee welfare fund, etc. Communication channels <ul style="list-style-type: none"> Manager communication meeting Labor meeting Communication platform (FAQ) Ombudsman service Suggestion box Satisfaction survey for corporate events Recruitment platform Evaluation mechanism <ul style="list-style-type: none"> Periodic review of overall compensation structure and policy on leave every year to assure their industry competitiveness Talent acquisition rate, on-boarding rate, retention rate, and turnover rate Annual satisfaction survey for corporate events Status of annual subsidy for physical examination 	Compensation and awards <ul style="list-style-type: none"> According to 2020 statistics of the Taiwan Stock Exchange, MediaTek's employees received pays among the leading group of the local semiconductor industry listed on the TWSE and OTC markets in 2019, with average cost of employee remuneration, average salary and median salary of full-time non-managerial employees reaching 2.921 million NTD, 2.647 million NTD, and 2.339 million NTD respectively.
Mid to long term <ul style="list-style-type: none"> Continue offering performance-oriented and competitive compensations Provide an innovative and challenging environment, to inspire their potential. Continue caring for employees' mental and physical health and providing an excellent healthy workplace 		Talent attraction, appointment, and retention <ul style="list-style-type: none"> Employment rate ^(note 1)=8 On-boarding rate ^(note 2)=92% Retention rate: 91% for newcomers within three years, 92% for newcomers within two years Employee turnover rate=6.2% global, 4.7% Taiwan
Responsible units		Fringe benefits for employees and dependents <ul style="list-style-type: none"> Flexible fringe benefits: Rate of reimbursement application reached 97% in 2020. Physical-examination subsidy: Annual application rate for physical-examination subsidy reaches 96%. Corporate events: In 2020, Taiwan headquarters and overseas branches held 21 health promotion events, with over 2,708 participants. Satisfaction rate for large-scale events is over 88 points. The company's 17,000 full-time employees each received 100,000 NTD incentive bonus, as the group's consolidated revenue broke the US\$10 billion mark for the first time. MediaTek was granted the honor of "high distinction" in the evaluation of Excellence in Gender Equality in the Workplace by Hsinchu Science Park Bureau.
Resources		

[Note 1] Employment rate=number of job applicants/number of employment

[Note 2] On-boarding rate=Number of job reporting/number of issued employment contracts

3.2.1 Recruitment and Retention

Celebrating with global employees as revenue hit milestone

MediaTek Group's consolidated revenue topping 10 billion USD in 2020. As a gesture of gratitude, every full-time employee worldwide was entitled to an incentive bonus of 100,000 NTD, which benefitted approximately 17,000 employees from Asia, Europe, and America, as well as its subsidiaries (Richtek, Airoha, EcoNet, InnoFusion, and Zelustek), totaling over 1.7 billion NTD.

In celebration of the achievement, MediaTek Group held a virtual party marking the breakthrough, presided over by the Group's Chairman, MediaTek CEO, and MediaTek President. Employees worldwide were invited to the party and encouraged to march together towards the next milestone. On the same day, each employee received a gift box with a memorial coke and kawara senbeis (shaped like roof tiles), symbolic of the team's brick-by-brick effort towards the current accomplishment.

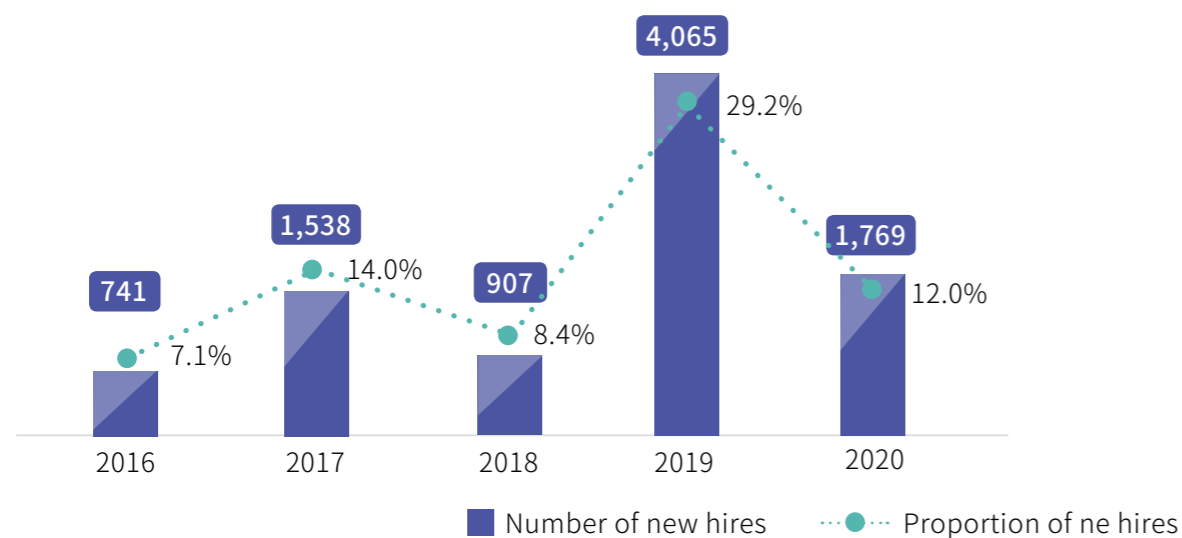


In 2020, MediaTek had a global turnover rate of 6.2% (4.7% in Taiwan), which was significantly lower than the 20.2% (11.0% in Taiwan) in the high-tech industry (see Radford 2021 Market Research Report).

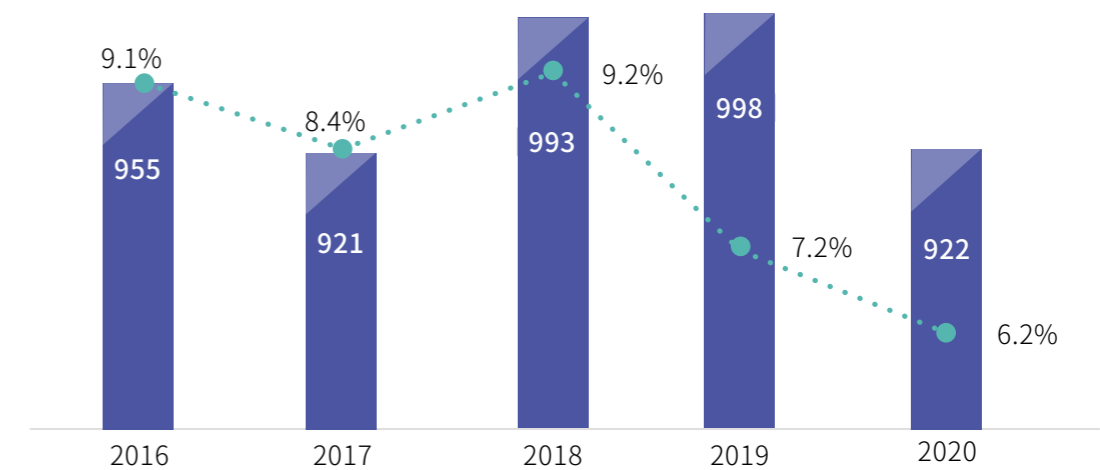
To continue the optimization of MediaTek's talent structure, we not only focus on indicators for new hires and employee turnover, but also pay close attention to the number of applications per job, offer-to-acceptance rates, and development and retention of new hires. We hope we can continue to attract the best individuals to work at MediaTek from a highly competitive talent market, by adopting methods such as our Care System for new hires and exit interviews.

In 2020, we hired 1,769 new employees worldwide. Of those, around 70% were younger than 30 years old; we believe that a talent structure skewed in favor of the younger generation can bring more insights and momentum into our diversified products and innovations.

Number and proportion of new hires, 2016-2020



Number and proportion of exiting employees, 2016-2020



[[Note] Proportion of new hires: Number of new hires / Total number of employees at the end of the year; Proportion of exiting employees: Number of exiting employees / Total number of employees at the end of the year

Status of new hires and exiting employees worldwide

Categories	New hires in 2020		Exiting employees in 2020	
	Number of people	Proportion of employees in category	Number of people	Proportion of employees in category
Female	342	12.6%	157	5.8%
Male	1,427	11.8%	765	6.4%
Over 50 years old	15	4.2%	21	5.8%
30-50 years old	509	5.0%	658	6.4%
Below 30 years old	1,245	29.8%	243	5.8%
Taiwan	1,090	11.6%	440	4.7%
Asia (excl. Taiwan)	622	13.2%	438	9.3%
North America	41	10.5%	27	6.9%
Europe	16	6.0%	17	6.4%
Total	1,769	12.0%	922	6.2%

Recruitment and offer-to-acceptance rates

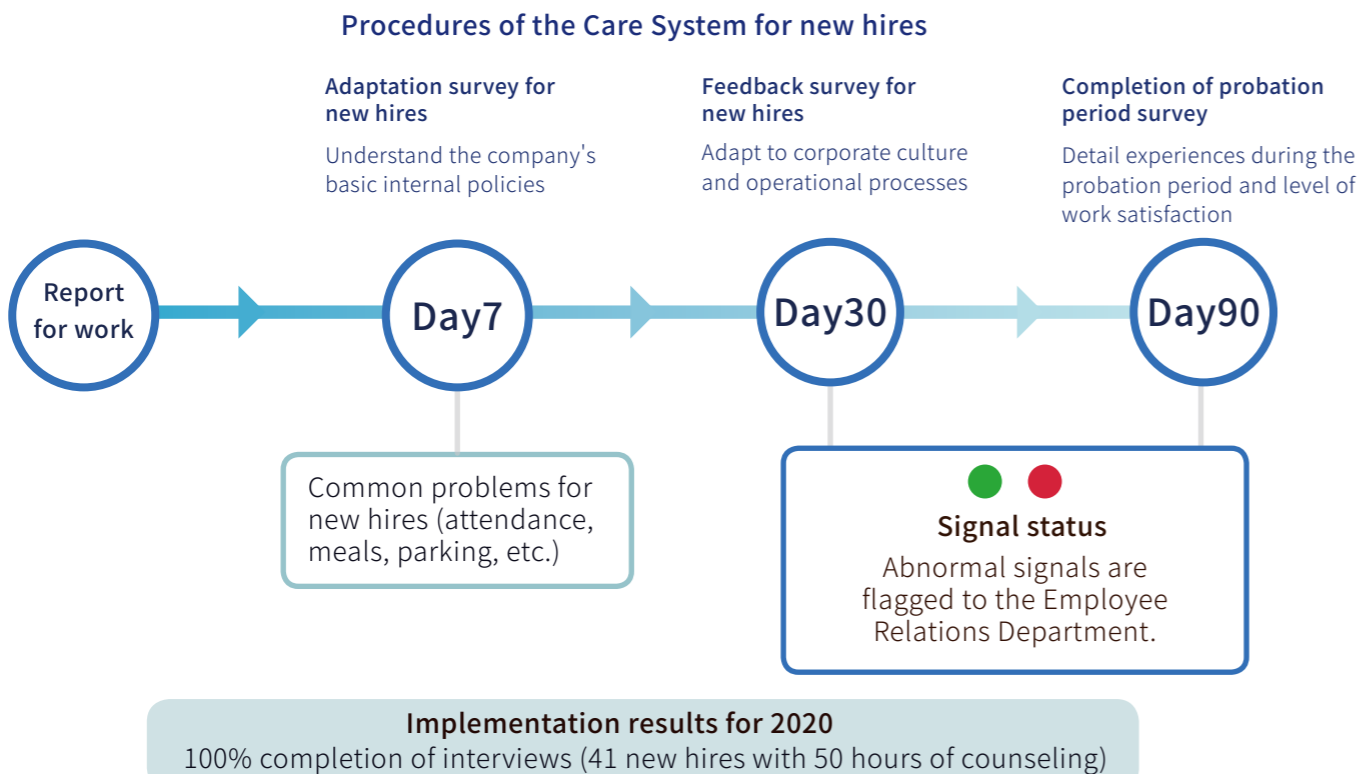
MediaTek provides an excellent work environment with competitive compensation and benefits, diverse learning environments, and mentally rewarding R&D and innovative work; all of which help to attract leading domestic and overseas talent. In 2020, we planned to recruit 3,779 people and received a total of 30,520 resumes, 8 times the number of planned hires. Our offer-to-acceptance rate was around 92%, showing that MediaTek is a competitive and attractive employer, and highly sought-out brand.

Item	Number of people	Applications per job (%)
Number of applicants in 2020 (A)	30,520	8 times
Planned MediaTek hires in 2020 (B)	3,779	
Item	Number of people	Offer-to-acceptance rates (%)
Number of applicants who accepted our job offers in 2020 (C)	2,302	92%
Number of offers issued in 2020 (D)	2,502	

[Note] Formulas for calculation: Applications per job (%)=A/B; offer-to-acceptance rates (%)=C/D.

Retention of new hires and our Care System

In order to help our new hires adapt to our work environments and thereby increase the retention rate, we established a "Care System for new hires" in 2009. Our system automatically sends out an "Adaptation survey for new hires" and "Feedback survey for new hires" (both five-point scale surveys) on the 7th and 30th day after new hires have reported for work. Completion rate of the survey was 85%. Employees who have passed their probation periods must also fill out the "Completion of probation period survey". We have also established a "Buddy system" where we designate employees from appropriate departments to serve as "buddies" for new hires and help them to adapt to their work. The results of the "Adaptation survey for new hires" are shared with buddies. Besides, if the results of the "Feedback survey for new hires" are abnormal, psychologists at the Employee Relationship department will take the initiative in providing care.



Apart from comprehensive Care System and training for new hires, MediaTek also helps our employees gain a sense of accomplishment from their daily work by building on our innovative culture and industrial leadership as we continue to attract top-tier talent. According to statistical information for 2020, three-year retention rates for new hires was around 92%, and two-year retention rates for new hires was 91%.

Three-year and two-year retention rates worldwide

Item	2018	2019	2020
Two-year retention rates for new hires (%)	90%	95%	92%
Three-year retention rates for new hires (%)	88%	92%	91%

3.2.2 Diverse recruitment channels

MediaTek has expanded our approaches for recruiting talent by formulating annual talent plans in accordance with our operational strategies, and through talent application systems on our corporate website that provides applicants with user-friendly interface and process so as to increase the convenience of job applications. Additionally, we recruit talent through job banks, participation in major recruitment events, and employee referrals. We also actively collaborate with key schools, and our accumulated investment in industry-academia collaboration up to now has surpassed 1.2 billion NTD.



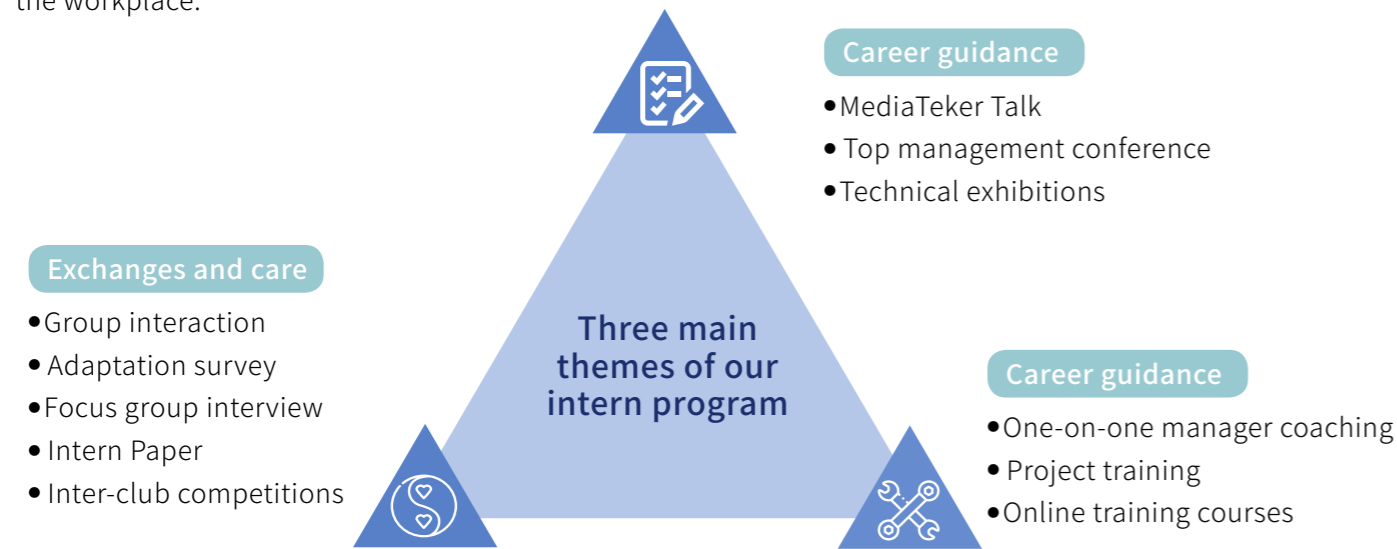
Key results of talent recruitment in 2020

Intern program	Industry-university collaboration
<ul style="list-style-type: none"> ✓ MediaTeker Talk : With the topic of young people daring to dream, We invited our engineers to share and discuss their own interests out of work, encouraging them with 150 students how they spend their leisure time. ✓ Intern paper : A periodical on MediaTek intern activities, including intern experience sharing and interviews with MediaTek employees. 6 issues were published in 2020 where 23 interns shared their thoughts. ✓ Global interns : Under our International Pen Pal Program, interns in different countries share with each other their internship and life experiences. 70 interns (approx. 50%) in 2020 received advanced job offers to directly join MediaTek as regular employees after graduation. 	<ul style="list-style-type: none"> ✓ Invested more than 1.2 billion NTD in industry-university collaborations over 19 years ✓ Established NTU IoX Center, NCTU Innovative Research Center, and NTHU Research Center NTHU Research Center Strengthen establishment of communication standards, mobile computing, and other domains NTU IoX Center Conduct research on wireless access, smart handheld devices, mobile networks, mobile application services, and other research NCTU Innovative Research Center Develop new generation processors, computers, communication systems, applications, and system software

Intern program

MediaTek's intern program is an annual learning and development program for students. In 2020, we provided internship opportunities for 383 students. Both recruitment numbers and participating sites hit record highs. Domestic and overseas students were provided with intern opportunities during their summer vacation or semester in Taiwan, the US, Europe, India, and Singapore.

In order to help interns better understand technological trends, our internship programs are all closely connected to the latest industrial technologies, and the results of intern projects are frequently applied into MediaTek products. We hope that the all-encompassing design of our internship program allows students to come in contact with leading industrial practices at an early stage, and can help to speed their adaptation in the workplace.



3.2.3 Compensation Competitiveness

MediaTek provides sustainable, reasonable, and competitive compensation to attract top-tier talent and strengthen retention of existing employees. Every year the company reviews current compensation levels against market rates, taking macroeconomic indices into consideration, to ensure its competitiveness within the industry. According to 2020 statistics of the Taiwan Stock Exchange (TWSE), MediaTek's employees received pays among the leading group of the local semiconductor industry, in terms of average cost of employee remuneration, average salary and median salary of full-time non-managerial employees. MediaTek designs compensation policies that comply with local demands and standards, and which are based on local regulations, industry practice, and talent-market conditions at our respective operational sites; our compensation policies do not discriminate based on gender, nationality, race, age, or religion.

Average Cost of Employees Remuneration in Taiwan in 2019 and 2020

Item	2019	2020
Average salary for employees	2,921 (thousand NTD)	3,415 (thousand NTD)

Average and Median Salaries for Full-Time Non-Managerial in Taiwan in 2019 and 2020

Item	Full-Time Non-Managerial Employees	
	2019	2020
Total salary for full-time non-managerial employees (A)	21,751,591 (thousand NTD)	27,002,965 (thousand NTD)
Number of full-time non-managerial employees (B)	8,218	8,741
Average salary for full-time non-managerial employees (A/B)	2,647 (thousand NTD)	3,089 (thousand NTD)
Median salary of full-time non-managerial employees	2,339 (thousand NTD)	2,641 (thousand NTD)

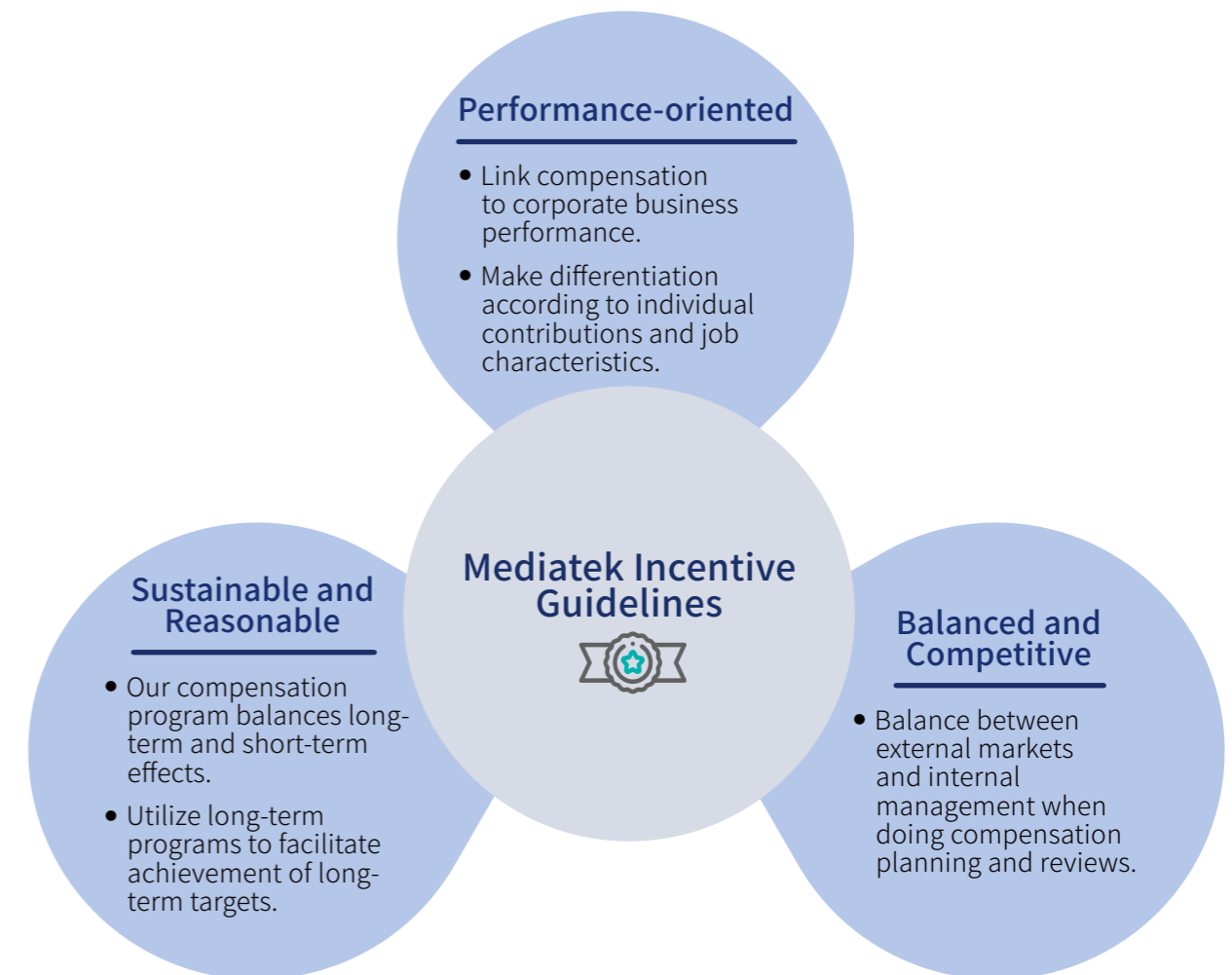
[Note] Non-managerial employees here are defined as all full-time employees excluding Board members and the management team.

Our overall compensation policies adhere to MediaTek's short-term and mid- to long-term operational goals. They have been established in accordance with the job duties and roles of our employees; employee knowledge, skills, and capabilities; individual performance and level of engagement. MediaTek makes appropriate annual adjustments to base salary in accordance with local macroeconomic indicators, overall market compensation standards, and other relevant guidelines, in order to realize the spirit of labor-management profit sharing.

According to 2020 statistics of the Taiwan Stock Exchange, MediaTek's employees received pays among the leading group of the local semiconductor industry listed on the TWSE and OTC markets in 2019, with average cost of employee remuneration, average salary and median salary of full-time non-managerial employees reaching 2.921 million NTD, 2.647 million NTD, and 2.339 million NTD respectively.

Linkage between compensation scheme and corporate sustainable development

A principle of MediaTek's compensation scheme, covering directors, managers, and all employees, is "sustainable and reasonable," with a balanced effect for both short and long terms. The goal is to facilitate attainment of short- and mid-to-long term goals and strengthen the momentum for Mediatek's sustainable development.



3.2.4 Retirement plan

MediaTek's domestic and overseas sites all comply with local regulations when formulating employee retirement plans. In Taiwan, the Labor Pension Act was put into effect on July 1, 2005, and currently 99.4% of our employees adopt the new pension plan while 0.6% of employees still adopt the old pension plan (stipulated by the Labor Standards Act). MediaTek and its domestic subsidiaries appropriate 2% of total salaries each month to serve as pension funds in accordance with the Labor Standards Act, and these funds are saved to a dedicated account at the Bank of Taiwan in the name of the Labor Pension Fund Supervisory Committee. The amount of pension funding appropriated in 2020 was 1.709 billion NTD.



3.3 Employee Development



Management Guidelines:
Employee Development (GRI 103-1, 103-2, 103-3, 404-1)

Importance to MediaTek:

A company's sustainable operation and growth hinges on exercise of employees' professional and management talent to the fullest. The company aims to become a global semiconductor leading firm in technology and operation, via a training and development mechanism for employees at various levels.

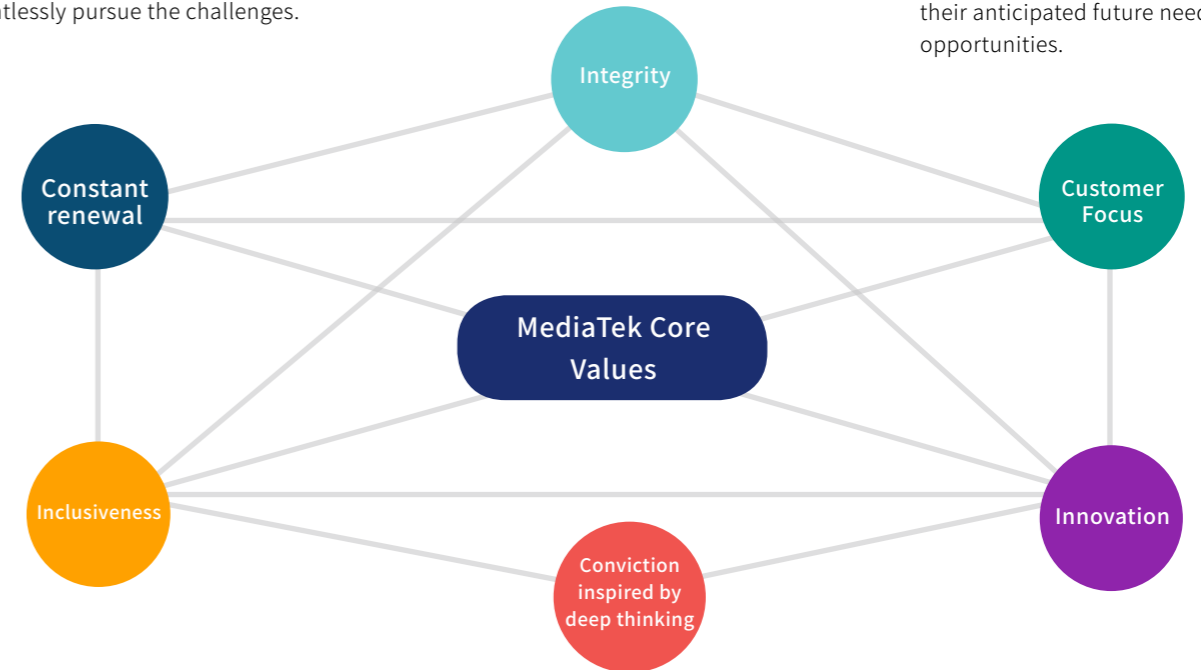
Commitments and Policies:

The company has instituted responsible organization and unit, giving proper training and learning resources to employees and managers at various positions, assisting to hone their professional skills and pursue career development.

Goals	Short term	<ul style="list-style-type: none"> Strengthen the management capability of managers, to cope with company's future challenges and growth In line with environmental changes, review learning and development roadmap for managers, thereby developing talent with leadership responsibility capable of coping with future challenges. Arrange courses to help employees improve personal effectiveness and professional skills, to facilitate their career development. 	Achievement
	Mid to long term	<ul style="list-style-type: none"> Help managers at various levels improve their leadership skills via related training program. Hold forum and courses on cutting-edge technologies, to inspire employees' innovative thinking and competitiveness. Hone professional skills and management capability of employees and managers, to uphold the company's leading status in technology and operation. 	
	Responsible units	Training and development unit, leadership development unit, project lead-management training committee, AI training committee	
Our Management System	Resources	Budget for management/operation, training development	<ul style="list-style-type: none"> Revision of leadership competency: The Company redesigned its Leadership Competency Model and completed alignment with managers. Competency-based manager training: <ul style="list-style-type: none"> Case studies were designed into manager training courses based on the Leadership Competency Model. A 3-day off-site workshop was provided for line managers to enhance learning effectiveness and facilitate cross-functional networking, receiving good responses from participants. Three sessions of the off-site workshop was held, attracting 103 managers to participate. PMD guidance for managers: Company arranged two online forums on the issue in 2020, attracting over 700 managers to participate. High-potential talent: <ul style="list-style-type: none"> 1,034 hours of participation were accumulated in 2020. 60% middle and top managers and 28% line managers in our high-potential talent pool were promoted in 2020. Global online learning platform upgrade: was done to enhance user experience and convenience, attracting 374,105 users, up 77% from 2019. COVID-19 response: Multi-modal learning was provided and a Remote Work Guidebook provided for managers and employees, accessed 3,226 times during the promotion period. Passing on the experience: The internal ISCA awards this year received 24 applications. Among them, 9 awarded teams were invited to share their success stories, which were recorded and uploaded onto the learning platform and accessed over 4,500 times. AI courses and the CTO AI Talk series: attracted 4,985 attendees Classroom courses: in 2020 were rated 94 (out of 100) on average.
	Communication channels	<ul style="list-style-type: none"> Internal website for learning and development Online learning platform Communication platform (FAQ) E-mail Communication meetings of various units Questionnaire survey of employee satisfaction 	
	Evaluation mechanism	<ul style="list-style-type: none"> Pre-class needs survey After-class satisfaction survey Meeting for learning application and sharing Examination for professional skills Publication of technology paper Observation and evaluation of management behaviors 	

MediaTek firmly believes that the key to success is "uniting talent through core values". By practicing the core values, we constantly seek to innovate and make breakthroughs in products, technologies, processes, and services. We aim to inspire conviction, establish ethical collaborations and a strong team spirit to unlock the creativity potential in all employees. vAward is a timely incentive tool for managers to recognize excellence in complying core corporate values during routine work. Inclusiveness is the most common reason for the award nomination.

- We uphold vigilance and anticipate changes in the external environment while responding with renewed rigor.
- We pursue strong sense of curiosity about future technology and will constantly reinvent personal level of professionalism.
- We are prepared to depart from the familiar comfort zone at work and relentlessly pursue the challenges.
- We honor our commitments, maintain the highest ethical standards and do what we say. We demonstrate integrity by personal example.
- We are direct and candid in our conversations. We have the courage to face realities.
- Once committed we will relentlessly focus on delivering our commitment.
- We thrive to exceed the expectations of the customers and ensure priority in satisfying them.
- We consistently seek enhancement from the end users' perspective so as to generate value to our customers.
- We engage our customers as business partners and will purposefully collaborate with the customers on their anticipated future needs and opportunities.



- We include and engage all contributors to achieve quantum leaps and excellence in our work.
- We excel in cross-BU and cross-cultural situations; and we synergize on each other's accomplishments.
- We are open-minded to diverse views and will diligently listen for multiple perspectives.
- We are not afraid to take on challenges or face obstacles.
- We have the courage to take bold actions based on calculated risks to meet our goals and objectives.
- We always look further to find the core of the issue and thoroughly understand root causes.
- We innovate in every aspect of our work including technology, strategy, marketing, management, operations and process.
- We aim for breakthrough thinking so as to generate new and differentiated initiatives.
- We take speedy action to resolve challenges and create value add through our participation.

Faced with an uncertain external environment and challenges for future development, the Company reviewed and revised relevant leadership capabilities and concrete behavioral guidelines for managers at different levels, thereby planning flow and system for the cultivation and development of leadership capabilities to sustain the company's future growth.

Leadership Competency Model



3.3.1 Talent cultivation program

Considering development goals from different angles, we offer complete talent-cultivation program, to assure the strength of high-quality talent pool and consolidate the leadership and management capability of management at various levels.

The program includes training and development for managers, which covers members of the board of directors, high-potential talent development, and cultivation of leadership and professional capabilities of managers, formulating personal development plan for managers and other employees to foster momentum for their sustainable career development via a complete and diverse education and training system.

MediaTek development program



Training for the Board and top managers

In succession plans for key management positions, MediaTek emphasizes that a successor must not only possess excellent corporate strategy plans and business competencies, but must also be focused on the belief and implementation of our core values (integrity, customer focus, innovation, conviction inspired by deep thinking, inclusiveness, and constant renewal). Our Board of Directors and successor candidates for key management positions undergo experience training through job rotations in top management teams across MediaTek group subsidiaries and across business units throughout headquarters. This, paired with our internal and external coaching systems for top management, internalization of professional capabilities, individual development plans, and other systematic training, helps successor candidate teams in decision-making and in the breadth and depth of actual operations, serving as a foundation for subsequent succession.

In addition, the Board reviews periodically managers' performance and direction and plan for their development, to assure cultivation of top managers coincide with the direction of organizational and business development.

Coaching for high-potential talent

To foster inclusive thinking with a general management and cross-team leadership, the company arranges an one-hour coaching session with each high-potential middle and top managers at least once every month, with 80 attendees in 2020; with each high-potential line managers, the company arranges a 1.5-hour session at least once every two months, totaling 954 hours in 2020. All levels of high-potential managers accumulated 1,034 hours of learning in 2020. For all high-potential talent, internal learning resources such as group synergy sessions and TED Talk leadership experience sharing sessions are provided to enhance leadership capabilities. After they completed the coaching, 60% middle and top managers and 28% line managers in our high-potential talent pool were promoted in 2020.

Cultivation of leadership capabilities

Chief human resource officer discusses periodically with the CEO and President over major organizational development and job rotation for top managers, in line with company's business status. The purpose is to cultivate leadership capability of top managers via cross-unit work experience.

Based on various organizational issues and needs, business and functional units design and hold theme workshops every year. Adopting different approaches and case studies, those workshops aimed to enhance problem-solving skills for managers. In 2020, themes of workshops included discussion on strategic directions, development of management competencies, problem analysis and solution, and cross-unit cooperation.

In line with the annual focus of manager training, books are selected every year to be discussed in Managers' Book Club sessions to facilitate a management network where managers could exchange their thoughts and experience. In 2020, more than 50 sessions were held by different units. The books of the year were *Team of Teams: New Rules of Engagement for a Complex World* and *Issue Driven*.

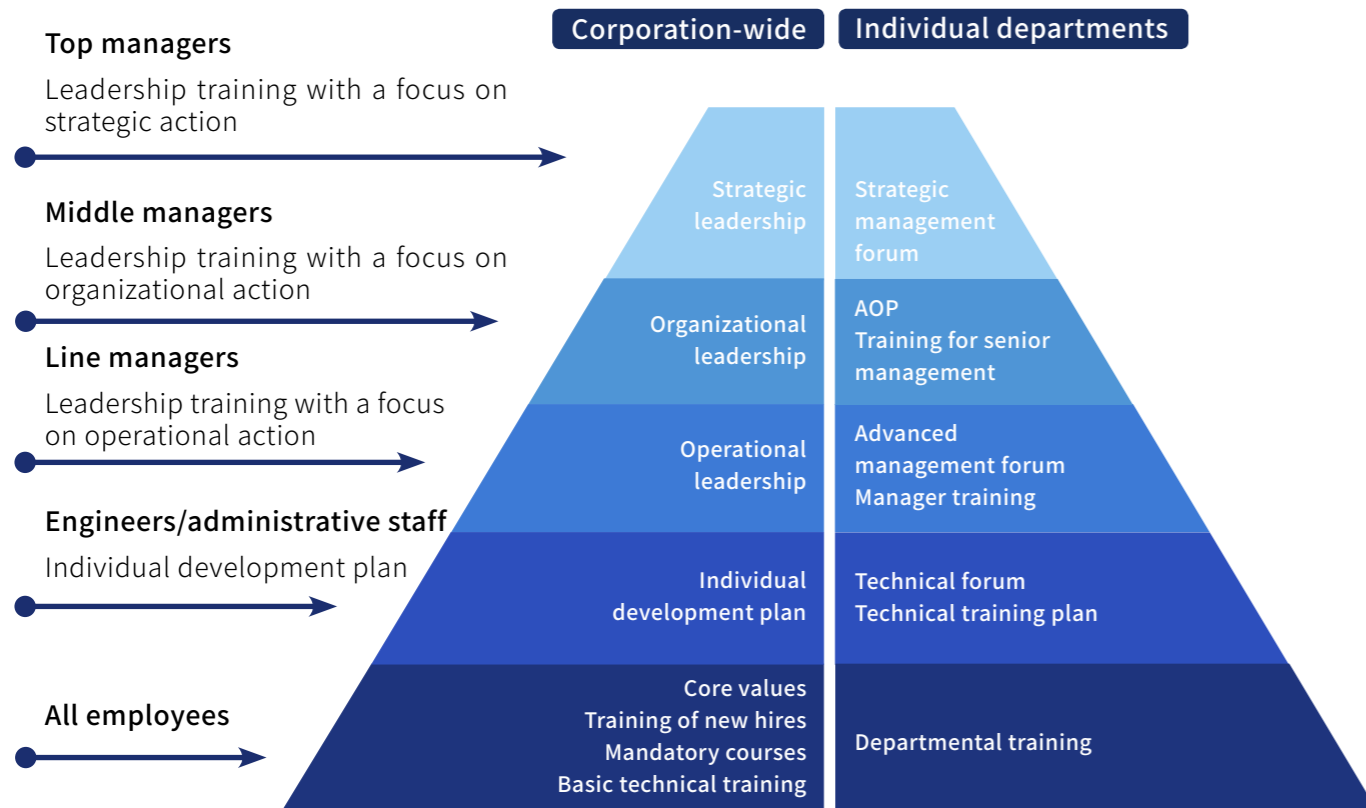
Cultivation of professional capabilities

MediaTek caters its professional training courses to employees and managers, making constant adjustments according to internal and external needs to uphold technology leadership. We made adjustments such as redesigning the roadmap for manager professional capability and learning development. An English version is available for technical courses (such as those on the AI learning portal) on the internal learning platform.

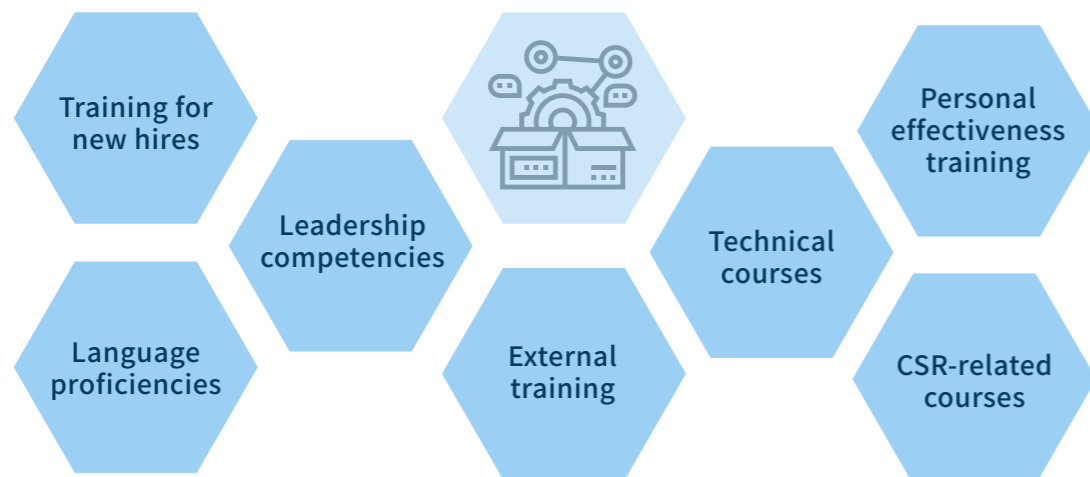
Learning Structure and Implementation Outcomes

MediaTek's training is designed around our core values, global operation, and strategic development. We designed training blueprints for top managers, middle managers, line managers, rank-and-file employees, and all Company units; providing comprehensive training in corporate culture, goal establishment, and leadership capabilities. This is supported by diverse learning resources such as online learning, performance development tools, thereby achieving cultural transference, strengthening leadership competencies at all management levels, and realizing our goal of cultivating talent capabilities. In 2020, we invested more than 28.09 million NTD in training. The average on-site training time undertaken per employee was 11.7 hours, with a total of 7,000 participants.

MediaTek learning structure



Diverse Learning Courses



Type of training	Training content and implementation results for 2020
Training for new hires	<ul style="list-style-type: none"> MediaTek provides Introduction of Company policies on the first day of work and an additional half-day training in common corporate language (core values, responsibilities, PDCA) 1 to 2 months afterwards to help our employees better understand our corporate culture. Due to COVID-19, the course on corporate culture was offered online so as to provide timely assistance for employees to fit into the workplace. In 2020, 1,043 attendees completed the course. All departments update training blueprints for new hires based on unit responsibilities. MediaTek values workplace and laboratory safety, and therefore all engineering personnel are required to receive training in laboratory safety before working with lab equipment. CSR-related courses cover health and safety management, prevention of workplace sexual harassment, prevention of insider trading, etc. Training completion rates were 100%.
Leadership competencies	<p>In line with the company's strategic objectives and revised guidelines for leadership competencies, themes of management courses were redesigned in 2020 to upgrade leadership competencies for managers using diverse learning methods. 14,330 attendees completed those courses in 2020.</p> <ul style="list-style-type: none"> For middle managers, case studies and group discussions are utilized to strengthen their business acumen, strategic thinking, and transformational leadership capability. For line managers, Harvard Business School cases are used in class to guide them in comprehensive practical management and inclusive thinking. New comers also had to join an exclusive three-day off-site workshop to enhance learning effectiveness and facilitate cross-functional networking. To augment leadership competencies, effect good communication, and offer a sound working environment, the Company hired counseling psychologists to carry out a 6-hour sensitivity training for newly appointed managers and business units, the latter by request. In 2020, 3 sessions were held and 103 managers attended. To help managers understand and effectively communicate with their reports on individual development relevant to their performance, the Company arranged two online forums on the issue in 2020, attracting over 700 managers to participate.
Technical courses	<ul style="list-style-type: none"> To contain COVID-19, the Company had external instructors of all 16 technical courses video conference with their classes. Some courses were offered in-person where limited numbers of employees attended classes in meeting rooms, while some were completely online. The in-person courses attracted 365 attendees and totaled 3,565 hours of training, while the online courses attracted 7,694 attendees and totaled 2,778 hours of training. The Company persisted in its work on enhancing employees' AI capabilities. AI courses in 2020 provided training to 369 attendees. The CTO Talk series, where domestic and foreign experts were invited to analyze current trends and share the experience, attracted 2,315 attendees. The AI for Managers lectures were offered to help managers grasp the trends from a management perspective, attracting 299 attendees.



Type of training	Training content and implementation results for 2020
Personal effectiveness training	<ul style="list-style-type: none"> Personal Effectiveness Training include classes on presentation techniques, project management, social interaction and communication, and creativity and innovation. Additionally, we also provide online courses on time management and meeting techniques that employees can take flexibly. 1,034 attendees completed the training in 2020. Due to COVID-19, the courses were carried out through live-streaming, inviting co-creation through multi-modal interaction.
Language proficiencies	We provide English and Japanese learning courses. Apart from face-to-face lessons, we also provide online English sessions. Our flexible and diverse classes are suited for different learning needs. 1,196 attendees completed the training in 2020.
External training	In addition to internal training courses, the Company subsidizes external training programs employees apply for to hone their professional skills. 454 applications were submitted in 2020.

Three-day off-site workshop for line managers



Hours committed to training by employee type in 2020

Item	Total hours	Total attendees	Average hours	Average cost/person (NTD)
Male	68,583	6,125	11.2	3,811
Female	17,829	1,247	14.3	
Managers	15,191	2,111	7.2	
Rank-and-file employees	71,220	5,261	13.54	
All employees	86,411	7,372	11.72	

Breakdown of hours by course type in 2020

Item	proportion
Training for new hires	3%
Personal effectiveness training	8%
Technical courses	10%
Management competencies	17%
External training	21%
Language proficiencies	42%



3.3.2 Diverse learning resources and channels

MediaTek invests heavily in talent training and development. Our managers help employees establish an annual IDP (Individual Development Plan) according to individual work content, performance evaluation results and career development needs. These serve as a reference for employee training plans.

Online learning platform

Number of attendees increased by 77% in 2020 after the upgrade of the online learning platform.

To help our employees understand and systematically manage all learning processes and records, we established an internal learning website (the "i-Learning platform") in 2015. In 2020, the online learning portal was upgraded to a global interactive learning platform for sharing and co-creation, offering 1,923 online courses (as of March, 2021) to 374,105 attendees in 2020, up 77% from 211,010 in 2019. Available to regular employees, the portal can manage their progress in pre-set training courses, on-the-job training, and online courses to enhance employees' learning experience.

To meet the emerging need for remote work during COVID-19, the company offered Remote Work Guidebook for employees and managers, accessed 3,226 times during the promotion period.

A Remote Work Area was set up on the online learning platform, providing newsletters that aimed at enhancing performance of managers and employees as well as tips for health and well-being when working from home.

3.3.3 Performance management and development

PMD (performance management & development) system aims at helping employees create optimal individual performance that in turn feeds into organizational performance by associating tasks with individual development, by dialogues between manager and report, and by timely feedback and evaluation.

PMD cycle	
<p>Goal-setting Beginning in January</p>	<ul style="list-style-type: none"> • Manager conveys organizational directions and goals, in line with which report specifies their work objectives and development focus. • Report establishes criteria for subsequent reviews, action plans, and timelines and obtains agreement from manager.
<p>Mid-year review July-August</p>	<ul style="list-style-type: none"> • Manager and report review the progress with work objectives and development goals and make adjustment for the rest of the year. • Through continuous guidance and feedback, manager and report ensure their consistent views and effective achievement that may optimize individual and organizational performance.
<p>End-of-year review Mid-November-January</p>	<ul style="list-style-type: none"> • Manager and report review, evaluate, and communicate about the progress according to the work objectives and development goals. Constructive feedback are solicited as a foundation for future performance management and development.

Performance management and development

Collaborative planning of future work, goals, and development plans



3.3.4 Channels for internal job transfer

In September 2019, MediaTek launched the Internal Job Application mechanism, offering employees worldwide opportunities to enhance career development and access best-fit positions for their talent. The internal job application system also aims to increase internal talent flow and create a friendly workplace. Since its inception, over 100 employees applied and completed transfer within 4 months.





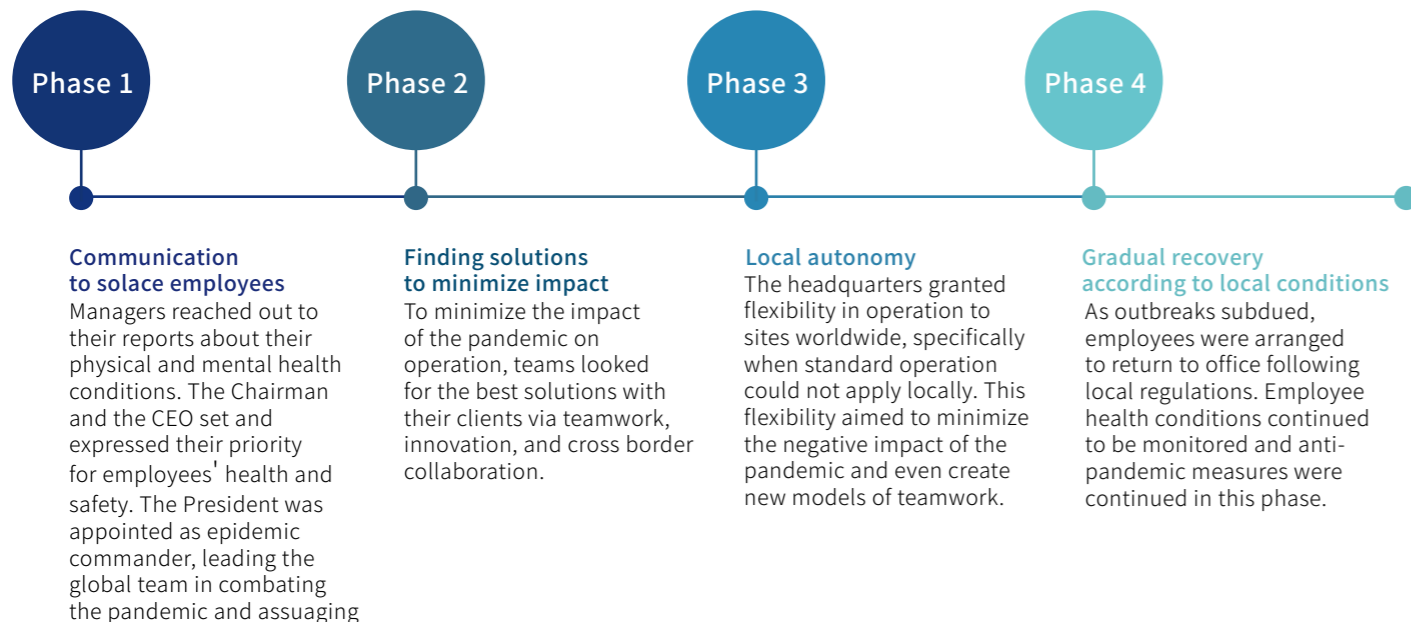
3.4 Employee Experience

MediaTek values employee experiences and strives to help each employee enjoy their work. Employees derive positive experiences from different things, so we are active in communicating with our employees as we seek to understand their motivations through a variety of channels. We provide benefits that exceed legal compliance requirements and aim to take care of the physical and mental health, and the work-life balance. We have established an inclusive workplace that allows each employee to fully shine and grow on the international stage.

2020 Employee Experience Overview



To safeguard employees' health from COVID-19, alleviate anxiety, and ensure stable operation, MediaTek adopted a 4-phase approach in response, making adjustments according to local regulations and conditions.



(For details, please refer to 4.5 Risk Management.)

3.4.1 Employee Communication



Management Guidelines: Multi-Channel Communication (Non-GRI Material Topic)

Importance to MediaTek:

Institute real-time two-way communication channel, enabling the company to transmit information to employees correctly and quickly, on one hand, while listening to their opinions and response, so that expectation and feeling of both parties can be integrated and a solid and sustainable labor-management relationship can be established.

Commitments and Policies:

The company has instituted responsible organization and unit, promoting global communication guidelines and advocating 5C model, to assure cross-area, cross-language effective team communication. Take advantage of multiple communication channels, both online and offline, to augment mutual understanding between employees and the company, plus periodic opinion plus of employees followed by improvement in response to the results, for creation of sustainable healthy workplace, and the growth of company.

Goals	Short term	<ul style="list-style-type: none"> Joint implementation of global communication guidelines for creation of a friendly communication environment Take advantage of multi-channel communication to transmit corporate goal and policy effectively and understand and respond to employees' thinking and suggestions timely. 	Achievement
	Mid to long term	<ul style="list-style-type: none"> Conduct employee survey regularly and organize task force to plan and implement improvement, in response to employees' expectations, so as to enhance their satisfaction Take advantage of communication channels, both online and offline, to transmit corporate goals for implementation effectively. 	
Our Management System	Responsible units	Human resources-related units, various operational and functional units	
	Resources	Budget for operation and management	
	Communication channels	<ul style="list-style-type: none"> Manager communication meeting Regular meetings of various units Labor meeting FAQ Communication platform Ombudsman service Suggestion box Questionnaire survey of satisfaction with large scale events HR AI chatbot 	
	Evaluation mechanism	<ul style="list-style-type: none"> Operating status of communication meeting with managers Status of labor-management meeting and meeting minutes Usage status of employee compliant mailbox and opinion mailbox Analysis and cross-year comparison of results of global employee survey Employee usage status for communication platform FAQ 2.0 	

Manager communication meeting: once in English and once in Chinese every quarter, totaling 8 sessions in 2020; key parts were edited into Executives' Quarterly Talk video series and shared with all employees for them to catch up with top management first-hand.

Labor meeting: once every quarter; 4 in total in 2020, with an attendance rate of 100%

Ombudsman service and corporate suggestion box: received 5 claims, responded, and improved

Employee Survey: upcoming in 2021, following up on the 2019 Survey

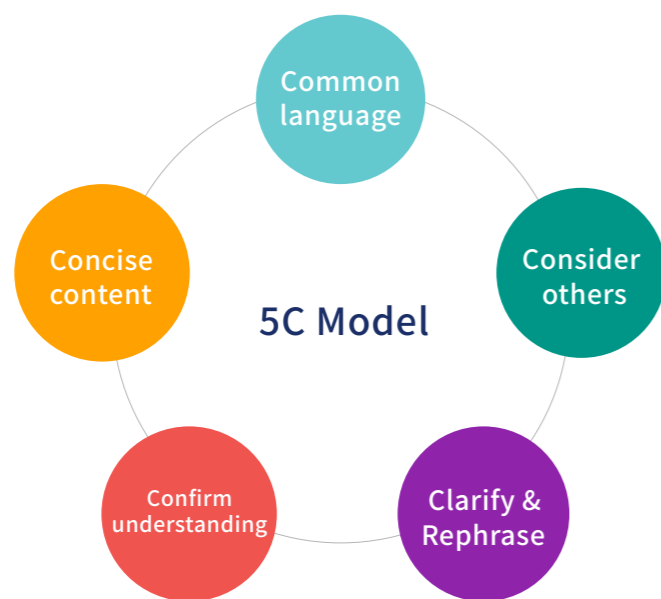
Communication Platform (FAQ2.0): received 1,057 questions in 2020, responded 99% of them in written form, and the rest through phone calls

HR AI chatbot: launched in December, 2020, accumulating an average of 1,800 users and 13,000 questions a month



Executives' Quarterly Talk video series

To maintain an open and fair communication environment, MediaTek promotes its "Global Communication Guidelines" and its "5C Model" to employees, which is composed of "Common language", "Consider others", "Clarify and Rephrase", "Clarify understanding", and "Concise content". This helps to ensure effective communication between employees during inter-region and cross-language team meetings, written correspondence, and phone calls.



MediaTek Global Communication Guidelines
Leverage available resources to attain effective communication

Communication via multiple channels

Employee survey and ombudsman service

Starting from 2004, MediaTek has commissioned a consulting company to conduct periodic employee survey and make improvement, according to the results. The latest global employee survey was completed in 2019, and the upcoming one is scheduled in 2021.

Based on analysis of the results of the employee survey, improvement programs are underway:

- For the company as a whole, the main focus is optimization of global communication, increase in employees' identification with corporate goals and mission, invigoration of two-way communication, and consolidation of the talent tool via attractive compensation package.
- Four dimensions for all business and functional units to focus their effort on are communication, career development, management, and team cooperation. To obtain timely feedback from employees, BU's/ FU's are provided the pulse survey, a tool where relevant questions can be selected and survey results analyzed for adjustment.

To create a fair and just workplace, Ombudsman Service is dedicated for employees to voice their complaints. In 2020, 5 complaints were filed through the system and, through a designated process, were all handled and closed.



Introducing Alpha the HR AI chatbot

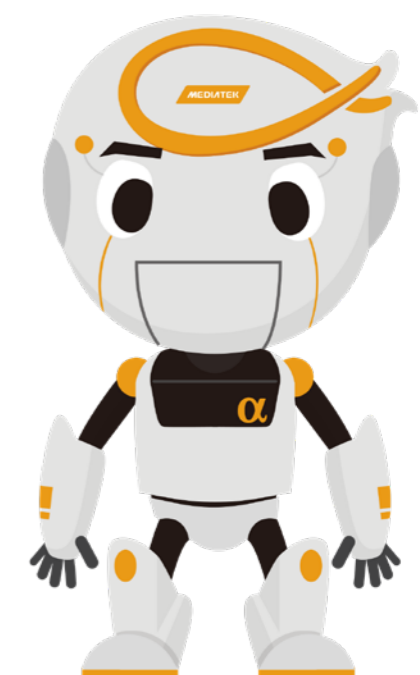
To offer employees timely access to HR information, especially when it is needed after hours, the Company developed and launched an interactive AI chatbot, Alpha, in December, 2020. In addition to convenience, the chatbot that is capable of answering employees' inquiries also aimed at enhancing employee experience. Training and naming periods were arranged before its official launch.

Training

Employees were invited to interact with the chatbot in this period to train it for better user experience.

Naming

Employees participated in a naming campaign where they nominated and voted to decide the chatbot's name.



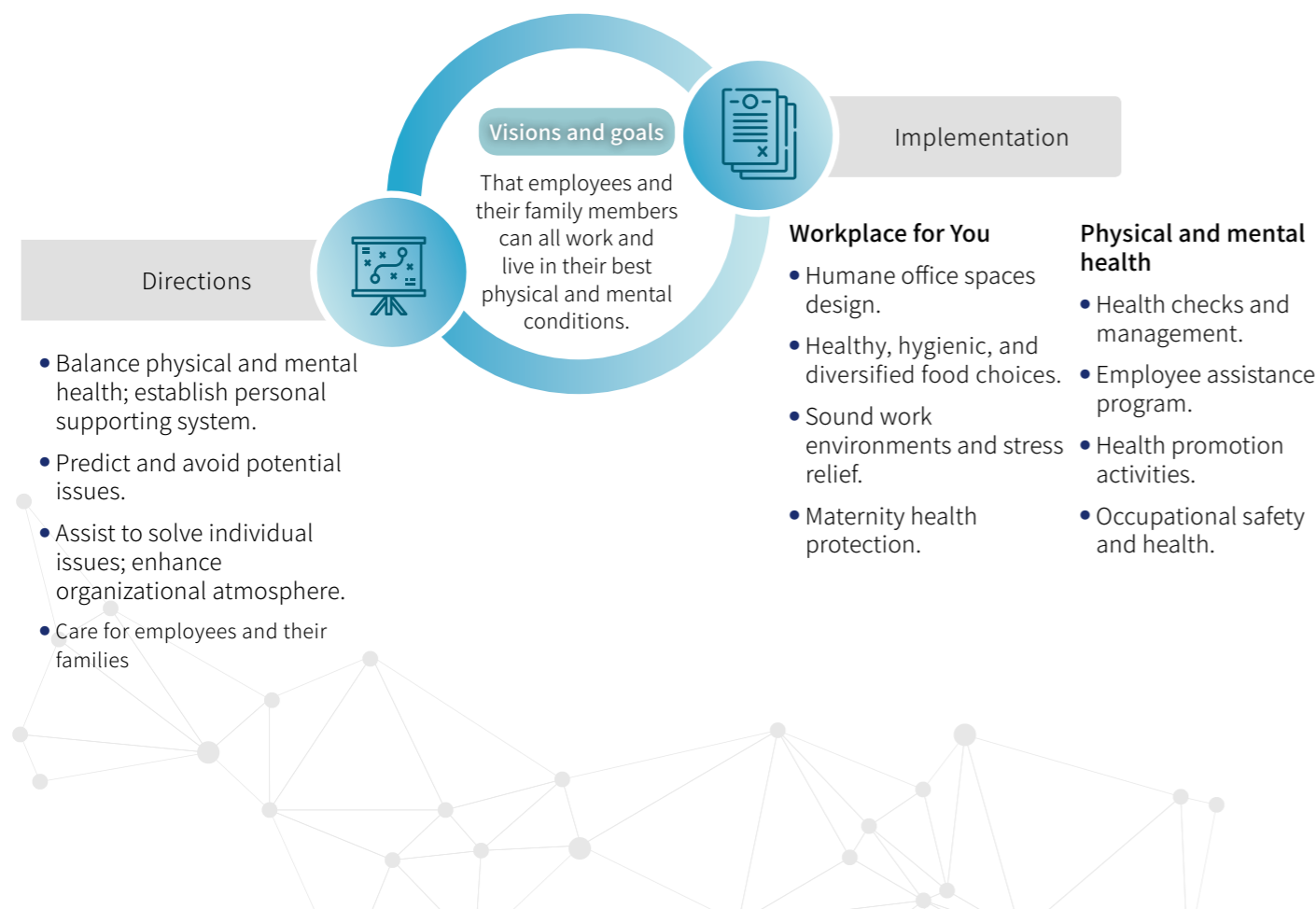
3.4.2 Benefits policies

MediaTek provides benefits that exceed legal compliance requirements, including a total of 19 vacation days in addition to legally required personal leave, sick leave, marriage leave, and pregnancy check-up leave. Such is designed to increase the flexibility for employees to optimize their work-life balance. Additionally, we also provide one day of paid volunteer leave each year, encouraging our employees to give back to the society. For employees with pregnant spouses, we also provide paternity leave that exceed legal requirements.

Item	Legal compliance requirements	Benefits in MediaTek
Vacation days	12 national holidays per year	7 extra flexible days off (19 days in total)
Volunteer leave	None	1 day (8 hours) of paid volunteer leave that can be taken off by hour on different work days separately
Paternity leave	5 days	2 additional days (7 days in total) Also available for any employee whose spouse has a miscarriage, where the employee is entitled to 8 hours for a pregnancy of 7-12 weeks, 24 hours for a pregnancy of 12-20 weeks, and 56 hours for a pregnancy of 20 weeks or above

3.4.3 Establishment of healthy workplace

We have established visions, goals, and directions for a healthy workplace and offer a "Workplace for you" program with physical and mental health as the main focuses.



Workplace for You

Humanized office spaces

With high regard for a safe and suitable workplace, MediaTek put forth two measures for the usage of office and public area in the company in 2020, in the hope of creating an even better workplace:

1. Comprehensive replacement of office chairs in Hsinchu offices with ergonomic ones, totaling 4,550, for comfort and health of employees. The next step is to replace the old chairs in the Taipei offices in 2021.
2. Comprehensive ban on indoor smoking. The smoking area was moved outdoors completely in February, 2021.



Healthy and hygienic catering options

MediaTek's employee canteen includes 21 eateries and enjoys an average of more than 90% daily use, with around 15,000 diners. Canteen eateries include foreign cuisine, combo platters, chain stores, fruit and juice bars, noodles, and vegetarian cuisine, providing our employees with a wide variety of eating options. Management requires that food safety and quality is prioritized. Amid COVID-19 pandemic, the Company adopted multiple measures to assure a safe dining environment for employees, e.g., comprehensive adoption of environment-friendly take-out boxes and control of dine-in seat number. All food packaging enters into the recycling system.

Promotion of healthy, safe, and hygienic food and environmental protection

Local produce: We encourage eco-friendly farming and consumption by sourcing fruits and vegetables from local farmers. We held seasonally themed events to encourage the consumption of seasonal foods. We also had a weekly farmer's market at the HQ consisting of three local vendors.

Healthy dining: We continue to focus on food safety and hygiene through bimonthly SGS inspections.

Waste reduction:

- From May 2019 through 2020, we required eateries in our canteen to refrain from providing free plastic straws. This policy exceeded existing legal requirements and reduced the usage plastic straws by 580,000 per year (92% reduction).
- In cooperation with the local Bureau of Environmental Protection, the company installed recycle machines to promote environment protection.



MediaTek participated in local recycling campaign.

Sound work environment and stress relief

- **Massages:** In 2020, we hired 37 blind masseurs that provided 18,166 sessions of services. Service was paused due to Covid-19 between March 23 and June 7. Reservation rates were consistently 100%
- **Gym:** Gym equipment and exercise space has been established in all office buildings. Daily usage rates for the gym was 100%.



- **On-site medical team services:** a medical team from the Hsinchu Branch of NTU Hospital visits 24 times per month to provide one-on-one consultation services to our employees. A total of 1,260 reservations were made throughout the year.



The Wellness Center website provides employees an integrated platform for doctor's appointments, health checkups, and health-related information.

Protection of maternity health

In 2020, 93 mothers received maternity-health services, including 70 sessions of interviews with the doctor.

The team at our wellness center created exclusive pacifier clips and teethingers for babies of MediaTek employees. Each building has a lactation room stocked with equipment; we have a total of 16 rooms that can accommodate at least 30 employees at the same time. The wellness center manages a list of employees that require maternity protection; those listed are required to undergo individual hazard assessments, graded management, and health protection and other fitness assessments with a doctor before and after childbirth.

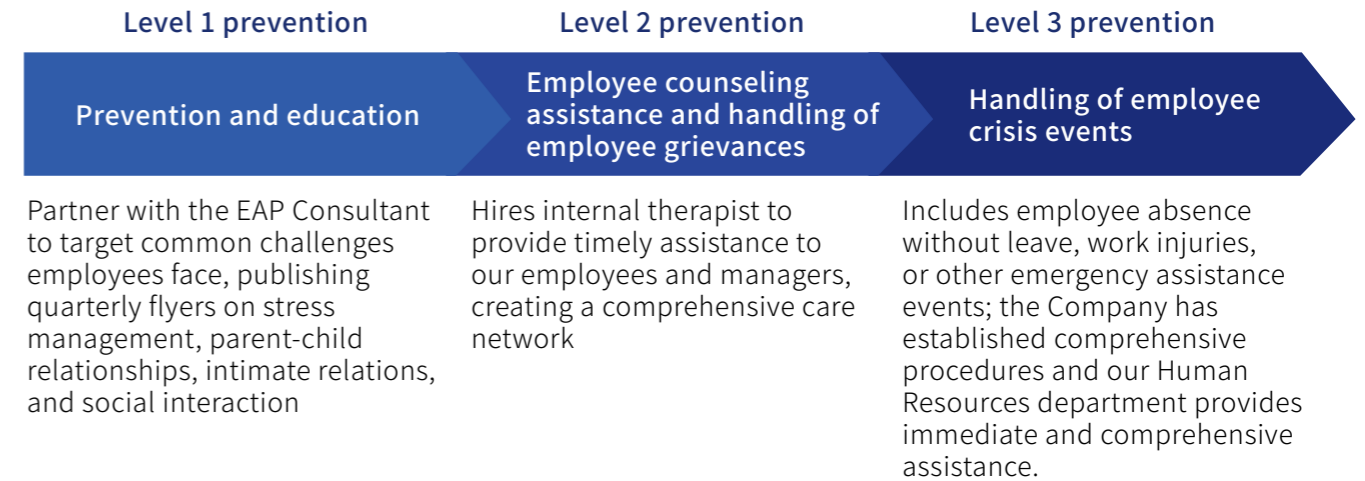
Physical and mental health care

Health checks and management

Every year, each employee is entitled to 6,500 NTD in health check expenses and a half day of health-check leave, exceeding legal compliance requirements. Middle managers and above can enjoy 15,000 NTD in health check expenses and a full-day leave. Apart from physical health, MediaTek values the mental health of our employees. When employees are undergoing health checks, they can fill out a self-reported survey on moods and feelings. This enhances the awareness of each employee and helps them to better understand their mental state. Additionally, psychologists at the wellness center provide subsequent care and follow-up on employees at risk and transfer potential high-risk cases for professional assistance. In 2020, 96% of employees applied for health check subsidies, and total health check expenses were 56.95 million NTD.

Employee assistance program

To build a healthy workplace environment, the Company provides comprehensive internal and external employee assistance programs (EAP). In terms of external programs, MediaTek collaborates with Newmind EAP Consultant Co. so that our employees can undergo stress-free, private and professional psychological and legal counseling and consultation. Fees for up to three hour-long sessions are borne by the Company. In terms of internal employee assistance programs, we have formulated the "Level 1, 2, 3 mental health prevention program":



Health promotion events

Health promotion events in 2020 began in July. Various sports events, such as the HQ's virtual walking campaign, were held to encourage employees to continue working out and create a LOHAS workplace culture. Overseas sites held events such as jogging, ball games, health promotion events, and long-distance walking campaign in parallel.

• Taiwan headquarters

7 sports events in 2020, attracting 1,658 attendees



• Overseas sites

14 sports events in 2020, attracting 1,050 attendees



Workplace health and safety

With high regard for employees' safety, the company conducted hazard identification and risk evaluation for critical operation or events with higher potential hazard, in quest for zero disaster at workplace.

2020 Goal	2020 Performance	2021 Goal
Provide first-aid training for compliance	In compliance with the regulation of 3 hours on-the-job first-aid training within a 3-year period, the latest training was held in 2019 and the next scheduled in June, 2022.	Maintain compliance with the three-year cycle
Hold annual evacuation drills	Completed 11 drills, with 8,286 participants	Hold 11 drills at Hsinchu, Chupei, and Taipei sites
Hold health promotion events	Held 21 events with 2,708 participants	Hold 30 events
Identify risks for health and safety in the workplace	Completed identification and evaluation of key operations / events with higher risk potential	Continue the practice of identification and evaluation of key operations/events with high risk potential

Since 2015, the company has been holding comprehensive evacuation drills regularly, outperforming peers, to familiarize all the employees with the evacuation routes, assembly sites, and participant count. Fire extinguishing and aid for the injured were also included in the drills that took place at office buildings in Hsinchu, Chupei, and Taipei, with attendance totaling 8,286, up 703 from 7,583 in 2019. To assure environmental safety without any blind spot, the company provides irregular safety reminders to employees and visitors and conducts regular inspection of office, public area, meeting rooms, laboratories, customer offices, and equipment areas for environmental and operational safety.

Work-related injury or ill health in 2020

Items / year	Gender	2018	2019	2020
Disabling injury frequency rate (FR) Pieces of work affected (only in cases of absence 8 hours or above) x 1,000,000/total working hours	Male	0.28	0.57	0.59
	Female	0.92	2.10	1.61
	Total	0.39	0.83	0.76
Occupational disease rate (ODR) Number of occupational diseases x 1,000,000/total working hours	Male	0	0	0
	Female	0	0	0
	Total	0	0	0
Disabling injury severity rate (SR) Days away from work x 1,000,000/total working hours	Male	6	11	11
	Female	23	27	15
	Total	9	14	12
Absence rate (AR) Days of absence / total amount of working days	Male	0.003	0.003	0.003
	Female	0.010	0.010	0.009
	Total	0.004	0.005	0.004

Note: Days of absence include business leave, sick leave, and occupational sickness leave.

- (1) Sick leave (including unpaid sick leave, half-pay sick leave, and menstruation leave: 69,723.7 hours
- (2) Occupational disease leave: 1,022.66 hours
- (3) Total working hours: 18,647,512 hours

To assure the safety of construction works by contractors, construction workers must take instruction on occupational safety and health before entering construction sites, learning potential hazards and construction-safety regulations, to prevent occurrence of occupational disasters. 257 contract workers took the lecture in 2020, contributing to the achievement of the goal of zero disaster, zero accident, and zero loss.

According to the Occupational Safety and Health Act, all employees in Taiwan are required to receive education and training on the Prevention of Unlawful Infringement while Performing Duties at Work, so as to avoid becoming perpetrators or victims of such infringement and create a respectful, friendly workplace. The course was first provided in 2020 and was completed by 8,077 employees, 84% of the total.

3.4.4 Maintaining work-life balance

In order to help employees achieve work-life balance, promote cross-departmental interactions, and provide stress relief activities, MediaTek has a variety of club activities, provides discounts from contracted stores, and provides many other benefits and subsidies to employees.

Club activities

There were 63 employee clubs in 2020, including such new ones as the Dance Club, Financial Management Club, with the number of employees attending at least one club exceeding 2,900. The company subsidizes employees for attending those clubs.



Aerobics Club



Dance Club

Corporate events

As part of MediaTek's commitment to work-life balance and family bonding, we host and invite employees and their families to our annual Family Day, where activities such as sports days, fetes, concerts, or funfair tours are held. To protect employees from health and safety risks, Family Day was replaced by a virtual thanksgiving party, which attracted nearly 10,000 participants and great feedback.



Benefits and subsidies

To accommodate different needs, we personalized the benefits with a Flexible Benefits plan in 2019, providing combined subsidies for travel expenses, major purchases, entertainment, additional health check items, and/or group insurance for family members. Even amid the pandemic, the overall reimbursement rate hit 97%, an indication of adaptability of the plan.

3.4.5 Family care

Single	Married	Pregnancy & Childbirth	Family
<ul style="list-style-type: none"> Networking events for singles Sessions: 3 Participants: 64 	<ul style="list-style-type: none"> Marriage subsidy: 10,000 NTD 8 days of marriage leave 	<ul style="list-style-type: none"> 5 days of pregnancy check-up leave 56 days of maternity leave 7 days of paternity leave Childbirth bonus: 2,000 NTD for each child Applicants: 432 	<ul style="list-style-type: none"> Family care platform and family activities Search and recommendation platform for childcare resources Bonuses for child education Family care leave Unpaid childcare leave

Accommodating Childbirth

MediaTek's "Work Rules" adhere to the Labor Standards Act, stipulating that the Company cannot terminate labor contracts during maternity leave, and we are required to provide 56 days of maternity leave in a period around childbirth. Employees can choose to take 7 days of leave during spousal pregnancies or within 15 days before and after the childbirth date, and are paid as usual during paternity leave. Beyond legal compliance, MediaTek provides 2 additional days of paternity leave, allowing employees to tend to their family care needs. MediaTek also provides childbirth bonuses to congratulate the addition of a new family member. Employees who have childcare needs can apply for unpaid childcare leave. In 2020, the reinstatement rate for employees who had taken childcare leave was close to 94%. MediaTek provides adequate support for returning employees so that they can re-adapt to their work environments.

Application rates for unpaid childcare leave, reinstatement rates, and retention rates in Taiwan for 2020

Item	Male	Female	Total
A. Number of employees eligible for unpaid childcare leave in 2020	401	94	495
B. Actual number of employees who took unpaid childcare leave in 2020	14	26	40
C. Estimated number of reinstated employees returning from unpaid childcare leave in 2020	13	22	35
D. Actual number of reinstated employees returning from unpaid childcare leave in 2020	13	20	33
E. Reinstated employees who returned from unpaid childcare leave in 2019 and have continued working for 1 year	8	17	25
F. Number of reinstated employees who returned to work from unpaid childcare leave in 2019	8	17	25
Application rates (B/A)	3.5%	27.7%	8%
Reinstatement rates (D/C)	100%	91%	94%
Retention rates (E/F)	100%	100%	100%

A. Number of employees eligible for unpaid childcare leave in 2020: number of employees who applied for unpaid childcare leave from January 1 to December 31, 2020
 B. Actual number of employees who took unpaid childcare leave in 2020: number of employees who applied for unpaid childcare leave from January 1 to December 31, 2020
 C. Estimated number of reinstated employees returning from unpaid childcare leave in 2020: number of employees whose unpaid childcare leave period expired between January 1 to December 31, 2020
 D. Actual number of reinstated employees returning from unpaid childcare leave in 2020: number of employees whose unpaid childcare leave period expired between January 1 to December 31, 2020, and who were reinstated
 E. Reinstated employees who returned from unpaid childcare leave in 2019 and have continued working for 1 year: number of employees who returned from unpaid childcare leave from January 1 to December 31, 2019 who have continued to work for one year
 F. Number of reinstated employees who returned to work from unpaid childcare leave in 2019: number of employees who returned from unpaid childcare leave from January 1 to December 31, 2019. The statistics here contain corrections from the 2019 CSR Report, wherein 5 men and 4 women extended their unpaid childcare leave, deriving 8 men and 17 women as the actual reinstatement.

In-house preschool

In response to widespread expectation among employees, MediaTek unveiled the in-house preschool project in 2017. The preschool welcomed its second year in 2020 with 135 students and an acceptance rate of 26.1%. The preschool provides a rich, nurturing environment for active learning and interaction. Parents and teachers, on their part, engage in direct, two-way communication to support the students. Major features of the preschool include:

1. Occupying 600 pings (one ping equals 36 square feet) in space, it is the largest such facility in Hsinchu Science Park.
2. It offers extended child care, free of charge, until 8:00 p.m., for employees, when they are at work.
3. The facility was disinfected with ultraviolet germicidal lamp every night, to uphold children's health.
4. It complies with legal requirement in teacher-student ratio and hardware/software, boasting innovative teaching methods, integrating game and learning, to help children explore the worlds of science and art.



- Site**
1F and 2F, Wireless Communication Building
- History**
Inauguration in 2019 with its second year beginning in August, 2020
- Number**
135 students in 6 classes
- Eligibility**
Children 2-6 years old, prioritizing those of MediaTek employees

Adaptive teaching methods and comprehensive programs

Courses in the preschool are designed according to students' interests and capabilities, motivating them to explore through interdisciplinary learning activities that encourage happy learning through experience. In 2020, a charity event was held in conjunction to life education, wherein students donated receipts collected in their daily lives in exchange for handiwork and snacks peers made. Nearly 3,000 receipts were donated to support the occupational training of those with intellectual development disorder.



Family-oriented activities

MediaTek opens its exclusive "health and wellness center" to family members of employees, for whom a room was designated and designed to facilitate parent-child activities. Employee family members voluntarily organized activity classes, whose sizes are deliberately kept small to help enhance learning effectiveness. Courses were suspended in 2020, by which time there were already 38 attendees.



3.4.6 Diverse and inclusive workplace

With an aim of building up a diverse and inclusive workplace, MediaTek provides employees of both genders equal opportunities and mandates completion of the Sexual Harassment Prevention training.

Developing a diverse and inclusive workplace	2020 Performance	2021 Goals
Goals and performance	<ul style="list-style-type: none"> Reach a completion rate of 100% for sex-harassment prevention courses Held 5 gender equality events 	<ul style="list-style-type: none"> Reach a completion rate of 100% for sex-harassment prevention courses Hold gender equality events every year and promote a diverse and inclusive workplace
Issues in focus	<ul style="list-style-type: none"> Human rights protection In compliance with local laws and regulations as well as the principles of International Bill of Human Rights, MediaTek guarantees its employees the right to assembly and association as well as forbids violation of human rights. Equal pay for equal work MediaTek is dedicated to creating a friendly and fair workplace for female employees. As of the end of 2020, annual salaries for regular male and female engineers were 1:1. Women's employment MediaTek ensures zero gender discrimination at all times of employment. In 2020, women took up 20.8% of the global workforce. 2,734 women were employed in the R&D business and functional units, taking up 19.0%, a percentage higher than the proportion of women among electrical engineering, computer science, and information engineering graduates in Taiwan (13-15%). Preventing sexual harassment As a bottom line to maintaining a workplace of equality and mutual respect, Guidelines of Sexual Harassment in the Workplace were formulated, a Sexual Harassment Grievance Response Committee set up, and a direct line 21999 and dedicated email call21999@mediatek.com designated. Since June 2015, Sexual Harassment Prevention has been a mandatory course for all employees. In 2020, unlawful infringement is combined into the course. Completion rate of new hires was 100%. 5 gender equality activities were held across global sites in 2020. 	

Compliance with human rights standards

MediaTek strictly adheres to local laws and regulations and complies with the International Bill of Human Rights, maintaining employee freedom of association and endeavoring to eradicate violation of human rights. We prohibit all discriminatory behaviors during employment, and we do not discriminate against employees based on race, age, gender, sexual orientation, disability, pregnancy, political affiliation, or religion. All employees must sign written labor contracts according to law. Our Work Rules clearly stipulate that there should be no incidence of forced labor, and employee work hours are set in accordance with labor laws. In Taiwan, if we need to terminate employee contracts due to special circumstance, we give advance notice of termination and subsequently provide relevant severance payments according to the Labor Standards Act.

Below are some of the areas included in the company's human-rights policy :



(For more information on human-rights risk, please refer to 4.5 risk management)

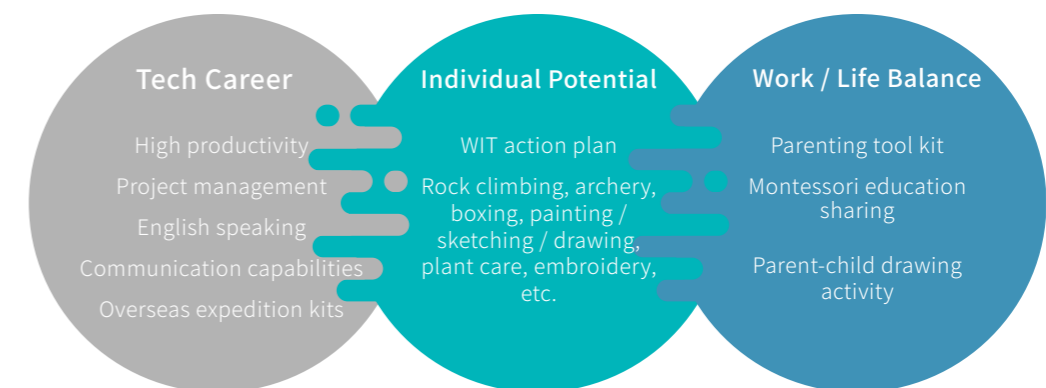
Female employment

At MediaTek in 2020, women took up 20.8% of employees, and female R&D personnel 19%, the latter higher than the proportion of women among electrical engineering, computer science, and information engineering graduates in Taiwan (13-15%).

MediaTek is committed to creating a friendly and fair workplace for our female employees. In 2020, the proportion of female employees at MediaTek and our global subsidiaries was around 20.8% of all employees. The number of female employees in the R&D/technical departments was 2,734 (19.0%), which is higher than the 13-15% average of female graduates of electronics, electrical engineering, and computer science disciplines in Taiwan. Annual salary ratio is 1:1 for permanent male and female engineering employees.

Women in Tek (WIT) is a community centered on female employees in MediaTek. It is a platform of mutual support for them to learn and grow together. Since its inception in 2015, there has been an increasing amount of activities at MediaTek sites worldwide where career women are encouraged to realize their potential.

In 2020, the pandemic turned most of the WIT activities online, which provided flexibility for WIT communities at different sites to join the same exchanges.



USA

Also in April, WIT in the US held its virtual event, where female employees were invited to share their challenges and tips for remote working. The event attracted over 30 attendees and exhibited the core spirit of WIT, namely, "Women accomplish amazing things when we support each other."

China

In April 2020, WIT in China held #GrowFasterThanVirus #Happy5thWITyears online event, inviting female employees to post their post-pandemic daily lives to encourage empathy. By sharing about how they coped with challenges and added happiness to their lives, the community grew together.



In May, WIT in Taiwan and China held a "Cheers to the working moms" event, where two managers shared about their tips at work, life, and parenting. 180 women attended the event.

Taiwan / China

In the meantime, WIT members from India, Singapore, and Korea held its first event as a community, wherein 5 MediaTek China employees were invited to share their stories coping with the pandemic.

Singapore / Korea / India

On its anniversary in November, the WIT community in the Taiwan HQ invited Dr. Wen-Jean Hsueh, Vice President of National Taiwan University of Arts, for a lecture, "When Technology Meets Sensitivity : Exploring the Future." In the lecture, she shared about her life journey of self-awareness, where she explored into various possibilities and learned from challenges she encountered. Over 150 attendees from Taiwan and China attended this online event.

More events of Women in Tek are being planned with the motivation of inspiring women's growth and developing their potential for broader possibilities.



Remote networking events that bonded Women in Tek members around the world

Sexual harassment Prevention

To ensure that employees can enjoy an environment of equality and respect, we established Guidelines of Sexual Harassment in the Workplace, a Sexual Harassment Grievance Response Committee, hotline for prevention of sexual harassment (21999), and grievance reporting email inbox (call21999@mediatek.com) to handle matters of equality in the workplace, all of which according to the Act of Gender Equality in Employment, Regulations for Establishing Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace, Sexual Harassment Prevention Act, and Regulations of Sexual Harassment Prevention. Starting from June 2015, our class for prevention of sexual harassment in the workplace became mandatory for all employees. In 2020, unlawful infringement is combined into the course. Completion rate of new hires was 100%. In 2020, 1 incident of sexual harassment was sent to our grievance reporting inbox, handled, and concluded. Subsequent education across business and functional units have been arranged.



4 Corporate Governance

MediaTek has adopted corporate governance practices to reflect our strong commitment to protecting stakeholder interests.

4.1 Corporate Governance Structure

4.2 Corporate Governance Enhancements

4.3 Integrity and Legal Compliance

4.4 Internal Audit

4.5 Risk Management

4.6 Investor Relations

Material Issue in this Chapter

- Corporate Governance and Compliance
- Risk Management

MediaTek passed a "**Board Diversity Policy**", aiming to elect Board members with diversified backgrounds, experience and perspectives.

MediaTek also established a **Merger & Acquisition (M&A) Strategy Committee** under the Board to create a more effective decision-making process in such matters.

Due to our continuing efforts to enhance corporate governance, MediaTek advanced to **top 5%** of listed companies (the first tier) in **2020 Corporate Governance Evaluation**.

MediaTek took inventory of essential documents and technologies to protect key technologies, introduced **Red Teaming** to enhance resilience in corporate information security, and established supplier information security management policies and procedures with the goal of leveling up information security with upstream and downstream partners.

MediaTek established the "**Risk Management Committee**" in 2020 to reinforce risk management, enhance corporate governance, and ultimately achieve sustainable development.

Management Guidelines: Corporate Governance and Compliance (GRI 103-1, 103-2, 103-3, 307-1, 419-1)

Importance to MediaTek:

Integrity is always the top priority of MediaTek's six core values and the highest ethical standard in conducting our business. We believe that integrity can create a sustainable foundation for development and earn the trust of our stakeholders.

Commitments and Policies:

MediaTek has always conducted corporate governance affairs in compliance with all applicable laws such as the Taiwanese Company Act, the Taiwanese Securities and Exchange Act, and other applicable laws and regulations. The Board of Directors, the highest governing body of corporate governance at MediaTek, has identified sustainable development as its highest guiding principle. We have also established the Corporate Social Responsibility Committee to keep informed of changes in economic, social, and environmental trends both domestically and internationally, thereby fine-tuning relevant policies to protect the interest of different stakeholders and leading the company to meet the global standards of business conduct.

Goals	Short term	<ul style="list-style-type: none"> • Prevent material violations against social, environmental, and economic laws and regulations • Advance to top 5% in ranking in the Corporate Governance Evaluation conducted by TWSE • Conduct self-evaluation of performance of the Board of Directors 	Achievement
	Mid to long term	Respond robustly to corporate governance practices recommended by government agencies and institutions to enhance the Board's overall operation	
Our Management System	Responsible unit	Legal & Intellectual Property Division	<ul style="list-style-type: none"> • Governance structure enhancement: Attendance rate in 2020 was 98% for the Board meetings and 100% for both the Remuneration Committee and the Audit Committee meetings. MediaTek established an M&A Strategy Committee voluntarily to enhance the Board decision-making function. • Board Diversity: The Board Diversity Policy aims to elect the Board of Directors with diverse backgrounds and perspectives in accordance with MediaTek's operations and business strategy and development needs. • Performance evaluation of the Board: The 2020 self-evaluation of performance of the overall Board, the individual Directors, and the functional Committees under the Board was graded as excellent. • Corporate governance Improvement: MediaTek will not be satisfied with the first tier ranking in Corporate Governance Evaluation in 2020. We will keep improving corporate governance in cooperation with our stakeholders and independent consultants. • Business integrity focus: In 2020, 14,823 employees attended diversified internal training, totaling 5,269 hours.
	Resources	Corporate Social Responsibility Committee	
	Communication channel	Mr. Chen, Corporate Social Responsibility Committee Telephone: 886-3-567-0766 Email: csr@mediatek.com	
	Evaluation mechanism	<ul style="list-style-type: none"> • Self-performance evaluation of the Board of Directors • Annual shareholders' meeting • Corporate Governance Evaluation hosted by TWSE 	



4.1 Corporate Governance Structure

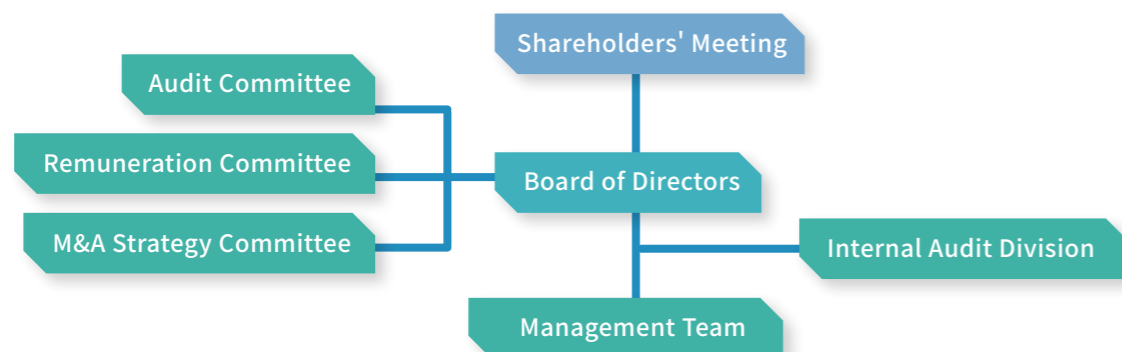
In accordance with applicable laws and our corporate governance commitments, MediaTek has established the Audit Committee under the Board to strengthen the independence of corporate governance and the Remuneration Committee to reinforce compensation policies, thereby aiming to achieve the goal of sustainable development. In 2020, MediaTek voluntarily established the M&A Strategy Committee as a functional committee under the Board to evaluate strategy in M&A contexts.

The Board of Directors plays the role of providing professional and objective advice in a highly self-disciplined and prudent manner. Meanwhile, our management team leads all business and functional units in executing annual corporate social responsibility programs on environmental, social, and governance issues as we continue to enhance our corporate social responsibility practices. For more information, please refer to [MediaTek's 2020 Annual Report](#).



Corporate governance

MediaTek's Organizational Structure



Board of Directors

Members
The Board of Directors is currently composed of nine Directors (including three Independent Directors). For a list of Board members and their educational background and work experiences, please refer to pp.14-15 of [MediaTek's 2020 Annual Report](#).

Frequency of Meeting
The Board meets at least once each quarter; the Board convened 6 times in 2020 with 98% attendance.

Responsibilities

- Establish an effective and reasonable internal control system
- Appointment and removal of management team
- Review business strategies and operation plans
- Control budget and final accounts
- Risk management
- Prepare the business report
- Submit surplus earnings distribution or loss make-up proposals
- Propose capital increase or reduction plan
- Formulate major corporate procedures and contracts
- Appoint CPAs

Audit Committee

Members
Three Independent Directors

Frequency of Meeting
The Audit Committee meets at least once each quarter, and otherwise as necessary; the Audit Committee convened a total of six times with 100% attendance in 2020.

Responsibilities
The main purpose of the Audit Committee is to supervise the following matters:

- Review or revise internal control system
- Evaluate effectiveness of internal control system
- Oversee material business transaction process, such as acquisition and disposal of assets, derivative transactions, extension of monetary loans to others, and endorsements or guarantees to others
- Supervise a conflict of interest policy for directors
- Approval of material asset or derivatives transactions
- Supervise material loans, endorsements, or guarantees
- Approval of share offering and issuance, private placement, and other equity-type securities transactions
- Oversee appointment, dismissal, and compensation of the auditor
- Appointment or discharge of a financial, accounting, or internal auditing officer
- Review annual and biannual financial reports

Remuneration Committee

Members
Two Independent Directors and one independent external expert

Frequency of Meeting
The Remuneration Committee meets at least once per year, and the Committee convened two times in 2020 with 100% attendance.

Responsibilities
The main purpose of the Remuneration Committee is to review and assess the management performance and relevant compensation policies, thereby providing objective and professional recommendations to the Board of Directors. Please refer to pp.17-18 of [MediaTek's 2020 Annual Report](#) for more information.

- Periodic oversight of the amount of compensation for the Company's Directors and managers
- Establish corporate standards and structures regarding the compensation policy
- Review periodically the Directors and managers' performance

M&A Strategy Committee

Members
Three Directors (with diversified backgrounds and expertise, including business management, finance, and strategy and organizational planning)

Frequency of Meeting
The M&A Strategy Committee meets at least once per year

Responsibilities
The M&A Strategy Committee reviews major M&A cases and reports their evaluation to the Board; the Committee plays a supplemental role to the Audit Committee, and the Audit Committee and the Board remain the authority to approve M&A deals in compliance with all applicable laws and regulations.

Established in
December, 2020

CSR Committee

Members
The CEO chairs the Committee that consists of top managers from business and functional units, including marketing, R&D, sales, HR, process technology and manufacturing operations, legal, finance, auditing, and the Foundation. The top managers supervise the operation of six working teams, Global Presence, Innovation, Talent, Corporate Governance, Environmental Management, and Community Engagement.

Status update to the Board
Once a year

Responsibilities
The CSR Committee takes sustainable development as its highest guiding principle and has proposed relevant projects for business and functional units to respond to economic, social, and environmental issues. The CSR Committee particularly focuses on the following tasks:

- Review the performance of the previous year and plan sustainable development for the coming year by communicating and cooperating with various units
- Coordinate available internal resources
- Oversee the progress of relevant projects
- Apply for certification and awards in CSR area

Frequency of Meeting
Twice a year

Corporate Governance Department

Members
MediaTek has established its Article of Incorporation and organizational structure in compliance with all applicable laws such as the Taiwanese Company Act, the Taiwanese Securities and Exchange Act, and other laws and regulations relevant to corporate governance. The Board owns the highest authority of corporate governance and assigns the Corporate Legal Division to ensure governance compliance, where the General Counsel serves as the Corporate Governance Officer.

Responsibilities
To take all necessary actions in respect to those matters related to the Board meetings and the annual shareholders' meeting, to conduct onboard and continuing education for the directors, to provide necessary information for the directors to fulfil their duties, and assist the directors to comply the applicable laws and regulations.

In 2020, the Corporate Legal Division has assisted the Board of Directors to finish a series of onboarding and continuing education, including "the Trends & Challenges of Information Security Management (Parts I & II)", "the Impact of the Coronavirus Pandemic on the Global Economy", and "the Risk and Liability of Financial Statement Frauds: A Case Study". By virtue of these education programs, the directors learn about the latest industry trends and how to perform the Board function more effectively.

Risk Management Committee

Members
The Risk Management Committee acts as the highest level of decision-making center to lead risk management of the Company, where the executive secretary is responsible for coordinating relevant business and functional units to enforce the risk management agenda and report the results to the Board of Directors.

Responsibilities
The Risk Management Committee is responsible for overseeing the Company's risk-management matters, including making risk-management policies and reporting the status and achievements to the Board annually. The executive secretary is also responsible for convening Committee meetings, where corresponding business and functional units report their risk-management plans and enforcement status, and the Internal Audit Division would assist the Board with enforcement evaluation and provide its advice to Board for further improvement.



4.2 Corporate Governance Enhancements

MediaTek has shown a strong commitment by enforcing important corporate governance practices, including protection of shareholder interests, equitable and fair treatment to shareholders, consolidation of the Board structure and its operation, enhancement of information transparency, and performance of corporate social responsibilities. We have established the Investor section on our corporate website, which provides the annual reports (Chinese and English versions), financial statements, share price and dividend information, handbooks for shareholders' meeting, and other relevant material. Moreover, the "Corporate Governance" section of our website publishes the Article of Incorporation, relevant bylaws, the Code of Corporate Governance as well as selected Board meeting resolutions. In 2020, MediaTek passed the "Board Diversity Policy" voluntarily, which stipulates that the directors shall have dissimilar backgrounds and perspectives. For details of the policy and 2020 performance evaluation of the Board overall, the functional committees, and the individual directors, see [MediaTek's official website](#).

Major corporate governance practices

- The handbook for the annual shareholders' meeting is available on MediaTek's official website within 30 days prior to the date of meeting, and material information in both Chinese and English is published simultaneously.
- MediaTek discloses information relating to corporate governance, CSR, and risk control on our website.
[Annual report disclose...](#)
- The Independent director's comments on the major Board resolutions, the Audit Committee's resolutions and the Company's subsequent response
- The enforcement status of the shareholders' meeting resolution, the Board's performance evaluation and evaluation procedures, and the Corporate Legal Division's duties and its current status



MediaTek Web

In addition, we hold earnings conference calls quarterly, where our CEO and CFO report operation performance and long-term plans to institutional investors and the general public. All earnings calls are broadcasted live on the MediaTek website. After the call, investors can access all disclosed information via webcast replay, the press release, or other types of announcements on the website. MediaTek has earned a good reputation of its high quality information disclosure policy and received various awards as a top notch company in corporate governance area.



4.3 Integrity and Legal Compliance

In order to ensure the fulfillment of ethical management and legal compliance, MediaTek periodically provides internal training courses covering topics of Proprietary Information Management (PIM), and Trade Secrets Protection among others, and thereby strengthening employees' awareness of ethical management and enhancing our corporate governance. In legal compliance, MediaTek follows domestic and international policies and laws that may potentially impact the company's business and financial operations, reviewing and revising the internal rules accordingly. In turn, the Internal Audit Division examines the enforcement status of legal compliance in accordance with the internal rules. For instance, MediaTek has established a Whistleblowing System with dedicated reporting channels and investigation procedures, aiming to enforce the principles of ethical management as regulated in the Ethical Corporate Management Best Practice Principles and Code of Business Conduct.

Mediatek has adopted a zero-tolerance policy for corruption and anti-bribery, unfair competition, intellectual property infringements, and insider trading. Any employee who violates the Code of Business Conduct or relevant internal rules was reported by the Whistleblowing System or known by the internal auditing mechanisms would be severely punished to the full extent of our policies and the law, and the Company would conduct the investigation, keep the records and feedback upon the alleged violation to protect our reputation and ethical values. For more information on our Code of Business Conduct, please refer to our website: <https://www.mediatek.com/investor-relations/corporate-governance>.

Top 8 Guidelines of the Code of Business Conduct

- Zero tolerance for bribery, corruption, extortion, and embezzlement
- Insider trading prohibition
- Strict prohibition against giving or receiving inappropriate gifts and entertainments
- No contact with those who fail to comply with our Code of Business Conduct
- Refrain from unfair competition and behaviors that cause adverse impact on the environment, labor safety, and the society
- Avoid the conflict of interest
- Respect intellectual property rights and honor confidentiality obligations
- Protect privacy and personal information

How to whistleblow

If our employees discover any irregularities against the Ethical Corporate Management Best Practice Principles or the internal rules, they are allowed to report anonymously either to their direct supervisor or the auditing office. MediaTek treats any whistleblowing complaint and investigation in a confidential and sensitive manner, thus the whistleblower's personal information will be kept confidential, and the senior manager will personally administer the complaint.

886-3-603-0011 (Audit Division Manager)

ethics.reporting@mediatek.com (Automatically transfer to the Audit Division Manager)

MediaTek Audit Division Manager, No. 1, Dusing 1st Rd., Hsinchu Science Park, Hsinchu City 30078, Taiwan



The Status of Internal Training for Employees in 2020

Courses	Attendees	Hours	Completion Rate ^{Note}
Code of Business Conduct	1,200	356.05	98%
Insider Trading Prevention	1,566	1,309.78	98%
Trade Secrets Protection	1,351	1,730.85	98%
Personal Data Protection Policy	1,776	463.30	97%
Propriety Information Management	8,930	1,409.27	98%

Note: Completion Rate: the number of employees who complete the training divided by the number of employees eligible to attend the trainings. The calculation of the rate will be determined by several factors, including the number of target employees (e.g., new hires or current employees), the training cycle, the on-board date/the last working date of employees, and the launch date of the training.

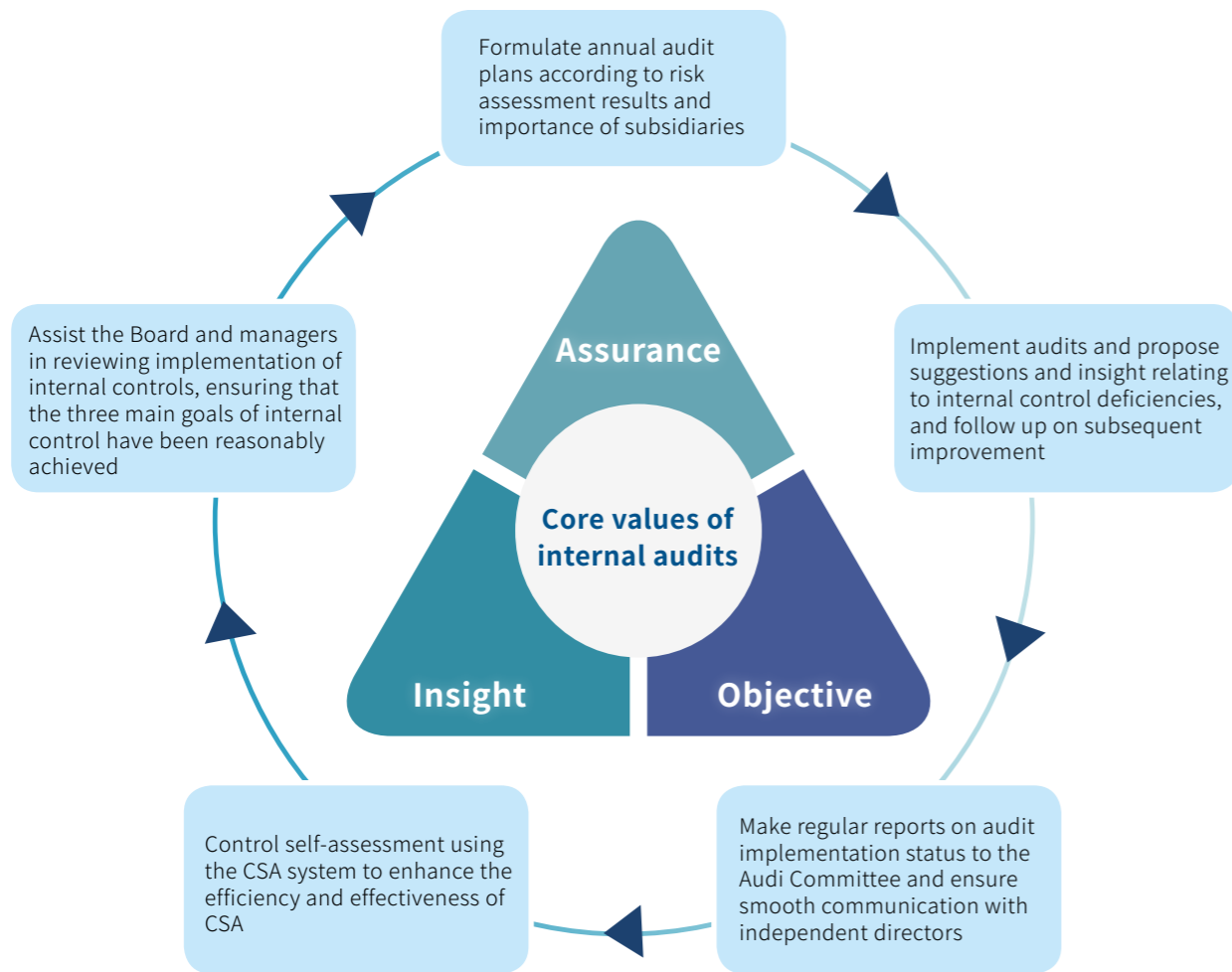


4.4 Internal Audit

MediaTek's Internal Audit Division was established under the leadership of the Board in compliance to the regulations. The Internal Audit Division reports to the Board and to the Auditing Committee, maintaining its independence and professionalism. Dedicated auditors carry out regular or specific-case auditing, propose suggestions for improvement, and track their execution until completion.

MediaTek published a Whistleblowing Policy to enhance corporate governance. During the investigation, the identity of the whistleblower would be kept confidential, and each cases would be independently handled.

Internal audit management process at MediaTek



Note: CSA= Control Self-Assessment

Areas reviewed with the internal control mechanism



4.5 Risk management

Management Guidelines: Risk Management (Non-GRI Material Topic)



Importance to MediaTek:

Enterprise must take precautionary measures and against and timely response mechanism to potential impact of internal and external changes on operation, so as to sustain corporate operation and protect the interests of stakeholders.

Commitments and Policies:

Relevant business and functional units conduct risk assessment, countermeasures, and tracking based on company's business continuity plan. Risk management covers analysis of impact and opportunities in the environmental, governance, and social aspects.

Our Management System	Goals	<p>Short term</p> <ul style="list-style-type: none"> Relevant business and functional units make discrimination and impact assessment of risk factors in environmental, governance, and social aspects. Relevant business and functional units institute contingency plans to effectively respond to risks and sustain operation. <p>Mid to long term</p> <p>Relevant business and functional units conduct forecast, evaluation, and response for mid to long-term internal and external changes so as to ensure sufficient preparation and effective response.</p>	Achievement
	Responsible units	CSR Committee, Legal and Intellectual Property, and other relevant business and functional units	
	Resources	CSR Committee	
	Communication channel	Mr. Chen, CSR Committee Tel.:886-3-567-0766 Email:csr@mediatek.com	
	Evaluation mechanism	<ul style="list-style-type: none"> Performance evaluation by the Board of Directors Shareholders' meeting Corporate Governance Evaluation by the TWSE 	
		<p>Governance</p> <ol style="list-style-type: none"> Instituted emergency prevention and response, incident (injury) investigation, and disaster recovery procedures; established an Epidemic Command Center led by the President at the early stage of COVID-19 development, convening once or twice a week to combat the pandemic and communicating with employees at least once a week Formulated response procedures for emergency at production sites against supply-chain risks Managed currency fluctuations with forward exchange contracts Coped with interest rate changes with effective forecast via sensitivity analysis of interest-rate risk Established Information Security Committee, Proprietary Information Management Committee, and Product Security Committee and formulated information security policy and regulations, defining roles and responsibilities to ensure thorough enforcement; introduced the more advanced Red Team operations in 2020 to discover and fix vulnerabilities in the information system as much as possible <p>Environmental</p> <ul style="list-style-type: none"> Formulated environmental management policies and occupational health and safety management policies Conducted annual review on climate-change issues Revised environmental protection measures according to international trends, operational needs, and government policies <p>Social</p> <ul style="list-style-type: none"> Assessed risks to employees' human rights Ensured conformance of labor policy to domestic and foreign human-rights conventions and to legal requirement of host governments Held labor-management meetings regularly Instituted the Risk Management Committee by a resolution of the Board in July, 2020, kicked off risk identification and response, and scheduled to report progress to the Board in July, 2021 	

Business continuity plan (BCP)

Consideration of various potential business risks and hazards are a prerequisite to pursuing sustainable operation, providing corporations with response procedures and recovery mechanisms in the event of crises and minimizing unexpected business impacts. MediaTek uses the Business Continuity Plan (BCP) to respond to various risks and crises, making preparation and conducting drills for potential risks and disasters through a range of components ranging from damage identification to risk control. We have also established backup measures at all major sites around critical global locations so that normal operation of business functions can be resumed in the shortest possible time in an organized and planned manner in the event of a disaster. Additionally, we also have relevant programs and responses in place to ensure that our clients can continue their operations even when disasters and crises impact on client interests, and reviews are conducted after the fact to avoid repeated damage to client interests.

Business Continuity Management Committee

Chairman VP of Operations Management

Duties

- Appoint risk management tasks and responsibilities for all units
- Formulate response measures for operational disruptions
- List potential risks
- Evaluate impacts of every risk
- Identify the most impactful internal and external issues
- Classify and report to management based on impact levels

Processes and procedures for risk response



Risk management

Risk aspects	Risk topics	Scope of impact	Management measures	Response measures	Opportunities
Governance	Business risks	Safety of MediaTek employees and equipment; internal operations	Emergency prevention	The Company assessed and identified emergencies (e.g., epidemic, fire, and typhoon) that may impact employees, facilities, etc. and instituted corresponding preventive measures to reduce the frequency of occurrence. Such measures include on-campus guidance, real-time control, entry control, regular promotion, and real-time communication.	<ul style="list-style-type: none"> • Protects our employees, our most important assets • Increases stakeholder confidence in MediaTek operations, particularly with regard to clients and suppliers, ensuring minimal damage to our business collaborations • Strengthens collaborative relationships between MediaTek and suppliers • Allows MediaTek to keep track of supplier situations
			Emergency response	Upon occurrence of an incident on campus or in neighboring buildings that impacts the safety of the environment, personnel, and property, a response team would be formed consisting of relevant managers to undertake disaster relief and reduce the losses to the minimum.	
			Incident (injury) investigation	All employees who suffer injuries or near misses in the workplace, during commutes, or during travel for official business should adhere to appropriate procedures for minimizing damages, where similar events are prevented through inspection and review of causes and prevention measures.	
			Disaster recovery procedures	The Company ensured that backup measures can be initiated immediately when disasters occur so that business operation can continue.	

Risk aspects	Risk topics	Scope of impact	Management measures	Response measures	Opportunities
Governance			Response procedures for emergency at production sites	When emergencies occur at outsourcing companies, relevant personnel should adopt notification and response measures in accordance with established procedures in order to provide timely information of, report on, and make adjustments to production and product delivery. Relevant personnel should determine emergency levels, collect status information, provide information on impacts to production and product delivery, propose response measures, and conduct subsequent follow-ups until the situation has been resolved or until production has resumed	<ul style="list-style-type: none"> • Strengthens collaborative relationships between MediaTek and suppliers • Allows MediaTek to keep track of supplier situations
	Exchange rate fluctuations	The company's operating activities (when revenues or expenses are denominated in a different currency from the company's functional currency); the company's net investments in foreign subsidiaries	Forward exchange contracts	The company periodically reviews its assets and liabilities denominated in foreign currency and enters into forward exchange contracts to hedge the exposure from exchange rate fluctuations. The level of hedging depends on the foreign currency requirements from each operating unit.	Effective control of exchange rate fluctuations impacts on MediaTek's cash flows and asset values
Governance	Interest rate changes	The company's investment of debt instruments at variable interest rates; bank borrowings with fixed and variable interest rates	Sensitivity analysis for interest rate risks	The interest rate sensitivity analysis is performed on items exposed to interest rate risk as of the end of the reporting period, including investments and bank borrowings with variable interest rates. It analyzes the impact on the company's profit if an increase / decrease of 10 basis points of interest rate in a reporting period.	Predicts financial impacts brought on by interest rate fluctuations
	Information security	Cyber-attacks and data leakages which can affect the protection of intellectual property and can result in financial losses, legal issues, and damage to customer relationships	<ul style="list-style-type: none"> • Cyber Security Cyber Security Committee is led by the highest manager of the Information Technology department and includes members from the unit as well as the Cyber Incident Response Committee. The Committee is in charge of the formulation and periodic review of information security policies and control measures, including incident reporting and response mechanism. Status reports are provided to the Board. • Information security The Information Security Committee consists of representatives 	<ul style="list-style-type: none"> • Cyber Security: Based on the Cybersecurity Framework of the National Institute of Standards and Technology, we established six control mechanisms: <ol style="list-style-type: none"> 1. Identification: Develop strategies to manage risks in daily operation based on our business environment and resources; 2. Protective measures: Formulate and implement corresponding measures to mitigate the impact of information-security incidents on key services; 3. Threat detection: Institute real-time information-security incident detection and alert mechanism; 4. Response mechanism: Institute cyber security incident response team to take charge of response to such incidents; 5. Recovery: Formulate data backup plan, enabling resumption of normal operation within shortest time; 6. Education and training: Provide training to all new hires and relevant business / functional units to reinforce employees' awareness of cyber security. • Information security: We follow a 14-item global PIM policy that regulates behaviors, target audience, area, confidentiality labeling, training mechanisms, and so on, in order to prevent deliberate or unintentional damage, exposure, loss, alteration, improper contact, duplication, transmission, or usage 	<ul style="list-style-type: none"> • Increases resilience and resourcefulness in responding to cyber-attacks • Increases resilience and resourcefulness in responding to cyber-attacks • Prevents violation of laws / contracts

Risk aspects	Risk topics	Scope of impact	Management measures	Response measures	Opportunities
Governance	Information security		<p>from business and functional units. The Committee Chair is responsible for convening periodical meetings on the proposal and evaluation of PIM regulations. Periodical and irregular auditing are conducted by this Committee and the results are regularly reported to the Board.</p> <ul style="list-style-type: none"> Product security The Company formed a "Product Security Office (PSO)," which consists of departments of Product Security Management and Product Security Technology. PSO is responsible for driving product security management initiatives stemming from resolutions of the Product Security Committee (PSC), which is comprised of Vice Presidents from business units and corresponding functional units. The PSC review meeting is periodically held, mainly to provide progress report to the President and to decide on directions and key tasks in the next phase. 	<p>of information assets. All new hires receive a training session on information security, and sessions tailored to every site / department are provided to augment employees' security awareness at least once a year. The Audit Division carries out monthly information-security inspections and report their results to corresponding managers and the Information Security Committee. The Audit Division also conducts annual reviews of the information security systems for key technologies and documents.</p> <ul style="list-style-type: none"> Product security Product Security Management Policy includes procedure definition, vulnerability management, and auditing. <ol style="list-style-type: none"> 1. Procedure definition: Considerations for product security are incorporated into management procedures at all stages from product design to sales. 2. Vulnerability management: Upon receipt of an issue notification, the product security incident response procedure will be initiated immediately, and a dedicated emergency response team will work with the engineering team to conduct issue analysis, affected products investigation, and vulnerability patch preparation. 3. Auditing: The audit procedure is planned to be introduced into product security development and completed on the landing projects of product lines. 	<p>Establishes a stable and ethical environment for customer relationship and brand image</p>
Environmental	Climate change	Business activities and supply chain operation	<p>Environmental management, occupational health and safety management, conservation and efficiency initiative</p>	<p>We conduct annual reviews of international environmental protection trends and formulate environmental protection measures according to operational needs; we also conduct internal training and promotion to help our employees understand the impacts on climate change and the Company's environmental protection themes for the year so that they can adhere to various environmental protection policies when carrying out their job duties</p>	<ul style="list-style-type: none"> • Enhances MediaTek's sustainable competitiveness • Creates differentiated values
Social	Risks to human rights	Breach of law and damage to labor-management relationship	<p>International human-rights convention Local labor law / regulation Labor-management meeting</p>	<p>In legal aspect, assure conformance of labor policy to the legal requirements of domestic and international human-rights conventions. Hold labor-management meeting regularly, discussing implementation of human-rights policy, labor environment and conditions, policy and compensations/fringe benefits for attaining consensus, to assure information transparency and smooth communication between the two parties.</p>	<ul style="list-style-type: none"> • Establishes a friendly and inclusive workplace, where employees can exercise their potential and obtain reasonable compensations • Forms a good-employer brand image

Information Security

MediaTek's information security management system includes but is not limited to privileged access management, vulnerability assessment, penetration testing, malware detection, multi-factor verification mechanisms, social engineering drills, etc. On top of the above, it is equipped with intrusion detection systems at key system / network outlets. A professional information security team is dedicated to ensure the effectiveness of incident detection and response.

MediaTek requires suppliers to abide by its information security policy, regularly evaluating their information security levels and engaging in communication with them. Information requirements and regulations, such as patch management compliance, are included in outsourced information system contracts to avoid impacts on business operation. Through the aforementioned measures, MediaTek endeavors to put in place a trustworthy corporate environment.

As part of its continuous effort in verifying the effectiveness of its information security system, MediaTek introduced the Red Team operation in 2020. Red Team operation aims at discovering and fixing vulnerabilities in the network and system architecture through simulations of cyber-attacks. Under the premise of imposing no impact on business operation, designated tasks were executed by the Red Team and detected vulnerabilities fixed, strengthening defense and response capability and thereby enhancing resilience of the information security system.

Epidemic Prevention, Control and Management

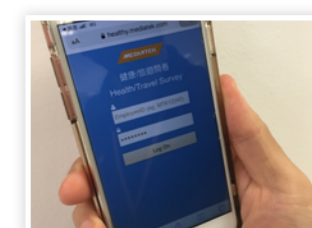
In line with control grading and regulations of the Taiwan Center for Disease Control (CDC) and the World Health Organization (WHO), MediaTek formulated Regulations for Epidemic Prevention, Control and Management, with which measures, such as health management, business travel restrictions, visitor rule tightening, environment cleaning enhancement, were adopted according to levels of alert. The Human Resources was responsible for the formulation, revision, and enforcement of relevant rules and regulations, for forming a dedicated task force and activating the Regulations, for monitoring the development of the epidemic and proposition of response measures, and for reporting to the highest authority of Human Resources.

As early as February 2020, Human Resources established an Epidemic Command Center (ECC) headed by the President in response to the COVID-19 pandemic. The ECC convened once or twice weekly to have a firm grip on the latest epidemic status as a basis for subsequent response planning and communication with employees. Based on guidelines of the Center of Disease Control and ECC resolutions, the following actions were taken to establish a comprehensive network for epidemic outbreak prevention and control:



Health Management

1. All employees had to wear masks for entry into office buildings and fill in a Health / Travel Survey daily.
2. The Wellness Center divided employees into different categories based on the Health / Travel Survey to facilitate subsequent tracking and monitoring.
3. A standard response procedure ensuing any confirmed infection was established to best prevent a potential outbreak. If an employee is confirmed infected, employees in proximity had to immediately begin working from home. In cases of fever, the employee should promptly seek medical attention and receive testing and treatment. Employee with confirmed infection should receive affirmation of full recovery by their doctor before returning to office.



Business travel restrictions

1. Consistent with the CDC's travel recommendations by area, employees had to request for special approval for any business travel to high-risk areas.
2. To employees scheduled for a business travel, prevention measures were provided: the employee would be provided a personal protection kit, get upgraded to business class, and assisted in arranging for best protective travel and accommodation choices.
3. Upon returning from a business travel, the employee had to follow the rules and regulations of the CDC.

Environment cleaning enhancement

1. Common spaces, such as elevators, visitor meeting area, lobby, lavatories, and door knobs, are wiped and disinfected on schedule several times a day.
2. Alcohol sanitizers are placed at entrances of all buildings, elevators, large conference rooms, training rooms, and pantries.

Rules and regulations for visitors and onsite outsourcing employees

1. All visitors had to fill out a Health Declaration Form, be taken their temperatures, and requested to complete hand sanitization upon entry into office buildings.
2. Any visitor or onsite outsourcing employee with a temperature exceeding 38° C would be denied entry.
3. Any visitor or onsite outsourcing employee who had traveled to epidemic hotspots or were in close contact with confirmed cases within the past 14 days would be denied entry.
4. Mask-wearing is required at all times once entry was granted.

Pandemic leave

Pandemic leave was announced in accordance with the regulations of the governing authorities and intended to meet the needs of epidemic prevention.

Apart from the above practices, the following communication was done to establish a community equipped with knowledge of the epidemic and capable of responding to the ever-changing threats of the pandemic:

1. Pandemic Prevention Website: An internal website was set up with the latest news and updates of the pandemic.
2. Social media: Those news and updates were also shared on employee-exclusive Line / WeChat communities to back up the established channels.
3. Pandemic education: Flyers and brochures were compiled with graphs and charts to help employees practice personal and family prevention and control.



4.6 Investor Relations



According to Institutional Investor, MediaTek ranked in the top 3 in the All-Asia Executive Team rankings for Honored Companies, Best ESG, Best CEOs, Best CFOs, Best IR Teams, and Best IR Professionals.

MediaTek highly values the feedback from global investors. We have a spokesperson policy and dedicated personnel to the collection and disclosure of real-time corporate information for stakeholder' reference. We communicate with investors by attending domestic and international investor forums, roadshows, and meetings. We take investor suggestions and use them in developing important strategies in the future.

Spokesperson policy

Spokesperson: David Ku
Acting Spokesperson: Jessie Wang

Collection and disclosure of corporate information
Contact: Jessie Wang

Contact information
• Phone: 886-3-567-0766
• Email: ir@mediatek.com

Shareholder Services

MediaTek hosts an Annual General Shareholders' Meeting and handles decision-making matters in accordance with the Rules and Procedures of Shareholder Meetings to protect the interests of shareholders. To maintain a smooth two-way communications channel with global shareholders and investors, MediaTek commenced e-voting since 2012 and fulfilled meeting requests from domestic and international investors to collect comprehensive feedback from shareholders and investors.

During the outbreak of the COVID-19 pandemic in 2020, in order to provide a safe and comfortable environment for our shareholders to exercise their voting rights, MediaTek has taken precautionary measures during its 2020 Annual General Shareholders' Meeting. For example, MediaTek encouraged the shareholders to do e-voting to prevent public gatherings in a meeting room. Moreover, MediaTek followed the "Guidelines for Holding of Shareholder Meetings during Epidemic Conditions" issued by the government, where the shareholders could arrive earlier to decrease interpersonal contact with others, and all attendees were required to maintain social distancing, wear masks at all times, and have temperatures taken before entry. As a result, we have fulfilled our commitment to protect the shareholders' rights and safety.

Dividend Policy

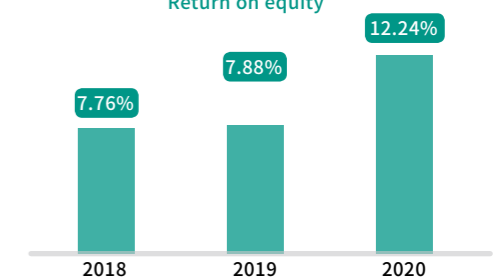
According to our dividend policy, which was established in accordance with the Company Act and MediaTek's Article of Incorporation, distribution of dividends should consider the Company's current and future investment environments, funding needs for capital, domestic and international competitive status, and capital budgeting plans, as well as factors such as shareholder interests, and the balance between dividend and the Company's long-term financial plans.

According to the law, the Company should consider financial, business, and operational aspects when deciding whether to distribute all surpluses for the year; distribution proposals should be formulated by the Board of Directors and submitted to the Shareholders' Meeting for approval. However, the proportion of cash dividends distributed to shareholders should be no less than 10% of the total dividends distributed to shareholders.

Investor management - proportion of dividends distributions

Individuals	20.05%
Financial institutions	5.67%
Other entities	8.07%
Foreign institutions and individuals	66.21%

Return on equity



5

Environmental Management

We ensure responsible supply chain management by reducing our environmental impact where possible, encouraging suppliers to work together on issues relating to climate change.

5.1 Supply Chain Management

5.2 Climate-Related Risk Management

5.3 Facility Management

Material issue in this chapter

- Supply Chain Management



In 2020, the company completed inventory of supply-chain carbon abatement planning and auditing of carbon-abatement performance, while attaining the target of 2% carbon intensity reduction on the part of major suppliers.

MediaTek completed ISO 14064 external verification, leveling up its greenhouse-gas reporting and reduction.

MediaTek purchased 20 renewable-energy certificates (20,000 kWh), equivalent to reduction of 10 metric tons of CO₂e emission. Through a value-added program, MediaTek also endorsed in education of the disadvantaged with the EDUpower Quality Label.

Our roof-top solar power system generated approx. 200,000 kWh of electricity in 2020, cutting CO₂ emission by approx. 102 metric tons. A second solar power system will be undergoing evaluation for setup in 2021.

Management Guidelines: Supply Chain Management (GRI 103-1, 103-2, 103-3, 308-1, 414-1)



Importance to MediaTek:

MediaTek is a fabless IC design company. Results of relevant inspections relating to risks and carbon footprint showed that our back-end manufacturing processes had the most impact on the environment. Therefore, MediaTek's top priority is to work with our suppliers to decrease potential impacts on the environment and society.

Commitments and Policies:

Our supply chain management is done by establishing stable partnerships and mutual trust with our suppliers to facilitate common growth while building sustainable business models. We select our suppliers based on the three ESG aspects, confirming management policies and organizational structures of our suppliers, conducting on-site and written audits each year/month, organizing relevant training and improvement meetings, and hosting Supplier Forums to award and encourage top suppliers.

Goals	Short term	<ul style="list-style-type: none"> • Join hands with suppliers setting the goal of 2% annual reduction in carbon intensity • 100% suppliers sign the Code of Conduct by 2022 	Achievement
	Mid to long term	<ul style="list-style-type: none"> • Respond to the advocacy of environmental protection and carbon abatement, both in Taiwan and abroad • Exercise influence on suppliers and conduct inventory of suppliers' greenhouse-gas emission volume and management measures 	
Our Management System	Responsible units	<ul style="list-style-type: none"> • Internal: Process Technology and Manufacturing Operations • External: suppliers 	<p>Code of conduct 84% of the company's 31 suppliers signed the Supplier Code of Conduct, a 16% increase from the previous year.</p> <p>Supplier ESG Risk assessment The average rate of suppliers passing various certification stood at 100% in economic aspect, 98% in environmental aspect, 84% in social aspect.</p> <p>Social-responsibility evaluation</p> <ol style="list-style-type: none"> 1. Conducted on-site auditing of 7 critical suppliers 2. All minerals were supplied by RMI-certified smelters. 3. Proportions of locally purchased raw materials and general goods were 71% and 77% respectively. <p>MediaTek's influence</p> <ol style="list-style-type: none"> 1. In support of the UN SDGs, the company held a Supplier Forum, inviting opinion leaders, scholars/experts, and excellent suppliers to share their knowledge on international trend and successful experience. Due to COVID-19 pandemic, the event was held in the form of video conference, with attendance rate reaching 100%. 2. In the Supplier Forum, MediaTek urged suppliers to cope with climate-change risk and formulate control plan to attain the sustainability goal of lowering carbon intensity by 2% per year. 3. MediaTek purchased 20 renewable-energy certificates (T-REC; 20,000 kWh), equivalent to reduction of 10 metric tons of CO₂e emission, inducing suppliers to embrace renewable energy. 4. MediaTek actively formulated targets for inclusion into the annual supplier CSR evaluation, encouraging suppliers to continuously improve its sustainability performance through persistent communication. 5. Granted the MediaTek Supply Chain Social Responsibility Award, encouraging suppliers to have high regard for SDGs, learn from each other, and carry out action plan and programs continuously, to fulfill CSR.
	Resources	10 specialists on Supply Chain Management by default, with additional CSR and technical personnel to attend on-site audits in response to individual needs	
	Communication channel	Monthly exchange meetings with suppliers	
Evaluation mechanism	<ul style="list-style-type: none"> • Response rate of the Guarantee on Code of Conduct • Results of supplier ESG risk assessment • Rate of on-site audits • Supplier response rate 		

Note: The seven key suppliers are MediaTek's top three suppliers, in terms of capacity, and four potential rear-end OSAT (outsourced semiconductor assembly and testing) suppliers.

Sharing the responsibility for carbon abatement, thereby alleviating impact of climate change on the world's ecological environment, MediaTek has listed environmental issue as a sustainability issue with high priority on its agenda. With an objective of environment-friendly operation, MediaTek has conducted responsible supply chain management, climate risk identification and response, and resources management, exercising strict scrutiny on its own operation and collaborating with suppliers towards sustainable development environment-wise.



5.1 Supply Chain Management

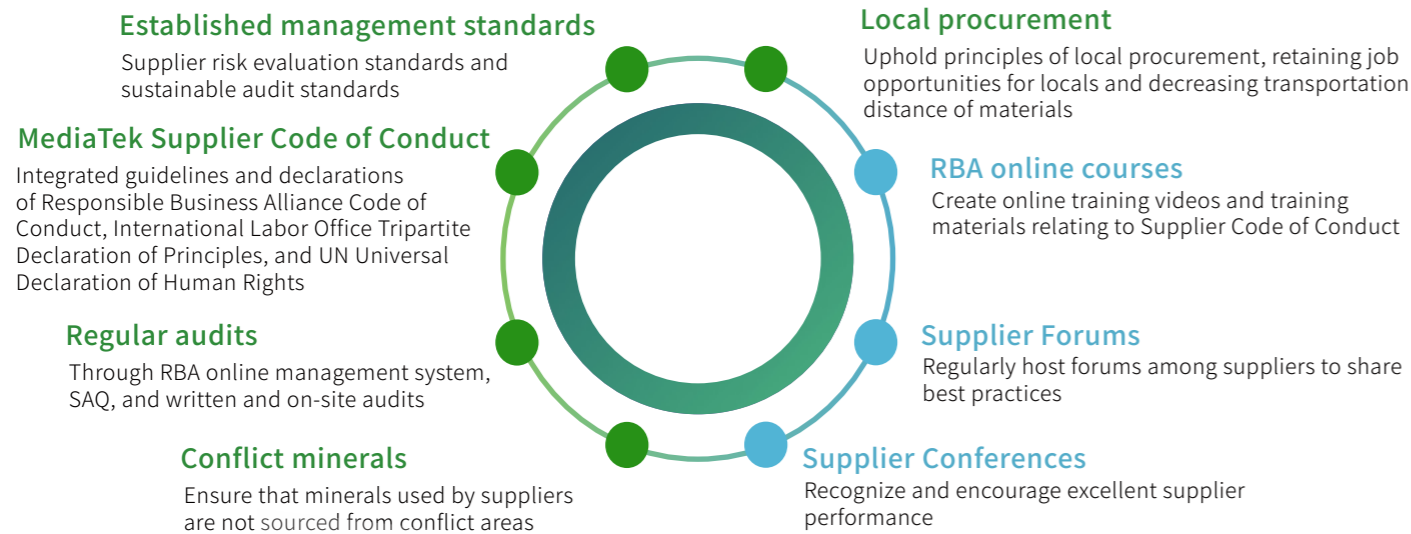
Comprehensive implementation of supplier assessment policies to promote sustainable supply chains

As a design house, MediaTek is located at the very top of the overall value chain. Back-end processes such as procurement of raw materials, fab, assembly, and testing are all outsourced to our suppliers, forming a professional division of labor and mutually collaborative partnerships. Results of relevant inspections relating to assessing risks and carbon footprints showed that our back-end manufacturing processes had the most impact the environment, and therefore society. Therefore, MediaTek's top priority is to work with our suppliers to decrease potential risks for the environment.

MediaTek's vision is to build a sustainable business model and compile relevant standards and initiatives on economic, social, and environmental aspects as we continue to exercise our influence as an industrial leader through annual auditing, Supplier Conferences and Forums; working together with our value chain partners to build a business model of sustainable development.

Overview of MediaTek's supply chain management tools

● Mechanisms of supply chain management ● MediaTek's influence



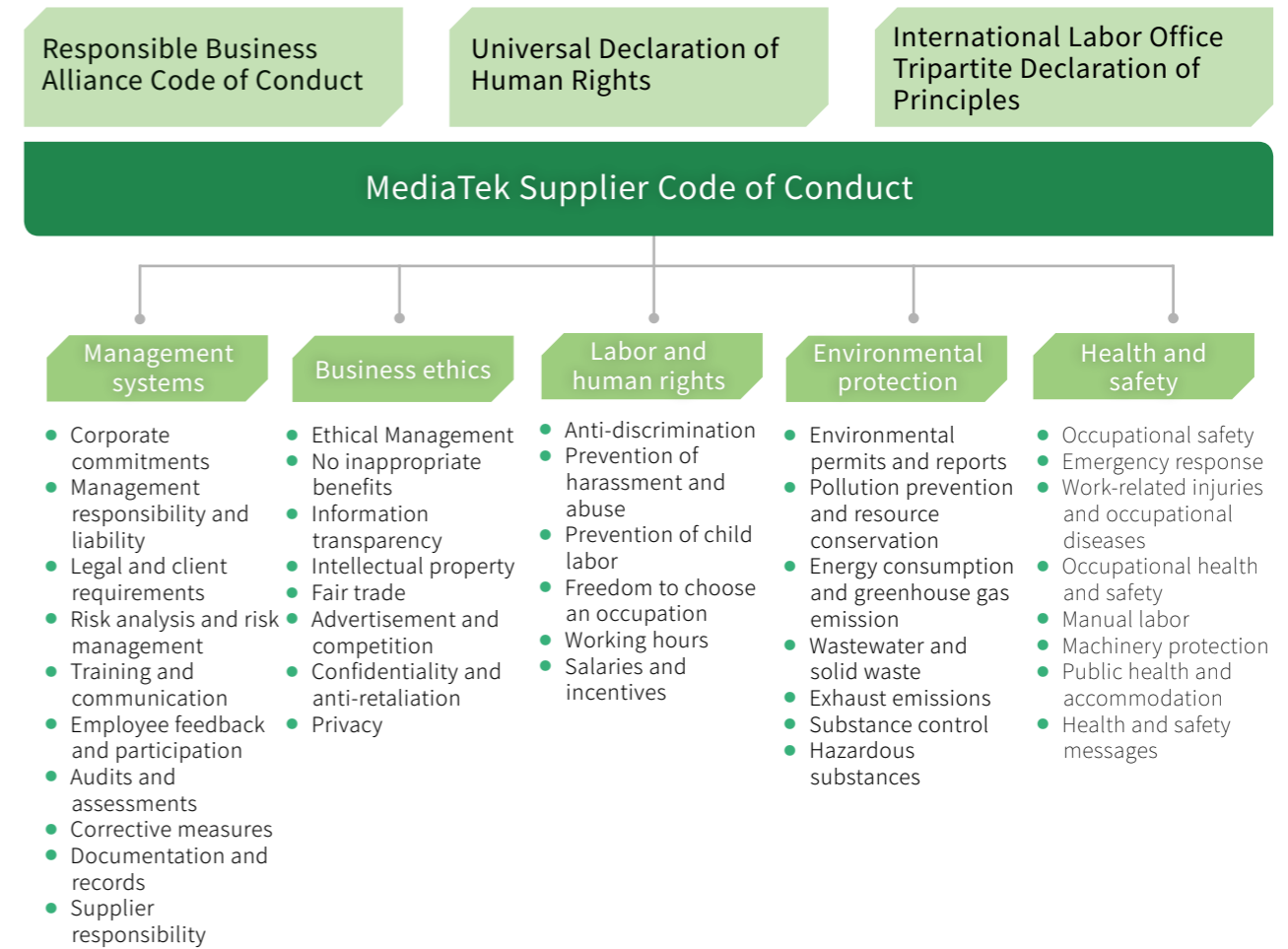
5.1.1 Mechanisms of Supply Chain Management

To build stable long-term collaborations with our suppliers, MediaTek integrated our sustainable development aims into our management guidelines for sustainable supply chains, to pre-control possible risks that may occur and also to help us discover potential market opportunities. Starting in 2016, we initiated social responsibility audits that not only required our suppliers to sign Guarantee of Social Responsibility, but also manage their performance through our Responsible Business Alliance (RBA) online management system.

Supplier Code of Conduct

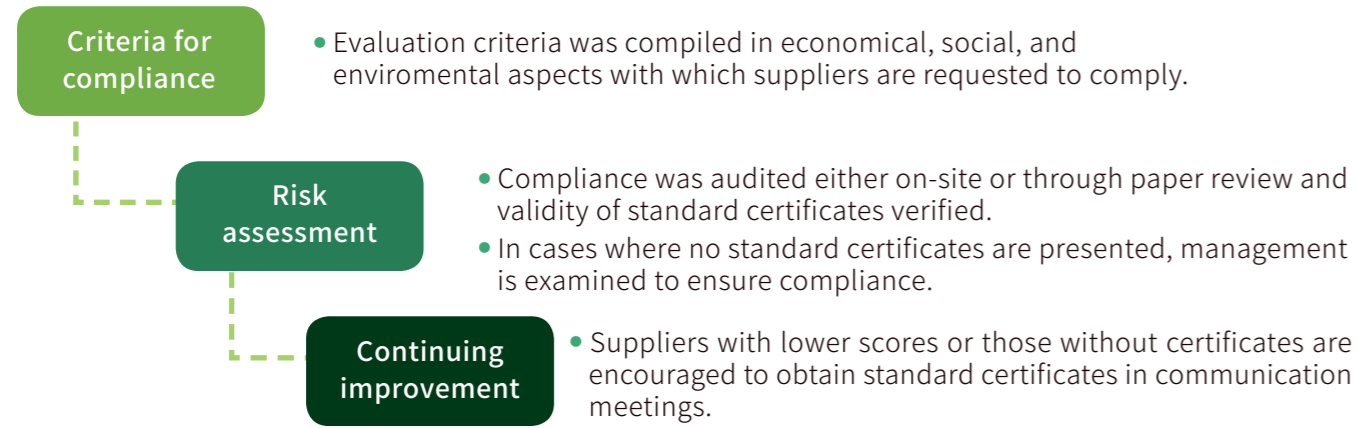
- **Achievement:** 84% sign-back rate in 2020
- **Target:** 100% sign-back by 2022

In 2015, MediaTek formally integrated the guidelines and initiatives of the Responsible Business Alliance, the ILO Tripartite Declaration of Principles, and the Universal Declaration of Human Rights from the United Nations into our Supplier Code of Conduct. We require all suppliers respond and adhere to these guidelines and initiatives. As a leading enterprise in the global semiconductor supply chain, MediaTek will continue to maintain the rights and well-being of industry workers and groups. Our Supplier Code of Conduct covers five major aspects: labor and human rights, health and safety, environmental protection, business ethics, and management systems that encompass 39 corresponding indicators of international sustainability standards.



Supplier ESG risk assessment and procurement management procedures

As focus of concern by global customers and even the general public has gradually shifted from price, quality, and service standards to social and environmental standards and legal liabilities of host countries, MediaTek has integrated assessment standards in the three aspects of economy, society, and environment and oversee compliance by suppliers and intensify its fulfillment of corporate social responsibilities in corporate governance, energy conservation and carbon abatement, green production, employee care, and social participation, in order to avoid the risk of damaging the interests of stakeholders by polluted environment, substandard product quality, and shortfall in capacity and manpower, a result of ill management, risks which will disrupt normal shipment, raise cost, and reduce revenue, thereby impairing the company's repute, image, and competitiveness.



Supplier ESG risk assessment method

The following table shows assessment aspects and standards. Those which pass risk assessment (≥ 60 points) are listed as priority procurement targets; high-risk suppliers have to pass on-site or paper auditing for ESG conformance before transaction is possible. Transaction will be scaled down or even terminated, should those which fail to pass risk assessment still cannot meet standards after guidance or assistance.

<p>Economic assessment</p>	<p>Management aspect In accordance with MediaTek's strategic outlook for the market, we strive to enhance our product quality and work with our suppliers to pursue the highest quality in the industry as we continue to improve and develop innovative technologies</p>	<p>Management standard Delivery dates, production capacity, service, yields, introduction of new products; ISO 9001 quality management system; IATF 16949 automobile industry quality management system</p>	<p>Assessment weighting 34%</p>
<p>Environmental assessment</p>	<p>Management aspect We strive to ensure that our suppliers do not use hazardous substances, introduce environment-friendly designs at the beginning of our product life cycle, and require that our suppliers work with us in putting sustainable innovation into practice</p>	<p>Management standard ISO 14001 environmental management system; QC 080000 HSPM hazardous substances regulations, Sony Green-Partner</p>	<p>Assessment weighting 33%</p>
<p>Social assessment</p>	<p>Management aspect We ensure that our suppliers fulfill their social responsibilities, adhere to international labor rights, and provide healthy and safe workplaces</p>	<p>Management standard Supplier Code of Conduct, Responsible Business Alliance, SA8000 Social Accountability International Standards on non-conflict minerals, OHSAS 18001 Occupational Health and Safety Management System</p>	<p>Assessment weighting 33%</p>

Supplier certification assessment

Aspect	Evaluation criteria	Completion (%)	Compliance (%)	Overall achievement (%)
Economic assessment	ISO 9001 Quality Management System	100	100	100
	IATF 16949 Automobile Industry Quality Management	100	100	
Environmental assessment	ISO 14001 Environmental Management System	100	100	98
	Sony Green-Partner / QC 080000 HSPM	100	97	
Social assessment	ISO 45001 Occupational Health and Safety Management	100	81	85
	RBA / SA 8000 Social Responsibility Management	100	90	

Note 1: Risk level: Low risk ($X > 60\%$) Medium risk ($60 > X > 30\%$) High risk ($X < 30\%$)
 Note 2: For suppliers without standard certificates, paper audits were conducted and self-check on unsatisfactory items were requested. Completion rate of the audit was 100% in 2020.

Result of supplier ESG evaluation

100% suppliers met ESG evaluation criteria.

After securing proportions of certification and taking weighting into account, all suppliers meet ESG evaluation standards. No supplier was found to have high potential risks in the aspects of economy, environment, and society.





ESG evaluation result	Number of suppliers
100 ~ 80 points	29
79 ~ 60 points	2
< 59 points (high risk)	0



Assessment System of Supplier Corporate Social Responsibilities

MediaTek evaluates suppliers from four aspects, helping MediaTek understand performance of suppliers in CSR and suppliers learn of MediaTek's CSR policy and requirements.

Four major components of supplier CSR inspections

Components	Weighting	Implementation method	Description	Goal	Benefits and Performance
 Corporate social responsibility commitments	10%	Review specific supplier corporate social responsibility commitments	MediaTek believes that making commitments is a company's first step in displaying specific corporate social responsibility actions. Therefore, when reviewing company commitments, MediaTek specifically confirms the scope of supplier commitment (limited to the company itself, or including subsidiaries and related companies), supplier commitment indicators (including whether all RBA indicators are included), and responsibilities borne by suppliers (including whether proposed commitments such as legal duties and actions). Suppliers with broader commitment scope and deeper responsibilities receive better review scores on this component.	Strengthen supplier motivation for proposing specific commitments	Allowed suppliers to understand MediaTek's emphasis on commitments and increased the proportion of suppliers who signed the Guarantee on Code of Conduct form. (For information on the proportion of suppliers who signed the Guarantee on Code of Conduct, please refer to 5.1.1 Mechanisms of Supply Chain
 Management of supplier corporate social responsibilities	30%	We conduct written and on-site review of supplier performance on corporate social responsibility indicators.	We conduct written and on-site reviews of corporate social responsibilities according to the scope of the RBA Code of Conduct. We require suppliers to fill out SAQs to obtain written self-assessment results, and then arrange on-site supplier audits to understand how suppliers manage indicators and the results.	Enhance our understanding of specific supplier	Suppliers' CSR/PRA open disclosure rate increased to 90%, from previous year's 87%.
 Corporate social responsibility projects	30%	Review suppliers' best corporate social responsibility project for the year	Differing from corporate social responsibility management, MediaTek emphasizes the importance of proactive actions. Therefore, we seek to understand and review the annual corporate social responsibility projects of our suppliers. We encourage our suppliers to work with MediaTek for mutual growth, to build sustainable business models, and we also conduct performance assessments of projects we collaborated on.	Strengthen active communication channels between MediaTek and our suppliers	Made in-depth exchanges and interaction with suppliers in 2020 via 7 audits and dozens of communication meetings
 Public disclosures of corporate social responsibilities and communication of results	30%	Review public disclosures of results such as corporate social responsibility report and attainment of domestic and overseas corporate social responsibility awards	We believe that external communication is one of the most important actions of corporate social responsibility, and therefore suppliers' communication of results is an important review item for MediaTek. We review whether suppliers publicly disclosed their corporate social responsibility actions through the publication of reports (or such), whether they are active in disclosing their performance on public platforms (for example CDP and DJSI), and whether they are active in obtaining domestic and overseas awards (for example TSCA awards).	Enhance supplier focus on public information disclosures of corporate social responsibility actions	Every year, we host supplier conferences to encourage and thank our suppliers for their close collaborations and efforts. The MediaTek Supply Chain Social Responsibility Awards have been given out to encourage more suppliers to engage in social responsibility and work with MediaTek to build sustainable value chains (Please refer to 5.1.2 Leveraging MediaTek influence)

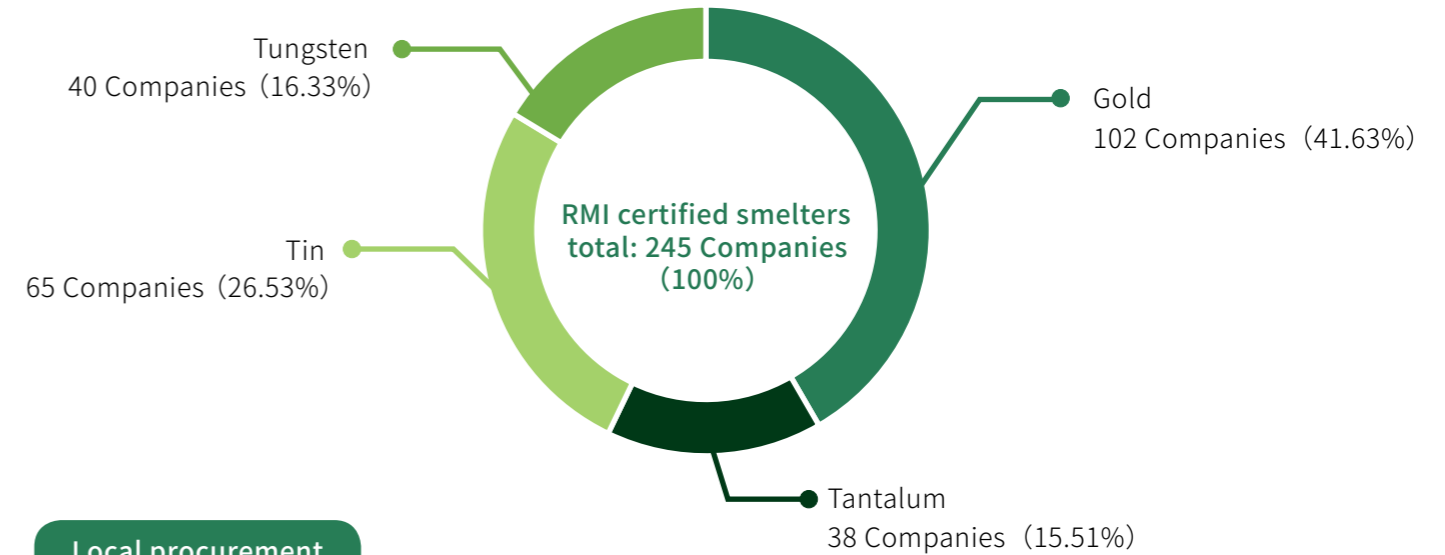
MediaTek holds communications meetings with suppliers to examine the four major aspects in the supplier CSR inspections and conduct on-site audits to inspect records. In 2020, MediaTek carried out first-stage evaluations, inspecting 7 suppliers, with a pass rate (evaluation score at 60% or higher for a pass) of 71%. Those who failed were designated as targets for additional assistance, and two major reasons for failure were (1) CO₂ emission reduction did not reach the standard and (2) insufficient disclosure on concrete actions. MediaTek will continue communications with those suppliers, requesting for concrete improvement plans and keeping track of their improvement with the evaluation system aforementioned.

Note: The seven key suppliers are MediaTek's top three suppliers, in terms of capacity, and four potential rear-end OSAT (outsourced semiconductor assembly and testing) suppliers.

Conflict minerals

Protection of human rights is one of MediaTek's core social responsibility missions. Since 2011 we have been conducting conflict mineral inspections, and require our suppliers to provide "Declaration of non-conflict mineral usage" in accordance with the Conflict-Free Smelter Program (CFSP), RBA, and Global e-Sustainability Initiative (GeSI) regulations, thus proving that the materials used in their products come from non-conflict areas.

In addition to 3TG due diligence, the company began using CRT to conduct cobalt inspections for suppliers in 2018. Despite having yet to be designated as conflict minerals, various suppliers will still disclose knowable information dutifully and will disclose all the smelter information after being designated as conflict mineral officially.



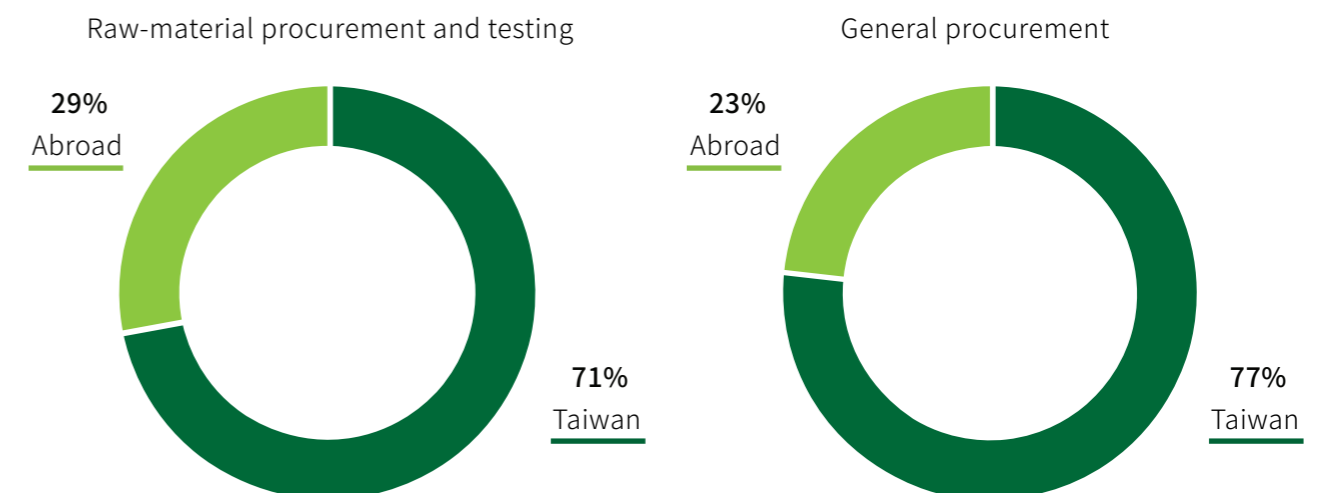
Local procurement

MediaTek upholds the principle of local procurement, in order to provide opportunities for local residents and decrease carbon emissions due to reduced material transportation distances. Procurement value in Taiwan exceeds 150 billion NTD a year, accounting for vast majority of the company's procurement of both raw materials and common goods.

Procurement status

Procurement types	Procurement items	Distributed regions
Raw material procurement and testing	Wafer, IC assembly, IC testing	Taiwan / China / Singapore / Korea
General procurement	Suppliers provide equipment, hardware facilities and maintenance, component parts and supplies, application software, and testing services	Taiwan / China / U.S. / Europe

Proportion of local procurement by amount



5.1.2 Leveraging MediaTek's influence

As a responsible global citizen, MediaTek is proactively engaged in promoting corporate social responsibility. To guarantee that both MediaTek and our suppliers fulfill our respective responsibilities, we have established a Supplier Code of Conduct, and seek to work with suppliers to live up to our responsibilities as global citizens.

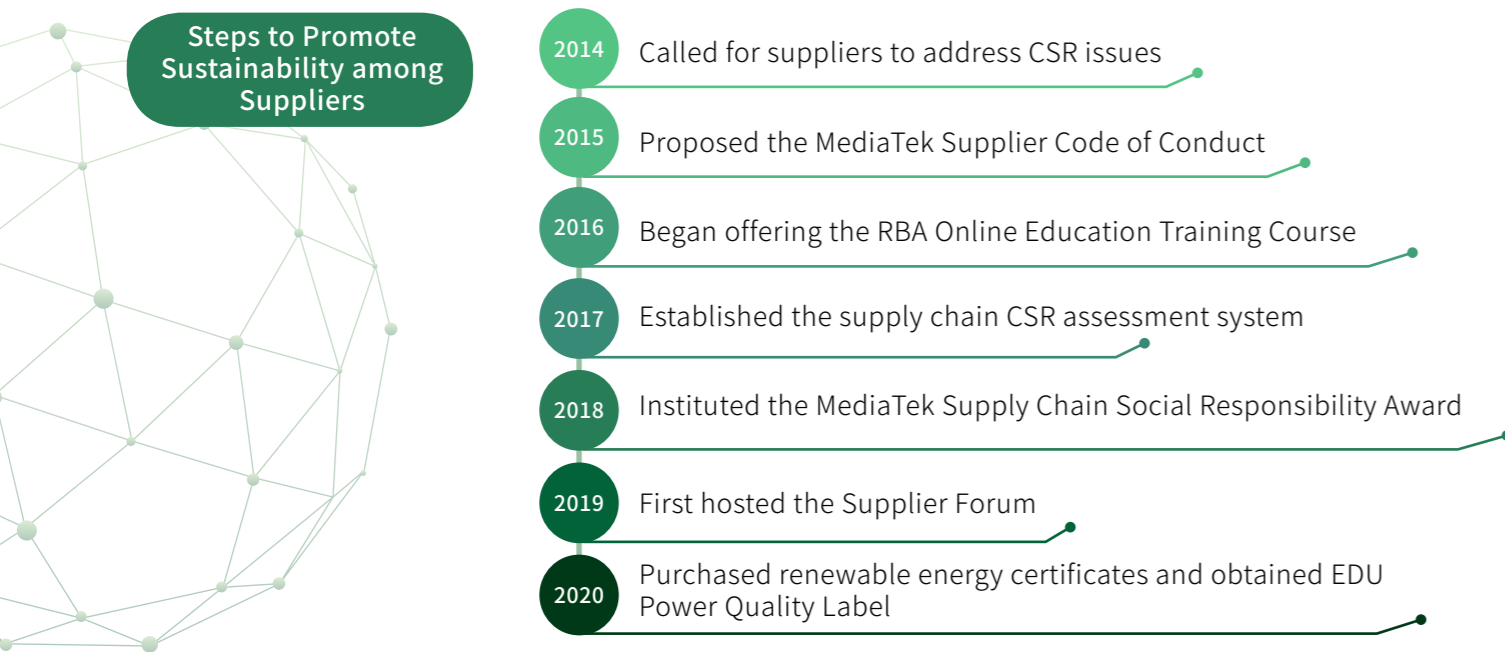
We have introduced a comprehensive assessment system, and recently established a reward system that encourages suppliers to continue to strive toward their corporate social responsibility performance goals.

Our vision for supplier management is closely associated with our corporate management principles. We will continue to monitor and comply with related declarations and standards pertaining to our responsibilities in international society, in hopes of achieving sustainable growth within our value chain. MediaTek's actions in fulfilling our supply chain responsibilities are presented as follows:

Plan
Hold Supplier Forum annually

How performance is measured
MediaTek supplier CSR evaluation system and supplier ESG risk assessment are the criteria

Benefits for MediaTek
An IC supply chain with good ESG performance is conducive to the sustainable development of MediaTek.



Enabler for sustainable management: Supplier Forum

MediaTek purchased renewable energy certificates and joined a value-added plan.

Given its responsibility for promoting sustainable management as an industrial leader, MediaTek has embraced multiple UN sustainability goals. In 2020, the company held its second annual MediaTek Supplier Forum, aiming to provide an opportunity of interaction for supply-chain partners to advance their sustainability practices. Taking place in the form of video conference due to the pandemic, the Forum attracted significant attendance. Continuing from 2019 on the themes of SDG 12 and SDG 13 concerning sustainable energy and climate actions, the Company invited opinion leaders, experts, and scholars to update global trends and share their insights, as well as supplier representatives to share their stories in the process of working towards sustainability. Meaningful exchanges were facilitated through Q&A sessions.

As a fabless IC company fully reliant on suppliers for material purchase and manufacturing, MediaTek took advantage of the occasion to encourage suppliers to implement plans for green manufacturing, circular economy, and renewable energy, and join hands in cutting carbon intensity by 2% annually, so as to minimize the carbon footprint of MediaTek products. MediaTek itself purchased in 2020 20 renewable energy certificates (T-REC; amounting to 20,000 kWh of power), equivalent to reduction of 10 metric tons of CO₂e emission. Through a value-added program, MediaTek also endorsed in education of the disadvantaged with the EDUpower Quality Label, in the hopes of inspiring supply-chain partners to emulate its aggressive climate actions and thereby materializing green manufacturing. Carbon reduction and renewable energy usage are included into supplier inspections in the CSR aspect. In 2020, MediaTek selected 7 key suppliers and completed the inspections, completion rate 100%. Improvement is underway, with continuous communication and guidance, and is expected to be completed in 2021.

Results of supplier CSR inspections

Evaluation targets	Response of key suppliers in 2020 (number passed / total number)	2021 improvement plan
Already executes low-carbon manufacturing program	100%(7/7)	Plans and progress are included and tracked in the annual supplier CSR inspections and are pushed through by continuous communication and encouragement.
Annual carbon intensity reduction is 2% or higher	57%(4/7)	
Annual carbon saving rate has increased (cf. 2019)	71%(5/7)	
Uses renewable energy	29%(2/7)	
Includes climate risks in its business continuity plan (BCP)	57%(4/7)	
Overall evaluation reaches 60% or higher	71%(5/7)	

MediaTek's Responsible Supply Chain is Aligned with the UN

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
SDG12 Responsible Consumption and Production

Concept
Ensure sustainable consumption and production models, with MediaTek acting as an enabler to align the entire supply chain with sustainable management trends concerning the environment and occupational health & safety

Action
Host regular Supplier Forums that

- Invite suppliers that excel on sustainability inspections to share their achievements and experiences in promoting energy conservation, carbon emissions reduction, water conservation, and the management of chemicals and waste products
- Share MediaTek's experiences in promoting occupational health and safety
- Invite industry speakers to host lectures and training sessions for suppliers

Targets

- Strengthen occupational health and safety management capabilities of supply chain partners to reduce risks
- Promote supplier interactions to enhance overall industry competitiveness
- Establish domestic and international support activities pertaining to sustainable supply chain development

13 CLIMATE ACTION
Climate Action

Concept
Serve a leading role in the semi-conductor industry in developing strategies for climate action, in response to international and national environmental actions and carbon reduction policies; proactively reducing greenhouse gas emissions, promoting the use of renewable energy, and increasing international participation

Action
Climate strategy

- Evaluate the risks and opportunities faced by MediaTek in response to climate change, including disaster prevention and adjustment capabilities (Please refer to 5.2 Climate-Related Risk Management)
- Progress towards carbon-zero productivity in each business / functional unit
- Gradually adopt renewable energy (Please refer to 5.3.2 Resource Management)

Targets

- Establish a climate change risk database for the IC industry to compile related risks and opportunities and guide future direction of industry climate strategy
- Promote low-carbon manufacturing in the supply chain and set the common goal of cutting 2% greenhouse-gas intensity every year



MediaTek Supplier Forum



5.2 Climate-Related Risks Management

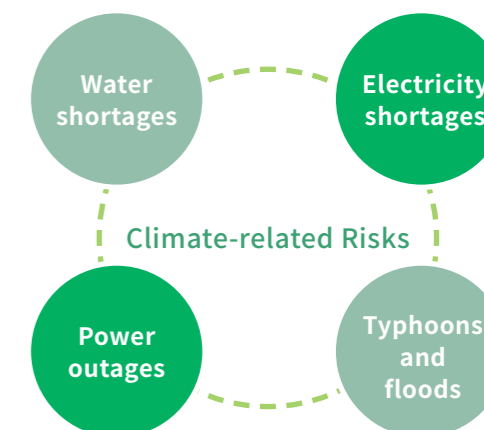
Below is MediaTek's management in the thematic areas of Governance, Strategy, Risk Management, and Metrics and Targets, a framework outlined by the Task Force on Climate-related Financial Disclosure (TCFD).



Thematic Areas	Management Actions	Corresponding Chapter
Governance	Supervision of the board of directors and the role of management CSR Committee holds periodic meetings chaired by our CEO cum Director, covering such topics as climate risk to business sites, energy-efficiency evaluation, evaluation of various environmental influences on supply chain, and goal-setting. Results of discussion and execution are then submitted to the Board of Directors.	4.1 Governance Structure 4.5 Risk Management
	Identified climate change-related risks and opportunities Of the possible risk items with high impact potential in recent World Economic Forum's Global Risk Reports, climate change has invariably been one of the chart-topping items. In addition to its impact on the global environment and ecology, climate change increases enterprises' operating risks. As a leading IC design company, MediaTek is fully aware of the impact IC supply chain has on the environment, specifically, of the consequences manufacturing processes could cause to the climate and water resources. It has pledged to develop energy-conserving products continuously, carry out environment-friendly practices, and exercise its influence to have suppliers join the effort.	5.2 Climate-Related Risk Management
Strategy	Risks and opportunities in organization's business and strategy 1. Assessment of transformation risks targets, mainly, (1) Impact of the manufacturing process, carried out by our suppliers, on the environment, specifically, in the fields of climate change, energy, and water resources. (2) Management of energy and other resources for business operation in the five major aspects of power, water consumption, waste management, transportation, and greenhouse gas. 2. Assessment of physical risks, or disasters, including water rationing, power rationing, power outage, typhoon, and flood. 3. Climate-related opportunities: By designing power-efficient, space-saving chips, we strive to alleviate their impact on the environment when they go through their life cycles of usage and waste.	4.5 Risk Management 5.3.2 Resource Management 2.3 Innovation Achievements
	Identification, assessment, and management flow of climate-related risk 1. We ground our management of transformation risks on supply chain management and ISO 14001 environmental management system: (1) We screen suppliers via the three aspects of ESG, confirm establishment of management system and organization, conduct annual on-site and monthly paper audits, arrange related education / training or improvement meeting, and award suppliers with excellent performance at Supplier Conferences. (2) We apply the PDCA management cycle to align our goals and strategy relating to environmental protection; against pollution, a prevention-improvement mechanism was established. 2. Management of physical risks are laid out in the Business Continuity Plan (BCP) and executed by the Business Continuity Management Committee. Relevant business and functional units evaluate, respond to, and track risks according to the BCP. A risk analysis is done by evaluating scope of impact and opportunities in the aspects of environment, governance, and society. Response measures are planned accordingly and implemented.	4.5 Risk Management 5.1 Supply Chain Management 5.2.1 Business Continuity Management 5.3.2 Resource Management
	Incorporation into organization's assorted risk management system Climate-related risk has become a topic reported to the CSR Committee for discussion aperiodically.	4.1 Governance Structure 4.5 Risk Management

Thematic Areas	Management Actions	Corresponding Chapter
Metrics and Targets	Indicators for assessing climate-related risks and opportunities Power consumption, greenhouse-gas emissions, water consumption, number of days for disrupted operation	5.1 Supply Chain Management 5.2.1 Business Continuity Management 5.3 Facility Management
	Greenhouse-gas emission and related risk 1. The company began conducting greenhouse-gas inventories starting from 2016. Starting from 2020, inventory has been done according to ISO 14064 with external verification. 2. In line with our action plan, we continue to rally our suppliers to work towards low-carbon manufacturing and to develop energy-conservation technology.	5.3 Facility Management
	Goals and performance 1. Reduction of energy consumption by product design: We have lowered 11% of power consumption of end devices powered by MediaTek in 2020 (cf. 2019). 2. Chip downsizing: We have reduced the size of our IC products by 11% in 2020 (cf. 2019), equivalent to 21,890 kg of waste. 3. Based on existing process technological and resources, MediaTek and its suppliers set the goal of reducing carbon intensity by 2% a year, joining the effort of the Paris Agreement in keeping temperature increase under 2° C, in the hopes of cutting greenhouse-gas emission by 45% at least by 2035. 4. Operation in key areas, such as data centers and labs, cannot afford be disrupted, and general office areas must be restored one day ahead of workdays, so as to prevent disruption to regular business. The newest high-speed datacenter for IC design has double-fed power supply and is capable of maintaining operation during annual power system maintenance. 5. In 2020, we saved 11.7% of power, a number we aim to raise to 14.2% in 2021, in addition to (1) cutting power consumption at datacenters by 4% within three years, (2) boosting annual output of solar power to 200,000 kWh, and (3) purchasing renewable energy certificates worth 20,000 kWh and joining a value-added project for EDUpower Quality Label. 6. Water savings was 3.9% (<5.4%) in 2020; main reason for failure was the significantly lower volume of recycled water collected from rainfall resulting from the plunge of precipitation. Taking updated precipitation into account, the 2021 target was lowered to 4.0%.	2.3 Innovation Achievements 5.1 Supply Chain Management 5.2.1 Business Continuity Management 5.3 Facility Management

5.2.1 Business Continuity Management

MediaTek actively identifies climate change-related risks (including water shortage, power shortage, typhoon, and flood) and formulates countermeasures via business continuity management mechanism, in order to mitigate impact of extreme weather on operation and loss. In case climate threatens the production or supply of supply chain, supply-chain emergency response procedure will be activated, with a dedicated team managing and supervising potential risks of supply chain and formulate countermeasures (as part of business continuity plan), in the hope of having firm grip on suppliers' production and shipment status. Suppliers are also required to formulate contingency plan and notify MediaTek instantly following occurrence of disasters, to as to minimize loss and resume production within shortest time possible.



Climate-related risks	Impact on operations	Countermeasure	Indicators and goals
Water shortage	If water supplies are cut and stored supplies are unable to meet demand, key factory equipment such as water chiller units will be unable to operate, which will cause critical data center equipment to cease operating. MediaTek relies on this infrastructure for R&D design. Therefore, water outages can be expected to halt business operations.	<ul style="list-style-type: none"> Separate equipment and daily-life water consumption and capacities of stored water for both usage. Transfer water with water-transport car from office buildings with large water storage to building with less storage. 	<ul style="list-style-type: none"> Equipment water in store is sufficient for over one week of usage (exceeds longest water-rationing period possible). Water truck drills 
Electricity shortage and power outage	In the event of a power outage, all factory equipment will cease to function, and this will also cause critical data center equipment to cease operating. MediaTek relies on this infrastructure for R&D design. Therefore, power outages can be expected to halt business operations.	<ul style="list-style-type: none"> Install UPS equipment, with capacity sufficient to meet the needs of all the datacenters. Install generators, with capacity sufficient to meet the needs of all the datacenters. Arrange tank trucks to replenish oil tanks for generators. 	<ul style="list-style-type: none"> UPS batteries can last over five minutes (longer than the time to activate generators) Fuel oil in store for generators can last over 10 hours. Oil transport by tank trucks can last over one week (more than longest power outage period possible). Tanker truck drills 
Typhoons and floods	Typhoons and floods that impact a wide area and persistent for an extended period may damage certain facilities and affect normal business operations	<ul style="list-style-type: none"> The typhoon response team will be activated prior to the arrival of typhoons to examine generators, fire protection systems, and pumping facilities. Sandbags will be prepared and inspection patrols of office environments will carry out other typhoon readiness measures After typhoons make landfall, response team custodian mechanisms will be activated, while inspection measures will be initiated to secure the normal functioning of important equipment Restoration efforts will be conducted immediately after typhoons pass to ensure that all systems and overall office environments can resume normal operations as soon as possible 	<ul style="list-style-type: none"> Operation of key areas of the company, including IT datacenters and laboratories, cannot be disrupted. General office environment must be restored on day before workdays, without affecting normal operation of employees.

5.3 Environmental Management

In addition to active identification and continuing management of climate-related risks, we are committed to promoting environmental protection and energy conservation/carbon abatement, looking for countermeasures to climate change. Thanks to energy-conservation and carbon-abatement measures on campus, MediaTek attained 8.6-11.7% power savings 2016-2020 and targets 14.2% in 2021.

5.3.1 Environmental Policy

We are a fabless semiconductor company that is focused on the design and development of leading technologies and IC products. All manufacturing, assembly, and testing processes are outsourced to external companies. As such, MediaTek focuses on environment-friendly product designs, procurement and management of suppliers, reduction of resource and wasted energy, and protection of employee health and safety. These are not only parts of MediaTek's corporate social responsibility, but also an important asset that maintains our competitiveness in the business environment. MediaTek invested 53.78 million NTD on environmental causes in 2020. These funds are invested in the following areas:

Item	Actions	Results
Legal compliance	Adhere to environmental protection, health and safety laws and other governmental requirements, and also respond to international green and zero-incident initiatives.	In 2020, there were zero violations of environmental protection regulations at MediaTek (zero penalties).
Green design	Environmentally conscious designs are implemented in products through energy-efficient production processes and use of non-toxic materials. We strengthen our environmentally conscious procurement and management so that our products, services and outsourced companies can all adhere to international green trends, thus achieving our commitments to environmental protection.	MediaTek products all comply with ROHS and WEEE regulations and do not use prohibited substances.
Education and training	Strengthen education and training participation in environmental protection and health and safety for all personnel, helping them support environmental protection through reduction in resource and energy usage, recycling and reuse. In addition we ensure labor health and safety and other workplace hazards.	In 2020, we completed environmental and safety training for new hires; training completion rates were 100%.
Continued improvement of resource management systems	Eradicate hazards, reduce risks, and continue to improve management systems, including adopting ISO 14001, ISO 45001, and ISO 14064 to enhance management performance. Additionally, we require all contractors to adhere to our "Procedures for Contractor EHS Management" so that all external and internal personnel can fully understand EHS policies and ensure appropriateness and effectiveness in continued operation of EHS management systems.	The company completed ISO 14064 external verification in 2020 and plans to introduce ISO 50001 energy management system and external verification in 2021, in sync with the latest development in management system worldwide.

Expenditures for environmental protection

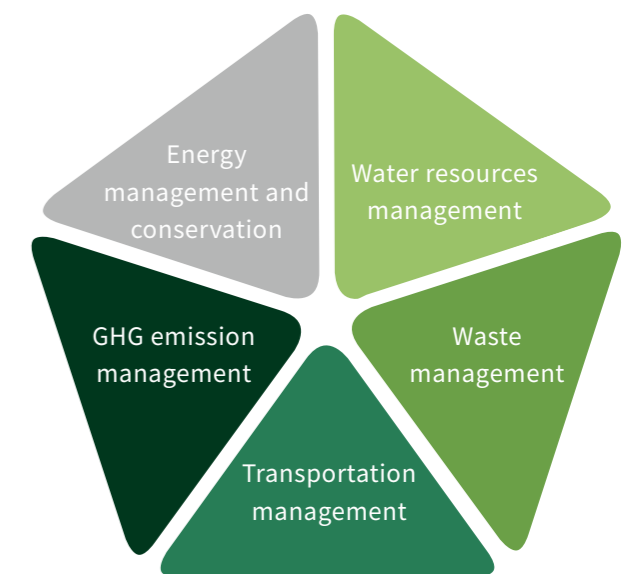
Annual verification of environmental-protection and occupational safety/health system	\$125
Outsourcing of disposal of daily-life garbage	\$2,329
Office cleaning and floor washing	\$42,665
Landscape maintenance	\$2,158

Cleaning of waste water pond	\$1,239
Prevention of pathogen	\$932
Cleaning consumables	\$4,334
Total	\$53,782

Unit: 1,000 NTD

5.3.2 Resource Management

MediaTek has passed certification for the ISO 14001 environmental management system and maintains consistency in our environmental protection goals and implementation strategies, in accordance with PDCA management cycles and systematic management methods. We have also established mechanisms for pollution prevention so that MediaTek can exert more influence on environmental protection. MediaTek is a low energy-intensive company. Our internal energy management processes are divided into the five aspects of electricity, water, waste, transportation, and greenhouse gas emission.



Five aspects of resource management

2020 performance

Aspects of Resources Management	2020 Goal	2020 Achievement	Achieved	Improvement Plan
Energy	Save power by 11.6%	Saved power by 11.7%	✓	
Water	Save water by 5.4%	Saved water by 3.9% (significantly lower volume of recycled water collected from rainfall resulting from the plunge of precipitation)	✗	Increase savings rate by recycling kitchen water
Waste	Increase recycling rate	Recycling rate ranged from 21%-27%	✓	
Transportation	Increase usage rates of inter-office shuttle bus / M-bike / electric scooters	Times of use decreased by 17,247 due to suspension during the pandemic	✗	Install electric car charging stations
GHG emission	Save Scope 2 power by 10% (savings rate=[power saved / power used]*100%)	Savings rate was 11.7%	✓	

Our three highlights for 2020 were focused on energy management and conservation:

Enhanced efficiency
Energy-efficient, high-density data centers

Successfully completed conversion to a new-generation of energy-efficient, high-density data centers that have become a core functional support behind our technology development

Innovative application
Self-developed energy-efficient application chips

Smart devices that use MediaTek's highly power efficient IoT ICs automatically switch off lighting and AC systems to reduce energy waste and detect conference room conditions to optimize usage

Self-generation of electric power
Solar power system

146.4 kW in installation capacity, the first private rooftop solar power system with connection to Taipower grid

Highlight 1: Enhanced efficiency: High-density energy-efficient data centers

Capacity for power saving our datacenters bring was 20.3 million kWh.

MediaTek is focused on the development of innovative technologies and our qualitative and quantitative needs in information computing continue to rise. As Data Center environments impact information computing efficiency and because high-speed computation typically consumes large amounts of energy, MediaTek has a long-term commitment to enhance the efficiency of our data centers.



Results and goals for high-density energy-efficient datacenters

Current Results	Short term	Long term
<ol style="list-style-type: none"> Continuous optimization of datacenters, with PUE (power usage effectiveness) of the first datacenter reaching 1.35 in 2020. Calibrate new office equipment to energy-conserving mode with optimal operation. 	<ol style="list-style-type: none"> Continuous optimization of the second datacenter, with PUE reaching 1.37 in 2020. The third datacenter launched in 2019 also reached PUE 1.37 in 2020. Balance corporate development and energy conservation / carbon abatement continuously and establish cross-site platform for sharing optimal management practices, including exchange and sharing of optimal energy and resources conservation among offices worldwide. 	<ol style="list-style-type: none"> Attain 4% power saving for all the datacenters within three years. Further assess for the installation of next-generation datacenter equipment to replace traditional ones. Offices worldwide refer to cases of optimal energy-conservation practices to improve energy conservation.

Improvement of the first datacenter

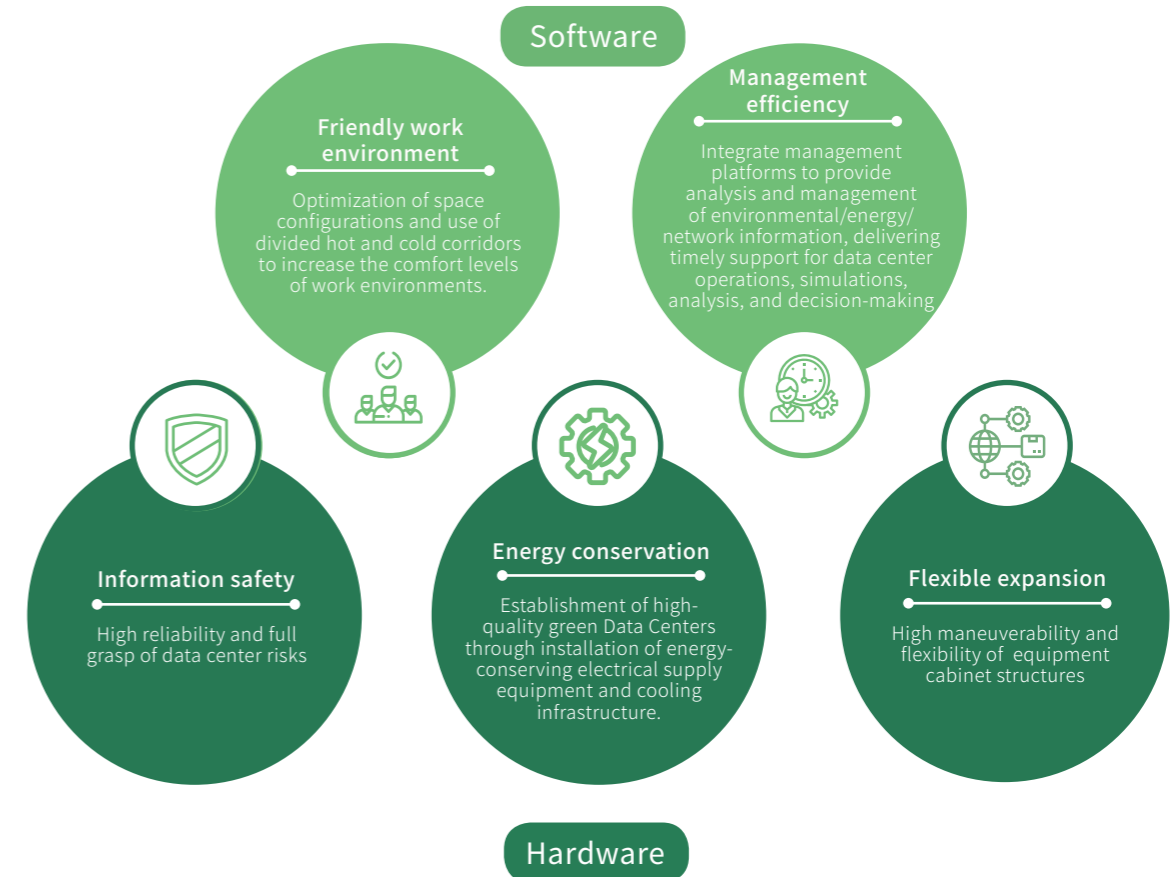
Via improver of power-consumption system, air conditioner, cabinet, hallway, and lighting, break the constraint of traditional central machine room, converting existing central machine rooms, inaugurated in 2015, into new-generation high-density energy-efficient datacenters, capable of meeting the need of new-type high-energy, high-heat servers, as strong backup for technology R&D.

After completion of first-stage improvement in 2017, PUE of new-generation IT machine room stood at 1.37, dropping further to 1.35 in 2018-2020 following reduction of air-conditioning power consumption, compared with 1.6 of traditional central machine room, for 15% improvement rate, already golden grade for LEED (Leadership in Energy and Environmental Design) for green-building certification.

Increased usage efficiency by 15%
Obtained Gold green building certification (LEED)

Installation of the second / third datacenters

Inaugurated in 2017 and 2019, respectively, the second and third datacenters, on top of the merits of the first one, boasts flexible, modularized, segment, and virtualization design, to meet the need of IT staffers for long-time work in datacenters, taking into account data protection, environmental concern, and workplace friendliness, thereby attaining the five major functions of datacenter.

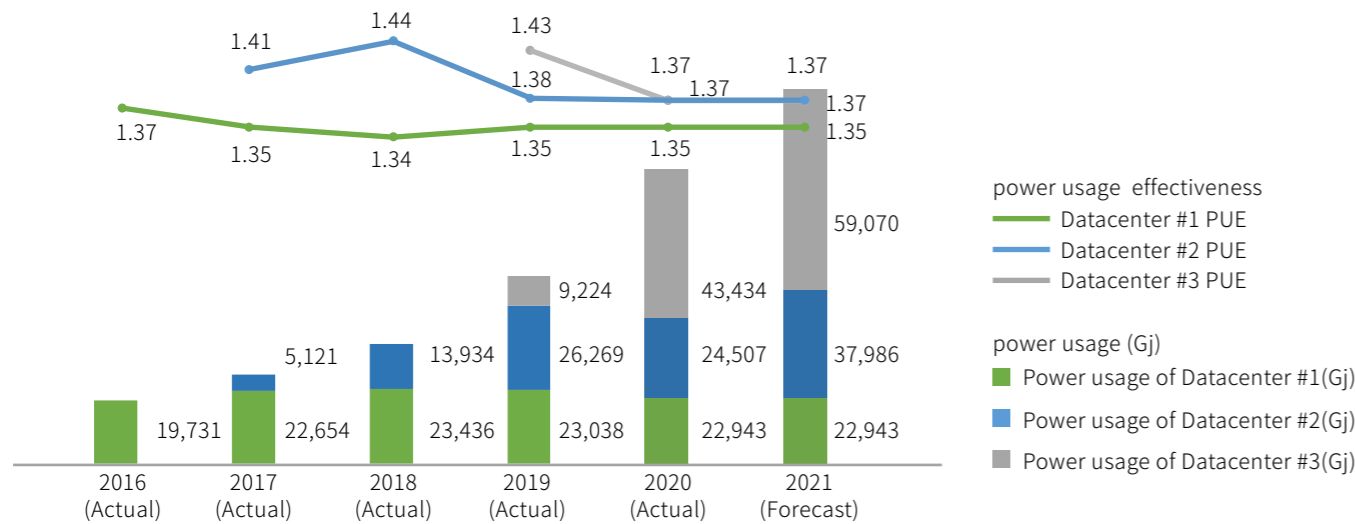


The three high-density datacenters can attain annual power savings of 1.76 million kWh (6,336 GJ), 4.34 million kWh (15,624 GJ), and 14.2 kWh (51,120 GJ), respectively, totaling 20.3 million kWh (73,080 GJ), which reduces carbon emission at a scale of 17,626 acres of US forests in a year.

[note] 1 kWh=3.6 million joules
 [note] 20,300,000 kWh*0.509 kg CO₂e/kWh (electricity emission factor) = 10,332,700 kg CO₂e = 10,333ton CO₂e. The emission factor is based on data released by the Taiwan Bureau of Energy.
 [note] Conversion to US forests reference the Greenhouse Gas Equivalencies Calculator of the United States Environmental Protection Agency, where every year, 0.82 metric tons CO₂ is sequestered by each acre of average US forest.

Annual power saving reaches 20.3 million kWh, equivalent to 60.9 million NTD in power bill.

Breakdown of power usage and conservation of our data centers



Highlight 2: Innovative application: Smart, energy-efficient IoT platforms applied to meeting rooms

Each conference room has the capacity of saving 564 kWh of power annually.

Substantial waste occurs due to the nature of conference room use, including abandoned bookings or switched on lighting and air conditioning. To optimize conference-room resources, we used MediaTek IoT chipset, LinkIt 7697, to detect real-time conference room usage and automatically switch off lighting and AC when not in use. In addition, this product also keeps us informed of conference room usage conditions, thus ensuring optimization of conference room resources.



MTK LinkIt 7697

MediaTek has over 100 conference rooms and 3 kWh of power is saved each every day, the annual saving will reach 564 kWh each room (2 GJ). Related effort will be expanded to the aspects of safety and resources in the future.

Application aspect	Target	Expected benefits
Safety	<ul style="list-style-type: none"> Laboratory thermal chambers HAPS equipment Mobile phone charging stands Warning of FCU water leakage 	<ul style="list-style-type: none"> Prevent fires Prevent damage to important equipment, and record and enhance usage rates Prevent fires Prevent damage to important equipment
Resource usage	<ul style="list-style-type: none"> Conference room usage Parking space usage 	<ul style="list-style-type: none"> Record and enhance usage rates Record and enhance usage rates
Employee perceptions	<ul style="list-style-type: none"> Bathroom usage 	<ul style="list-style-type: none"> Record and enhance usage rates, and enhance

Highlight 3: MediaTek's solar power system

The solar power system saves around 102 metric tons CO₂e emission annually.

We took advantage of our roof-top space at the HQ to install solar energy generation facilities, in an effort to offset our grid-provided power and move towards a carbon-neutral operation and to lower energy expenditure. This marks the first privately installed solar energy conversion system in Hsinchu Science Park that connects to Taipower's power grid.

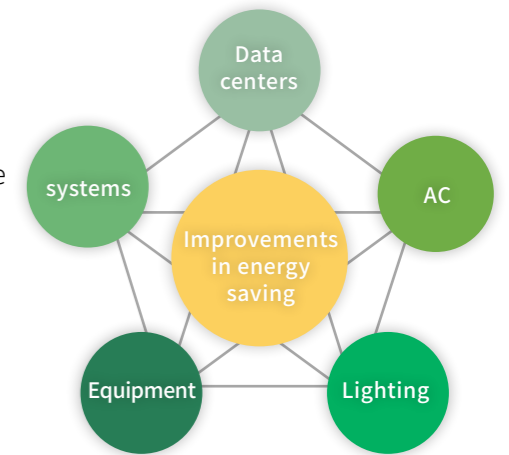
Rooftop solar panels are estimated to cut temperature of top-floor office by 3-5 degrees Celsius, reducing air-conditioning power consumption significantly. With installation capacity reaching 146.4 kW, the solar power system has generated 350,000 kWh since integration with the Taipower grid in March 2019. In 2020 alone, the system generated 200,000 kWh (720 GJ), 0.2% the annual consumption (102,300,000 kWh, or 368,289 GJ). In other words, we saved 102 metric tons CO₂e in 2020 with this solar power system. The construction and use of the second solar power system will be undergoing evaluation in 2021.



Energy management and conservation

The company's power consumption hit 102,302 kWh in 2020, 13% higher than the previous year, due mainly to the expansion of datacenters as well as the addition of the first full-year operation of the Wireless Communication Building.

In recent years, MediaTek has dedicated to the effort of energy conservation and carbon abatement, attaining 11.7% power saving, targeted to be raised to 14.2% in 2021. The following table shows the company's power-saving measures in central machine room (refer to Highlight 1 in 5.3 Facility Management), efficiency improvement and power-bill management for office air conditioning, lighting, and equipment.



	Improvement benefits	Improvement practices
Office AC systems	<p>Annual power saving 4.38 million kWh (15,768 GJ), 2,229 metric tons CO₂e</p>	<ul style="list-style-type: none"> Efficiency enhancements: established VAV AC systems, raising efficiency by 15% Reduction of operating machinery: reduced 23% of running ice makers by grouping them and using joint supplies Time slot control: during the night when loads are lighter, outflow temperature of chilled water is increased by 1 degree; parking lot exhaust systems were adjusted from full-time operations to peak-time/half-peak-time operations.

Lighting

Equipment improvement management and systematic management

Improvement benefits

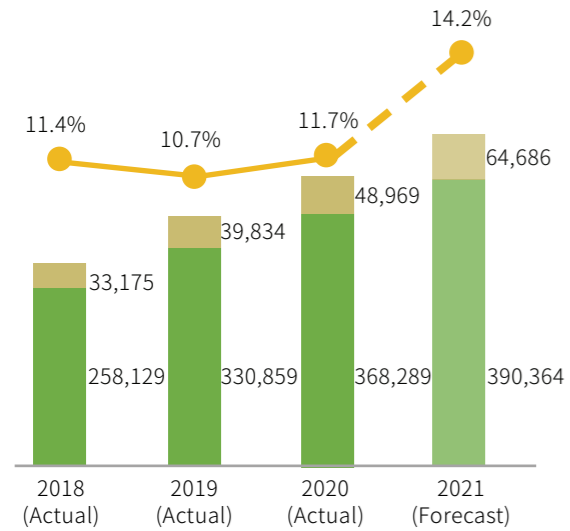
Annual power saving of 1.96 million kWh (7,056 GJ), 998 metric tons CO₂e

Annual power saving of 1.48 kWh (5,328 GJ) 753 metric tons CO₂e

Improvement practices

- Substitute LED for fluorescent lighting of older buildings in 2021
- Employed 100% LED lighting in the Wireless Communication Building
- Reduced lighting levels during non-peak commuting times
- Switched off lighting in specific sections during vacation days
- Energy conservation of lighting systems in specific sections, including conversion to LED lights
- Increased employment of uninterruptible power system (UPS), raising conversion performance from 80% to 95%
- Changed AC system for product development emulators to enhance efficiency
- Enhanced temperature and humidity management

Power usage and conservation record and forecast from 2018-2021

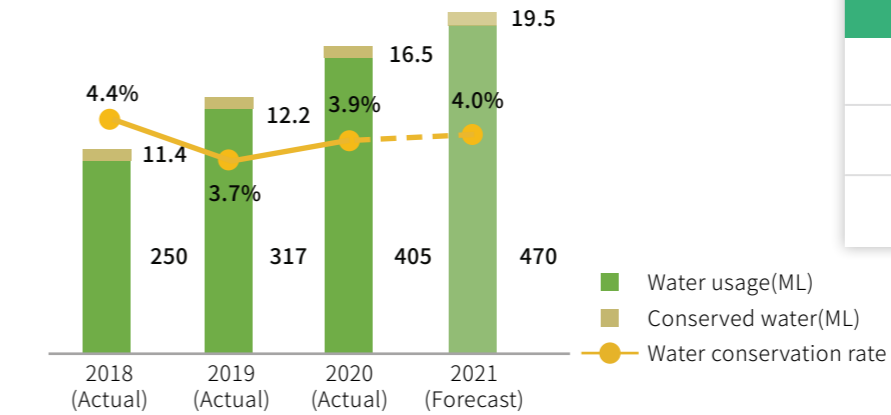


Scope of information: includes offices in Hsinchu Science Park, Chupei, and Taipei

MediaTek's energy usage in 2020	Non-renewable energy	Renewable energy
Total usage (Gj)	368,289	72
Proportion	99.98%	0.02%

Note: MediaTek's energy is mainly purchased.

Water consumption and conservation record and forecast from 2018-2021



Data scope: offices in Hsinchu Science Park / Chupei / Taipei (coverage scope 100%)

Waste-water discharge volumes in recent three years

Year	Waste-water volume (million liters)
2018	138.0
2019	158.4
2020	173.9

Waste management

MediaTek became the first in Hsinchu Science Park to install recycle machines.

In order to facilitate resource recycling and reuse, we strengthened waste management and focused on waste reduction, effectively separating, recycling, reusing, and disposing of waste. We continue to improve upon the environmental impacts of waste storage, transportation, and disposal. MediaTek has a strict process for selecting collaborating companies for waste removal and reuse, and we conduct non-periodic audits on the legal compliance of waste disposal as part of our monitoring responsibilities. Waste recycling rate reached 29% in 2020. In cooperation with the local Bureau of Environmental Protection, MediaTek became the first in Hsinchu Science Park to install recycle machines and offered peer companies results of the trial run for reference.



Recycling rate in recent three years

Year	Recycling rate
2018	27%
2019	21%
2020	29%

[note] Recycling volume/total waste volume

Water resources management

Water supply for MediaTek offices comes from waterworks of various areas. The company's water consumption totaled 405,328 metric tons (around 405 million liters) in 2020, 28% higher than previous year, due mainly to the first full-year operation of the Wireless Communication Building and the expansion of the datacenters. Thanks to continuing execution of water-resources improvement plan, the company attained 3.9% water saving, which was lower than target 5.4% due to the low precipitation over the year. Taking updated precipitation into account, the 2021 target was lowered to 4.0%. Waste-water discharged increased by 9% to 173,887 metric tons (around 173 million liters), due mainly to the increased usage of the datacenters.

[note] one metric ton of water equals around 1,000 liters.

Equipment replacement

Recycled water resources

Improvement benefits

Water saving of 2,480 tons

Water saving of 284 tons

Water saving of 13,754 tons





Improvement practices

- Efficient enhancement: Use of water-saving apparatuses (including inductive water-saving faucet, water-saving toilet, use of water-saving faucet for cleaning water in recycling area).
- Install rainwater recycling tank and use recycled water in cooling tower.
- Recycle air-conditioning condensates water/RO water for use in gardening.

2020 waste disposal table

Category	Waste category	Disposal method	Disposal amount (tons)	Percentage
General waste	Domestic waste	Incineration	37.05	31.17%
	Waste paper	Recycle	13.29	11.18%
	Metal containers	Recycle	0.20	0.17%
	Aluminum containers	Recycle	0.20	0.17%
	Lighting products	Recycle	1.25	1.05%
Hazardous waste	Electronic components, scrap materials, and defective products	Outsourced processing	66.88	56.26%
Total			118.87	100%

Green transportation

Item	Explanation	Performance
Commuting shuttle bus 	The company launched commuting bus service in June 2015, leasing four large buses to travel four routes to carry employees at fixed stops, a ride sharing practice which can not only reduce energy consumption and carbon emission but also promote environmental-protection concept among employees.	In 2020, the commuting buses served 46,520 person / times (six/eight bus travels for coming to and leaving offices every day), which was about the same as 2019.
Cross-site shuttle buses 	The Company provides cross-site shuttle buses that make shuttle runs every 20 minutes to reduce energy consumption and carbon emissions from driving.	In 2020, the shuttling service served 12,329 person-times, 58.5% less than 2019 due to suspension of transportation during the pandemic.
Cross-site M-Bikes 	To implement eco-friendly living and encourage our employees to exercise, we installed 10 bicycles that employees could use for cross-site trips.	The service served 740 person-times in 2020, 7% higher than 2019.
Electric company motorcycles for security personnel 	To promote integration of environmental protection and daily transportation, the Company has installed two electric motorcycles for security personnel to use during routine patrols.	In 2020, the total travel distance of the two e-motorcycles reached 1,100 kilometers, about the same as 2019.

Greenhouse gas emission: Annual reduction goal for scope-2 greenhouse-gas emission: at 10%

MediaTek's major emission source is power supply from external source. With continuing expansion of the company's business scale, we have strived to enhance power saving, in order to cut greenhouse-gas emission effectively. MediaTek has set 10% annual power-saving goal (power-saving volume / power consumption) (Power saving rate reached 11.7% in 2020, higher than the previous year, thanks to improvement in the second / third datacenters and substitution of LED lighting for traditional one).

Scope 1 and 2 GHG emissions

Purchased power accounts for 92.02% of MediaTek's Scope 2 GHG emission; other sources of emission in Scopes 1 and 2 include public facilities, boilers, cooling towers, and ice makers. The Company will continue making inventory of its GHG emissions to have a firm grip on their impact on the environment.

Scope 3 GHG emissions -commuting shuttle bus

To effectively reduce business travel-related carbon emission, MediaTek has been actively addressing the issue of employee transportation by providing low-CO₂e alternatives. Carbon emission from transportation was lowered by 108 metric tons in 2020. In addition to shuttle services, the Company began introduced e-car charging stations and expected completion in 2021.

Greenhouse-gas emission in 2020

Item	Scope 1 GHG emissions			Scope 2 GHG emissions		
	2018	2019	2020	2018	2019	2020
Emission volume (metric ton)	808	2,095	4,518	37,941	48,985	52,072
Share of the scope of emission-data collection in revenue / employee number in Taiwan offices (%)	100%	100%	100%	100%	100%	100%

[Notes]

1. MediaTek began conducting self-inventory in 2016. Greenhouse-gas emission volume increased in 2020, due mainly to the first full-year operation of the Wireless Communication Building.
2. Scope 1 GHG emissions are direct emissions from sources owned or controlled by the organization.
3. Scope 2 GHG emissions are indirect emissions that result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by an organization. All Scope 2 emissions were converted into CO₂e using the electricity emission factors on corresponding years released by the Taiwan Bureau of Energy.

MediaTek Greenhouse gas (GHG) emission summary

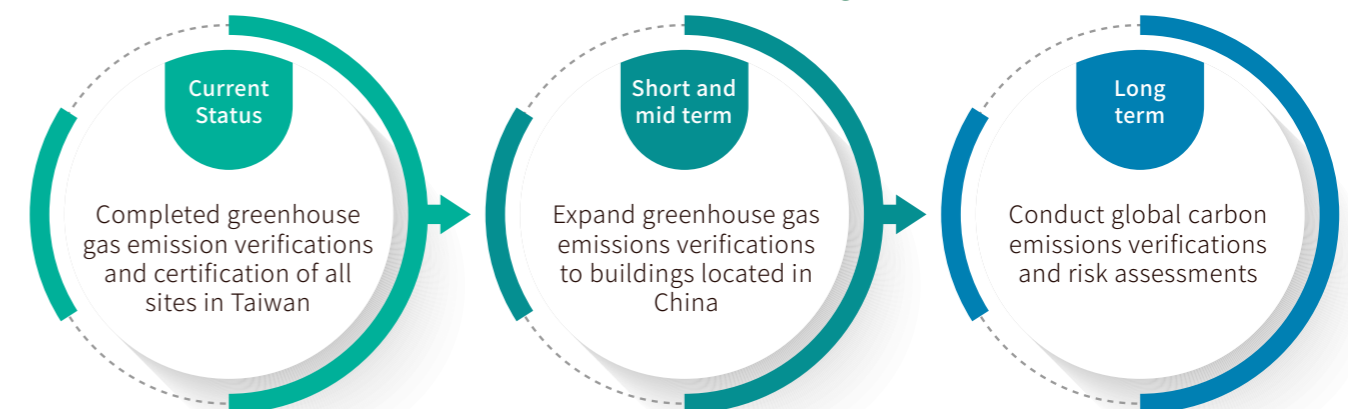
Type of GHG	2016 emission (baseline) (tons CO ₂ e)	2020 emission (tons CO ₂ e)
CO ₂	23,846.46	55,697.99
CH ₄	311.88	775.81
N ₂ O	43.62	115.98
HFCs	0	0
PFCs	0	0
SF ₆	0	0
NF ₃	0	0
Total	24,201.96	56,589.78

Note 1: MediaTek utilizes GWP values from the IPCC Fourth Assessment Report (AR4)(2007), as referenced by the Taiwan EPA Index of Greenhouse-Gas Emission Factors (IGHGEF) 6.0.3, as its emission factors in terms of carbon dioxide equivalents (CO₂e) for 2016 Scope 1 emissions. For the 2020 Scope 1 emissions, MediaTek utilizes GWP values from IPCC AR5 (2013), as referenced by IGHGEF 6.0.4.

Note 2: MediaTek utilizes the electricity emission factor to convert Scope 2 GHG into CO₂e emissions. Electricity emission factor is 0.530 (kg CO₂e/kWh) in 2016 and 0.509 (kg CO₂e/kWh) in 2020.

Note 3: Increase in GHG emissions mainly results from M&A and the first full-year operation of the new Wireless Communication Building.

GHG emission verification goals



6 Community Engagement

MediaTek aspires to be involved through our core capabilities to empower the community with science education and innovative technological applications.

6.1 Digital Social Innovation

6.2 Accessibility to Science Education and Academic Support

6.3 Welfare and Social Engagement

Material Issue of this Chapter

- Social Welfare Activities



Genius for Home

In its third year in 2020, **1,713 participants** brought 418 projects into the campaign, hailing from 278 townships that covered 76% of the area. 46 out of the **278 townships** overlapped with the placemaking targets prioritized by the National Development Council.

Also in 2020, **7 of the past award-winning teams** were granted subsidies to support them for continuing their work in the community.

Practical Science Award Program

In its **10th year** in 2020, we received 106 projects, 42.5% of which from schools in remote areas. 34 of those projects won out at local exhibitions and 7 at the national. 1,800 science books in total were donated.

Changhua County Shuei Wei Elementary School got first place in physics at the National Primary School Science Fair.

The entire program has engaged **4,000 teachers and students**.

Facilitating Programming Education

Forced to crunch its work in the second half of the year in 2020, MediaTek worked with New Taipei City and Hsinchu City in training 116 seed teachers, engaging **721 teachers and students**. 800 sets of teaching material were donated in the process.

Management Guidelines: Social Welfare Activities (Non GRI Material Topic)



Importance to MediaTek:

Technological innovation is more than an endeavor to spearhead the industry—we aspire to use our competencies to motivate social influence. Aggregating our resources, we aim to promote the accessibility of knowledge. Like technological innovation, we believe that knowledge drives a better future by bringing opportunities to people.

Commitments and Policies:

Setting technology as a competitive foundation for the next generation and working with society, we create a better future through education promotion, industry development, and social humanities.

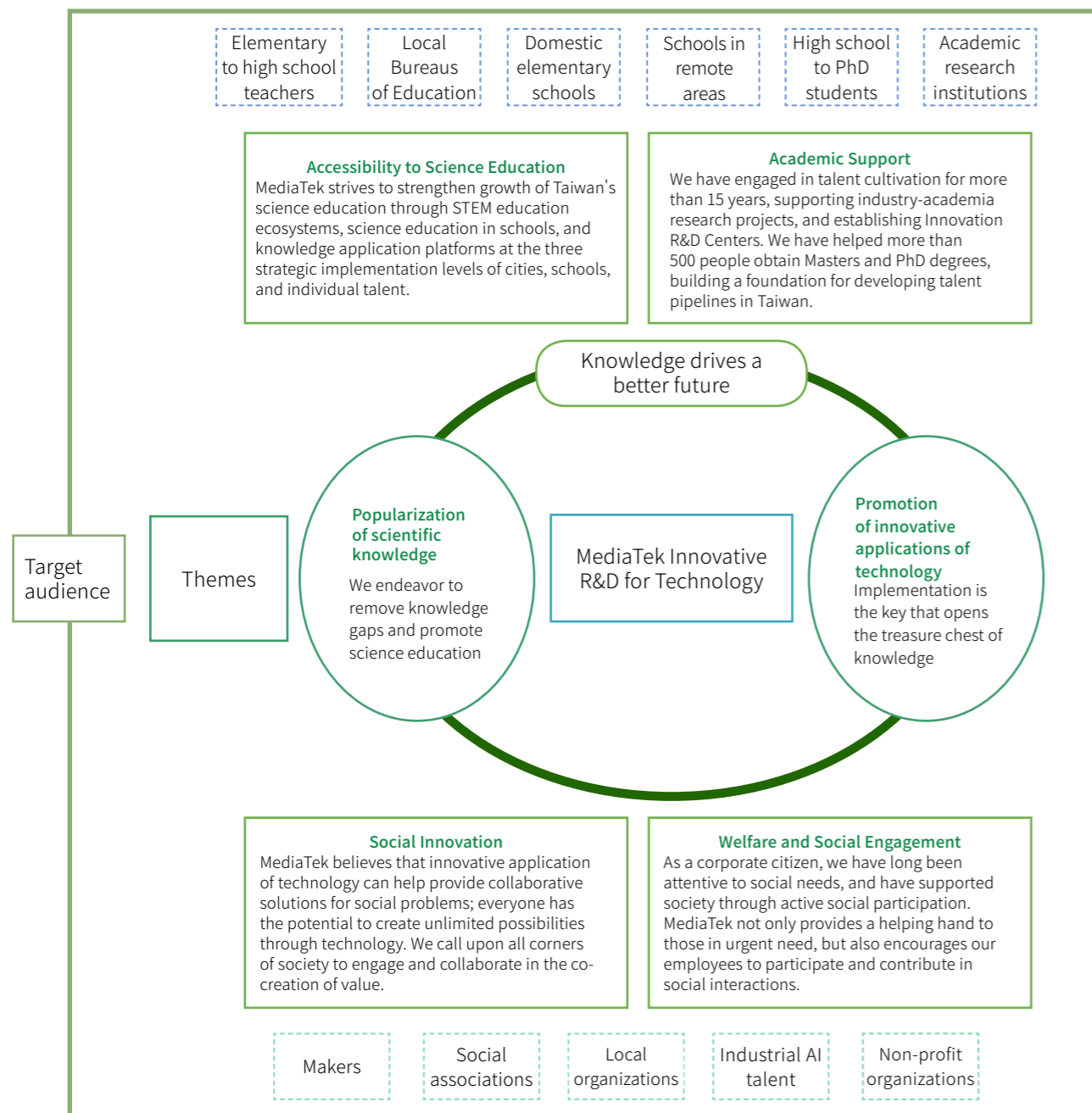
Goals	<p>Accessibility to Science Education: Promotion of programming education Short term: Expand the pool of programming instructors in participating cities and counties Mid to long term: Assist primary and high schools in offering science courses</p>	Achievement	<p>Accessibility to Science Education</p> <ul style="list-style-type: none"> Trained 116 programming instructors Expanded training and endorsement to 36 schools with our Practical Science Award Program (see 6.2.1)
	<p>Academic Support: Higher education and industry-university collaborations Short term: Support academic research Mid to long term: Collaborate with universities to develop cutting-edge research</p>		<p>Academic Support</p> <ul style="list-style-type: none"> Supported 3 institution-level innovative research centers, with over 40 million NTD investment and 3 patent applications Formed alliances with universities in support of government policies Facilitated the employment of 5 talented professors from abroad and provided scholarships to over 500 masters and doctoral students (see 6.2.2)
	<p>Social Innovation: Promotion of the application of technology to resolve social problems Short term: Hold competitions to solicit ideas and proposals Mid to long term: Encourage project implementation</p>		<p>Social Innovation</p> <ul style="list-style-type: none"> Hosted the digital social innovation campaign, "Genius for Home," attracting 1,713 participants that covered 22 counties and cities Sponsored NASA Hackathon and awarded 3 teams out of 25, with 113 participants (see 6.1)
	<p>Welfare and Social Engagement: Support for philanthropic events related to social innovation and science education</p>		<p>Welfare and Social Engagement</p> <ul style="list-style-type: none"> Prepared to kick off construction of Hsinchu Children's Discovery Center in August, 2021 Benefitted nearly 7,000 teachers, students, and locals with our Greater Chao Nan Cultivation Volunteer activities (see 6.3)
Our Management System	<p>Responsible units</p> <ul style="list-style-type: none"> Social welfare activities: MediaTek Foundation, which reports to the Board regularly Industry-university collaboration: CTO Office 	Achievement	
	<p>Resources</p> <ul style="list-style-type: none"> Budget: 68.46 million NTD, including 3.88 million NTD donation in the forms of equipment/materials/merchandises Manpower: 180 volunteers and 61 "Genius for Home" staff, totaling 122 people 		
	<p>Communication channels</p> <ul style="list-style-type: none"> Official website of the Foundation: http://www.mediatekfoundation.org Tel: +886-3-567-0766 Foundation Facebook page: https://www.facebook.com/mediatekfoundation "Genius for Home" workshops, website, customer service 		
	<p>Evaluation mechanism</p> <p>Based on project application requirements and participant satisfaction</p>		

The Heart of MediaTek Social Welfare: Shaping the Future of Taiwan through Building Knowledge & Personal Growth

As of 2020, we have devoted over 1.8 billion NTD in community engagement, including collaboration with 8 county/city Education Bureaus in training 293 science-education instructors, who in turn taught 2,541 students. We collaborated with the National Taiwan Science Education Center (NTSEC) to facilitate hands-on science projects, supporting 22,590 primary and high-school students and teachers in science education. We promoted social innovation, the "Genius for Home" campaign attracting 4,522 participants, who designed 1,101 solutions for 22 counties and cities.

For more than 10 years, The MediaTek Foundation has worked on converting the Company's innovative capabilities into a driving force for science education and industrial advancement. We have worked closely with the government, academia, and among society to find solutions to problems we face. We have consistently endeavored through four avenues of action: "social innovation", "accessibility to science education", "academic support", and "welfare and social engagement". Those have been respectively applied in the fields of education promotion, industry development, and social humanities, with the aim of promoting a thriving and co-prosperous society.

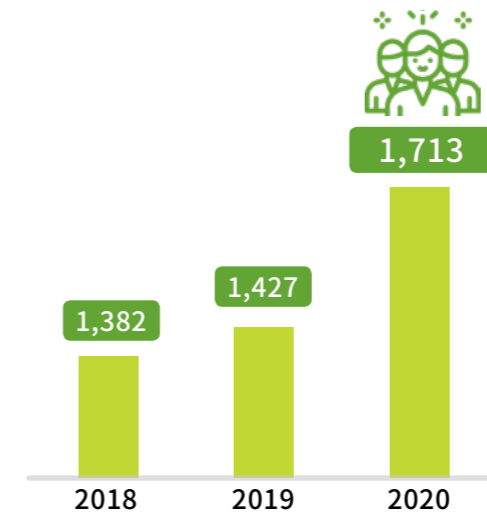
MediaTek Blueprint for Community Engagement



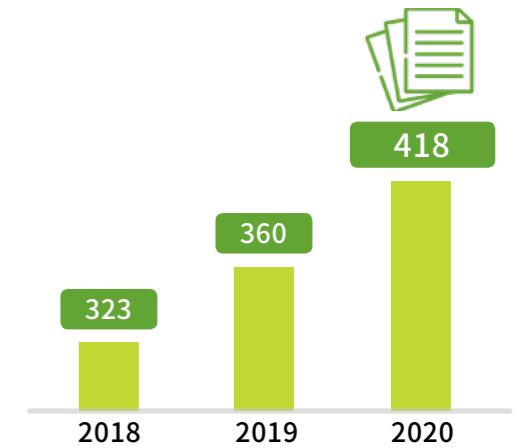
6.1 Digital Social Innovation

MediaTek believes that each person has the potential to use technology to create unlimited possibilities. Therefore, MediaTek launched the digital social innovation campaign "Genius for Home" in 2018 to facilitate using technology to give back to hometowns. MediaTek also began sponsoring American Institute in Taiwan on NASA Hackathon 2019, so as to encourage the public to take action and solve problems.

Number of Genius for Home participants from 2018-2020



Number of digital social innovation solutions from Genius for Home 2018-2020



6.1.1 Genius for Home: Joint Value Development Process between MediaTek and Society

MediaTek organized "Genius for Home: MediaTek Digital Social Innovation Campaign" for everyone to "do one thing for their hometown." Open to all regardless of age or status, we rallied the public to develop innovative applications through digital technology to resolve one social issue faced by their hometown. In 2020, a total of 61 people worked on this project, including 31 members from MediaTek and 30 members of external teams.



Genius for Home 2020 Recap



In 2020, the program attracted 1,713 participants. Their 418 proposals covered 22 cities and counties. Participants were quite diversified in nature, including students, startups, social members, and farmers.

Development

Six design-thinking experts and 21 MediaTek managers served as mentors and consultants of the 21 finalists.

- Mentees: 21 teams, 104 members in total
- Duration: 2 months
- Financial support: 50,000 NTD prize and 50,000 NTD R&D subsidy



Mentors and consultants:

- Six design-thinking professors examined the proposals to ascertain if they addressed local needs, then identified necessary changes to make through workshops and guiding process.
- 21 MediaTek managers advised on technical expertise, team management, and efficiency enhancement.



Evaluation

Refined works were evaluated from the four aspects of problem analysis, creativity, professional application, and social influence. The panel of judges included creativity mastermind, Prof. Jing-Jyi Wu; senior pressman, Jung-Hsing Ho; MediaTek Foundation Director of the Board, Andrew Chang; Chief Executive of the Frontier Foundation, Shu-Fang Tsai; National Taiwan University iNSIGHT Center Chief Strategy Officer, Hung-Chi Lai; and senior social worker, Angela Yao.



Awarding



The first 1 million NTD prize was awarded to the Smart Fertilizer Team, made up of cross-generation farmers and technical partners in Chiayi. Accumulating years of development on their own initiative, the team created an AIoT based system that integrated salinity monitoring and irrigation. With the system, the concentration of the fertilizers and timing of irrigation were automatically adjusted based on soil salinity. Customized drainage removed and recycled excess fertilizers and water. Together, the system effectively enhanced the quality of greenhouse crops and facilitated environmental sustainability.

Rollout Support

Only upon rollout can those projects make an influence. MediaTek provides subsidies as an incentive to encourage award-winning teams to persist in their projects. 7 of the past award-winning teams were granted subsidies for sustaining their work in the community.

Farm a Better Fish: fine-tuned its AIoT monitoring system in collaboration with ITRI Southern Region Campus and expanded its application to offshore aquaculture. In 2020, the Cigu-based team began field testing with cage culture farmers in Checheng, Pingtung. The collaboration aimed at increasing the competitiveness of the crops, which are the only exporting offshore aquaculture crops in Taiwan.

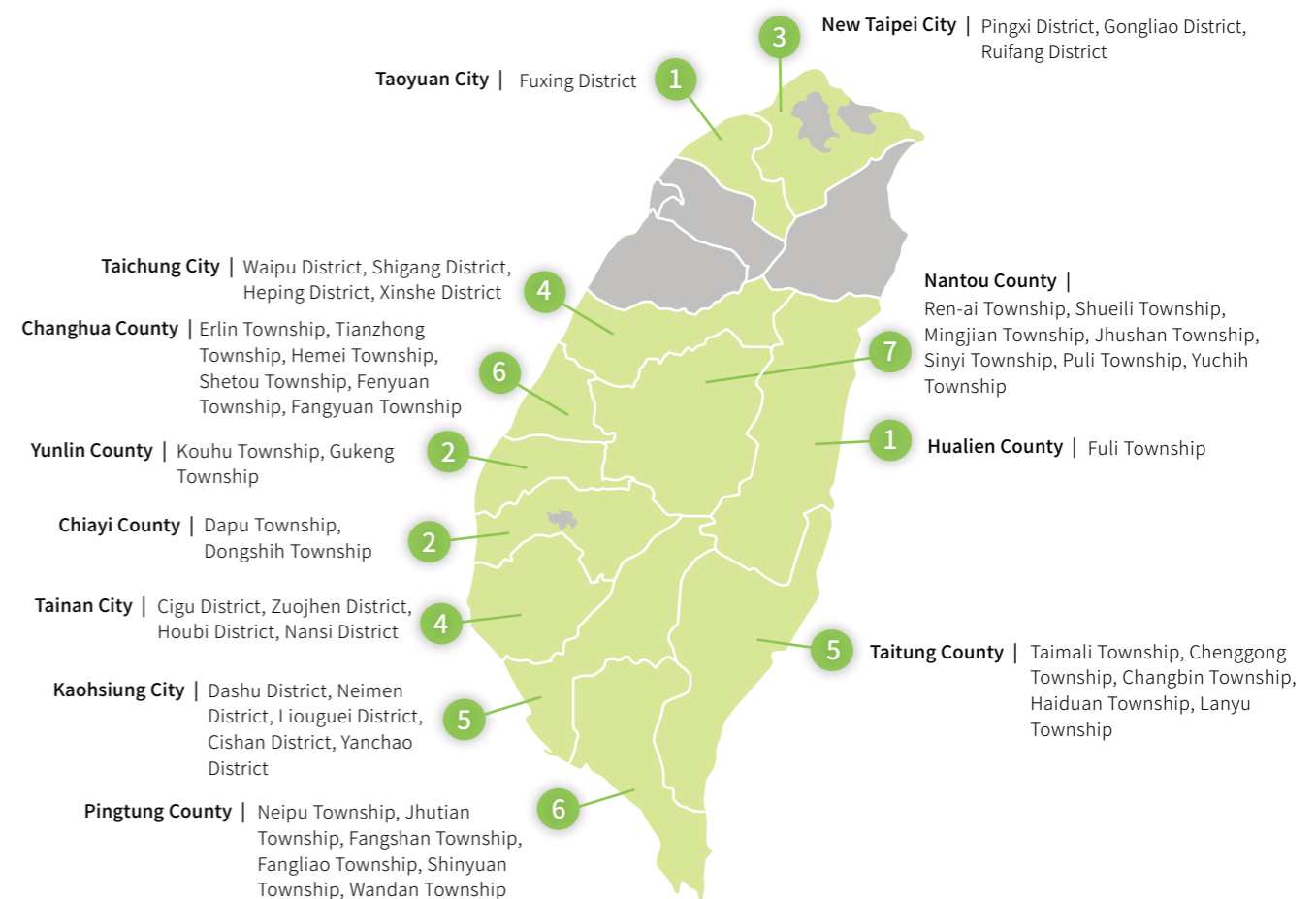


The Good Samaritan: participated in the Smart City Taiwan project and received 10 million NTD subsidy from the Ministry of Economic Affairs after receiving an award at Genius for Home 2019. The team had designed an AIoT system attached to public AEDs that could sound an alarm once activated by the 119 Emergency Command Center to attract passersby to pick up an AED in the vicinity and help someone with a sudden cardiac arrest. In collaboration with a GIS company, the team further developed the system in 2020. With the support of the Education Bureau and Social Affairs Bureau of Taichung City Government, the team completed installation of 98 AED alarms, out of the 100 targeted for the short term.



Overlap with Government's Placemaking Targets

Of the theme areas in 2020 Genius for Home, 46 overlapped with the 134 placemaking targets listed by the National Development Council, including 7 in Nantou County, 6 in Changhua County, and 5 in Pingtung County.





According to a survey on the 21 finalists,

- 86% of the teams found the workshop helpful, for the following reasons:
 - Mentors helped them clarify and pinpoint problems, find blind spots, and rethink and review the structures of their proposals from a different angle / direction;
 - Consultants offered their observations / advice from business and/or technological points of view through meetings and / or workshop discussions with the teams.
- Prize and subsidy for finalists were the most needed resource (100%) that supported the teams on development and field trials, cross-discipline networking was next (71%), and media attention (66%) was third; results will feed in for future reference on resource allocation.
- All teams were satisfied with the overall experience and would be willing to recommend it to others.

Feedback from finalist, The Green Green Grass of Home

Subsidies for finalists enabled us to purchase software and hardware that contributed to the development of functions we needed on our system before the final. We would like to thank MediaTek and all the staff for organizing this campaign. Only when everyone puts in their effort can we make our homeland a better place.

6.1.2 NASA Hackathon: Winning team connected AIoT technology with SDG 15, protecting rare species



To facilitate edge AI application and develop talent, MediaTek sponsored a special award of the 2020 NASA International Space Apps Challenge Hackathon, encouraging participants to utilize NASA data and the latest AI technologies to develop solutions that address challenges for sustainable development. Out of 25 teams with 113 participants, MediaTek ended up giving its "Technology Innovation Award" to 3 teams. The first-prize winner was "Library Master," which endeavored in using AIoT in maintaining biodiversity through protecting rare species.

Using the NeuroPilot AI platform, the team deployed a few-shot learning categorization model to an IoT platform. With this method, the team was able to use minimal training data to create a system where each end device can identify rare animals and notify relevant researchers.



6.2 Accessibility to Science Education and Academic Support

6.2.1 Accessibility to Science Education: Integrating Core Values to Promote Science Education in Taiwan

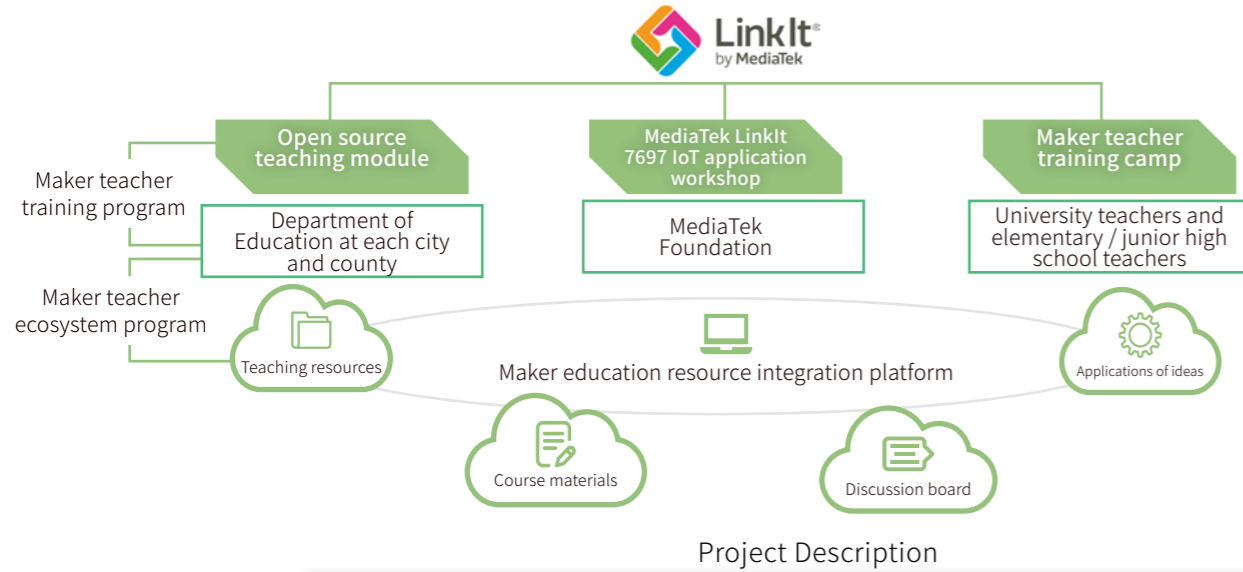
MediaTek has consistently invested resources to facilitate promotion of popular science education in Taiwan. Specifically, we focused on cultivating the abilities of "identifying problems" and "problem-solving abilities." We will continue to cultivate and foster popular science education in Taiwan at three strategic implementation levels: cities, schools, and individual talent. In 2020, the company carried out the following STEM-related projects:



	Project Description	Achievements and Invested Resources
<p>Cities Establishing a pool of instructors for programming education throughout all cities and counties in Taiwan</p>	<p>Programming for Teachers Assist municipal bureaus of education in establishing databases of programming instructors</p> <ul style="list-style-type: none"> • Primary tools: Open source education modules for different age groups with MediaTek LinkIt™ as the cornerstone • Training format: Conducted workshops and instructor training camps that guide teachers to become familiar with programming of simple IoT (Internet of Things) applications • Supplementary resources: Presentation of lesson plan and teaching materials, as well as technology for rear-end application 	<p>In 2020, we completed training programs in New Taipei City (2019-2020) and Hsinchu City, training 116 instructors, engaging about 721 students, and donating 800 toolkits. 13 in-house and external staff members participated in this project, including coordinators of county / city governments and education partners.</p> <p>Since the inception of this program in 2017, 8 cities and counties (Taipei, New Taipei, Nantou, Hualien, Pingtung, Yilan, Kaohsiung, and Hsinchu) participated, training 293 seed teachers and engaging about 2,541 students.</p>



MediaTek LinkIt Maker Resource Integration Platform – Cultivating Talent to Solve Social Problems



Project Description



Schools
Inspiring interest in science among students and address insufficient resources in remote areas over the past 10 years

Practical Science Award Program

For 10 years since 2011, MediaTek has subsidized scientific research projects undertaken by teachers and students, helping students in taking their first step in science.

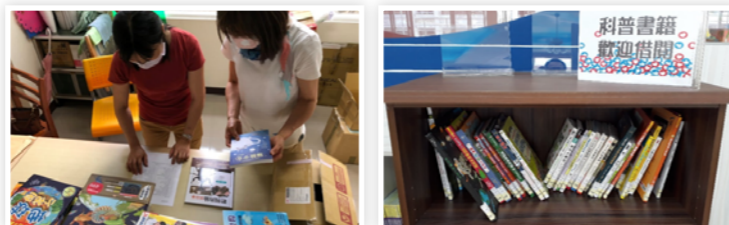
- Provision of resources: Selected books in science and three-stage prizes, including entry subsidy, prizes for winning local exhibitions and prizes for winning the nationals of the National Primary School Science Fair
- Care for remote areas: Retained 40% entry quota for participants from schools in remote areas, aboriginal communities, and the underprivileged; accepted 42.5% of applicants from those areas in 2020
- 10th anniversary documentary: Produced a short film featuring the journeys of two teams all the way to winning the nationals
- Other sponsorship: Sponsored the Everyday Genius Award in the National High School Science Fair, a talk in Taiwan Science Festival, and Young Scientists Development Program of the National Taiwan Science Education Center

Achievements and Invested Resources

- Through long-term support, the program aims to encourage teachers and students to engage in scientific research. Resources are provided in 5 stages, including subsidies, teacher training, science books, and so on. Over the past 10 years, the program has engaged more than 22,000 teachers and students.

Science books to broaden students' horizons:

Donated to each primary school with project(s) on the entry list every year was a collection of 50 hand-picked science books, accumulating to 2,000 books in total. Schools proactively promoted reading and sharing through morning assemblies or book carts. The online activity of one-page book-report sharing received 1,430 posts from 33 primary schools, involving students, teachers, and parents.



- 40% of the vacancies were reserved for students from schools in remote and underprivileged areas to facilitate their access to science and narrow the gap of their resources with urban area students.
- In 2020, 40 projects from 36 schools, involving 77 teachers and 187 students, were selected from 106 entries; 34 of the selected projects were awarded at municipal science fairs and 7 at the National Science Fair.

Changes happened over time

42-student primary school becoming national champion

The program has helped more than 22,000 teachers and students open the door to science. Thanks to teachers' enthusiasm and students' effort, many schools in remote areas have earned our support with exceptional performance. Changhua County Shuei Wei Elementary School, for one, has been in the program since its inception. A school with only 42 students in total, the school utilized our subsidies to equip its labs and worked towards success step by step. In 2020, the students managed to win first place in physics at the National Primary School Science Fair.

When interviewed, a student on the team said, "Science fairs made me brave. I can now talk with strangers."



Changes happened over time

Research motivated by natural surroundings

Keelung Municipal Badou Elementary School is located near the Northeast Coast, with a significant proportion of students from underprivileged or immigrant families. Over the past few years, teachers have led students in studying intertidal ecology, recording their observations along with the weather and sea state day after day.

Moved by their enthusiasm and perseverance, Chairman Ming-Kai Tsai visited those students in 2020, bringing encouraging words and participating in their observation.

The team's concerted effort paid off, winning second place in biology at the National Primary School Science Fair with their research on Tetraclita (a family of sessile barnacles) and Pollicipes pollicipes (goose neck barnacles) in the intertidal zone.

Students in the project felt deeply moved for having been able to work their way up towards winning the nationals; their supervisor expressed his gratitude for the subsidies of the program.



Chairman Ming-Kai Tsai visited Badou Elementary School students on the Northeast Coast.

Feedback

Feedback from supervising teachers reflected that the 5-staged resources provided were utilized properly, especially at schools in remote areas or limited resources.

• **Yanshuei Elementary School, Tainan (with many students from underprivileged families)**

MediaTek Foundation's Practical Science Award Program has given us schools in remote areas courage and support, giving us the wherewithal to explore into the world of science. The first-stage subsidy came just in time. We used it to purchase some of the newer lab equipment like oven, incubator, halogen cooktop, UV lamp, etc.

• **Tong An Elementary School, Changhua (in remote area)**

Backed by the subsidy of the program, we purchased lab equipment and material for our project. Tong An Elementary School has enrolled in the Science Fair competition for 3 years in a row, and we have seen incremental progress. We are really grateful for having been selected into this program. If you visit our library, you will see many of our students reading the new science books received through this program.

Over the past 10 years, the Practical Science Award Program has accompanied 22,000 teachers and students on 230 projects.

Children need opportunities, and teachers look for resources. MediaTek believes change will happen if we offer continuous support.

-Ming-Kai Tsai, Chairman of MediaTek



Project Description



Individuals

Resolving social and environmental issues hands-on

Young Talent Intelligence Technology Camp

MediaTek joined hands with National Taiwan Science Education Center and the Department of Electric Engineering, National Taiwan University, in launching the Young Talent Intelligence Technology Camp, offering, free of charge, 33 top-notch senior-high students and 2 junior-high student, lectures and opportunities for massive practices, which involved theories in electric engineering, programming, AI, for creating intelligent scientific and technological projects, under the guidance of experts and scholars.

MakeNTU

MediaTek Foundation sponsored the MakeNTU makeathon hosted by the Department of Electrical Engineering at National Taiwan University, inviting university engineers to find solutions to pain points in daily life.

Achievements and Invested Resources

Young Talent Intelligence Technology Camp

- Out of the 21 Camp projects in 2020, 19 were submitted to the Taiwan International Science Fair (TISF), 9 entered the final round, and 5 awarded, which accounted for over half of the awarded projects in computer science and information engineering.
- A camp member on one of the 5 awarded projects was selected to represent Taiwan in Regeneron International Science and Engineering Fair 2020.



MakeNTU

- The MediaTek Award was given to two teams who created smart applications for the post-pandemic era.

Although the pandemic broke us apart, with technology, we can enjoy human interaction again and live smartly in the post-pandemic era.

Team "Oh Really" unveiled an "Interactive E-Mask" that shows wearer's facial expressions on LED display. Lending its concept from anthropology and behavioral psychology and designed with AI and IoT technology, this mobile device is a piece of art that intended to shorten the distance between people in a safe way.

Team "Liliway" converted the traditional swinging door common in households and classrooms into a "Teleway Touchless Door," a door that opens and locks automatically to the right person. "Teleway" integrated face recognition and auto door lock/unlock mechanism, addressing concerns of contact infection.

- MakeNTU attracted 152 students from 9 universities. Among them, the 2 sessions of LinkIt workshops MediaTek held attracted 41 participants.



6.2.2 Academic Support: Investments in Industry-University Collaboration and Talent Cultivation in Higher Education

MediaTek has been engaged in collaboration with domestic and international universities since 2002. Leveraging each team's specialty, we have developed cutting-edge technologies and cultivated talent. Over the past 19 years, the company has invested over 1.2 billion NTD in the cause. The collaboration takes various forms, including setup of innovative research center, alliance for specific projects, attendance of various international forums, scientific and technological exchanges, and scholarships for master's students. Up to now, MediaTek has collaborated with 19 universities, both in Taiwan and abroad, including National Taiwan University, National Tsing Hua University, National Chiao Tung University, National Taiwan Normal University, National Cheng Kung University, National Chung Cheng University, National Taiwan Ocean University, National Taiwan University of Science and Technology, Peking University, University of Science and Technology of China, University of Florida, Harvard University, University of Oulu, Oregon State University, University of Mississippi, Massachusetts Institute of Technology (MIT), University of Twente, University of Southern California, UT Austin.

Innovative R&D center

Jointly established on-campus research centers to co-operate with the extensive R&D capabilities of academia for the development of more creative ideas



Support for Employment of Talent from Overseas

Encouraged elite Taiwanese nationals to return to work in Taiwan, and where available we recruited top professors and overseas talent if their skills matched our needs

Support for Graduate and Doctoral Students at Home and Abroad

Provided scholarships for the most talented local graduates and doctoral students in the fields of electronic engineering and information technology; cultivated future talent for domestic technology research and education; enhanced local competitive advantage in basic research for electronic technologies

Hi-Tech Exchange Events

Supported and proactively participated in hi-tech exchange events at home and abroad to promote industry advancement



Academia-Industry Consortiums

Formed industry-university consortiums with schools, in line with the Ministry of Science and Technology policy that "the academia should work on problems posed by the industry"



Academic Research Institutions

Joined academic research institutions

Research Centers

Project

"MediaTek-NTU Research Center", "MediaTek-NCTU Research Center", and "MediaTek-NTHU Research Center" were established at the end of 2013, integrating the deep research and development capabilities of NTU, NTHU, and NCTU in order to incubate innovative ideas. MediaTek funded to research proposals submitted by professors.

Achievements

These 3 research centers implemented 26 projects, applied for 3 patents, published 48 papers, and 25 out of the 39 graduates who worked on these projects were recruited by MediaTek.



Sharing the progress of the year at National Tsing Hua University on December 12, 2020

Academia-Industry Consortiums

Project

Technology policy that "the academia should work on problems posed by the industry", MediaTek completed in 2019 two projects in which it invested over 200 million NTD, "Study on Key Technologies for Next-Generation Mobile Communication Terminals" with National Taiwan University (NTU) and "Three-Dimensional Online Communication Technology and Its Application in Smart Campus" with National Chiao Tung University (NCTU). In collaboration with NCTU, MediaTek proposed a new project, "ACE Technology for Future Society (2025-2035)."

Achievements

"ACE Technology for Future Society (2025-2035)" is scheduled to be started in 2021.

Participated in Academic Research Institutions

Project

In addition to collaboration with universities, MediaTek also take part in various technology research bodies, to keep up with the latest international trend.

Achievements

In 2020, MediaTek took part in projects of various academic research bodies, including MIT Computer Science & Artificial Intelligence Lab (CSAIL), MIT Center for Integrated Circuits and Systems (CICS), the Khronos Group, Taiwan Semiconductor Industry Association, Taiwan IC Industry & Academia Research Alliance (TIARA), Taiwan Electromagnetic Industry-Academic Consortium (TEMIAC), and NTU System-on-Chip Center.

Supported the Employment of Talented Professors from Overseas

Project

In hopes of enhancing innovative capabilities to drive industry advancement, MediaTek and NCTU jointly announced the "MediaTek Junior Chair Professor" grant program, with 7.2 million NTD to be released over four years (2017-2020) to attract excellent academic talent. MediaTek encourages elite Taiwanese nationals to return to work in Taiwan, and proactively recruits top teachers and key talents from overseas to match skills where required. Supported faculty include new faculty members appointed by NCTU in the electrical engineering and electronics and information engineering fields.

Achievements

Five young professors have returned to Taiwan, including Assistant Professors Y.C. Kuan and Tian-Li Wu of the NCTU International College of Semiconductor Technology; Assistant Professor Hsueh-Cheng "Nick" Wang of the College of Electrical and Computer Engineering (ECE); Assistant Professor Chi-Yu Li of the College of Computer Science; and Assistant Professor Yung-Ju Chang of the College of Computer Science. Their areas of expertise include robotics, 4G/5G communications, UX/UI design, and innovative semiconductor technology.

Support for more than 500 Domestic and International Graduate and Doctoral Students

Project

MediaTek actively promotes the development of technological knowledge and education. The "MediaTek Taiwan Ph.D. Scholarship" was founded in 2002, and the "Innovative Research Center Scholarship" was launched in 2014. These initiatives aim to incentivize outstanding graduate students in the electrical engineering and information fields, helping these students to complete their doctoral degrees in Taiwan, and foster future talent in technological research and education to enhance our nation's competitive advantage in the future. Doctoral students sponsored by the scholarship receive NT\$ 35,000 per month for a maximum of 48 months.

Achievements

Between 2002 and 2020, we have supported 71 doctoral students, including 63 domestic students and 8 students from ASEAN and India. In 2020, we had 5 scholarship recipients, some of whom started receiving the multiannual scholarship as early as 2015. In addition, we granted 1 MIT doctoral student and 7 IIT exchange doctoral students at National Chiao Tung University in 2020.

Comprehensive Support for High-Tech Events

Project

MediaTek supported and / or proactively participated in high-tech conferences and activities at home and abroad to promote industry advancement.

9. 2020 VLSI-CAD Forum
10. 2020 TSIA Assembly (sponsorship)
11. Taiwan Artificial Intelligence Academy Foundation
12. 2020 NTU GIEE EDA Summer Camp
13. 2020 MOEA IDB AI-Go Plan

Achievements

Actively participated in or sponsored high-tech conferences and activities, including

1. 2020 IEEE GLOBECOM (sponsorship)
2. IC Contest 2020 (sponsorship)
3. ICPAI 2020 and TAAI 2020 (sponsorship)
4. ECCV 2020 (sponsorship)
5. CVPR 2020 (workshop sponsorship)
6. NTIRE 2020 and CLIC 2020 (sponsorship)
7. 2020 Mobileheroes (5G Antenna Design Contest sponsorship)
8. 2020 VLSI-DAT Forum



2020 NTU GIEE EDA Summer Camp



2020 MOEA IDB AI-Go Plan



6.3 Welfare and Social Engagement



MediaTek has long been committed to addressing social needs, and we are proactive in social engagements and social welfare support programs. Below are several long-term projects that continued through 2020:



Volunteer Club

Reading and Writing Project, Care for Stray Animals event series



Social Engagement

Greater Chao Nan Cultivation Plan, Christmas Wishes, Voice of IC broadcast program sponsorship, Hsinchu Children's Discovery Center

6.3.1 Volunteer Club

MediaTek encourages employees to engage in social affairs and to give back to the society. Many employees have dedicated themselves to volunteer activities, helping underprivileged groups. Subsequently founded in 2012, the volunteer club aimed to facilitate social engagement through systematic management. Since 2015, an annual eight-hour volunteer leave has been available for employees in Taiwan, encouraging them to engage in public services and fulfill their responsibilities as a member of the society.

In 2020, our Volunteer Club managed a number of projects, including "Reading and Writing Project" and Care for Stray Animals event series. Character Education was suspended because of the pandemic.

Reading and Writing Project

Since 2018, the Reading and Writing Project has helped many elementary-school students in Hsinchu and Miaoli develop reading habits and improve writing skills, using self-developed teaching material and a lively, interactive teaching style. 52 volunteers participated, spending 882 hours in total, and engaging 280 students from Gau Feng Elementary School and Shui Yuan Elementary School in Hsinchu, Shi-Hsing Elementary School and Ma-Yuan Elementary School in Chupei, and Baoshan Elementary School, its Shanhu Branch, and Shuangsi Elementary School in Baoshan. Students learned how to observe, generate ideas, and write; their works were gathered into a collection and published.



Care for Stray Animals event series

1. The Club held a one-day volunteer event at the animal shelter in Nan-Liao, where 12 Club members and 37 other employees participated. Accumulated hours of volunteering was 76.
2. The Club held a charity sale at MediaTek, donating its proceeds to the Love Dog and Cat Association, Taipei Stray Cats Protection Association, Taiwan Animal Protection Association, etc. 10 volunteers hosted the event, volunteering for 56 hours.
3. Collaborating with the Balloon Club, another charity sale was held, where proceeds were donated to the Wang Wang Stray Animal Association. 38 volunteers worked on this event for a total of 190 hours.

6.3.2 Social Welfare Activities

MediaTek seeks to achieve social consensus through long-term participation in social welfare activities, including the following activities:

For more than ten years, MediaTek has invested almost 130 million NTD in the Pingtung area, seeking to preserve local culture through initiating investment in education. In 2020, a total of 6,698 people benefited from this project.

MediaTek supported the transition of the World Expo Taiwan Pavilion into the Hsinchu Children's Discovery Center for the promotion of popular science education.

Greater Chao Nan Cultivation Plan

Hsinchu Children's Discovery Center

Christmas Wishes

Exclusive Sponsorship of the Voice of IC

We collaborated with social welfare organizations nearby and invited employees to donate Christmas gifts. Christmas wishes of 1,000 people were successfully granted in 2020.

Our long-term, exclusive sponsorship of radio broadcasts help to convey exemplary historical models, principled decisions, and modern reflections to all listeners, enabling them to develop the ability to think independently and subsequently increase their involvement in social welfare issues.

Greater Chao Nan Cultivation Plan

Kicking off its second 4-year cycle in 2020 with 63 events, engaging 6,698 people

Mr. Ming-Kai Tsai, Chairman of MediaTek, cares particularly for the education and environment of children in his hometown of Pingtung. Over the past decade, MediaTek Foundation has donated close to 130 million NTD to the Pingtung area, improving education and providing support for disadvantaged groups. The MediaTek Foundation has partnered with Lovely Taiwan Foundation on the "Greater Chao Nan Cultivation Plan" that aims to preserve local culture in education through the introduction of resources for arts and humanities and popular science education. The Greater Chao Nan Cultivation Plan is a four-year scheme that has gradually launched initiatives including "Chao Academy", "Agriculture@ChaoNan", "Blue Sky Classroom", and "Slow-Touring the Greater Chao Nan Region." A new 4-year cycle was kicked off in 2020.



The Plan extended its reach to junior high in 2019, offering vocational agriculture courses at Nanjhou Junior High School. In 2020, Dr. Hui-Lan Wang from the Department of Education at Pingtung University was hired as consultant, in the hopes of modularizing the established courses and offering it elsewhere.



Backed by "Agriculture@ChaoNan," students of Silin Elementary School in ChouZhou Township, Pingtung County, began planting banana on school grounds. Students sent their harvest to MediaTek with a handwritten thank-you card.



Christmas Wishes

MediaTek works with social welfare organizations at the end of every year to organize a collection of Christmas wishes. Children and adults under the care of these social welfare groups are invited to write down their Christmas wishes, which are then undertaken by MediaTek employees who strive to achieve them, thus helping all those in need to have a warm and merry Christmas. 1,000 X'mas wishes were fulfilled under the program in 2020. The presents were sent to Syin-Lu Social Welfare Foundation. There, MediaTek Pop Music Club sang and played Christmas carols for the children, and other volunteers joined and played parachute with them, having fun together and bringing home fond memories.



Exclusive Sponsorship of the IC Radio (FM 97.5)

MediaTek has exclusive, long-term sponsorships of the radio programs, "Wisdom in Daily Happenings," hosted by former National Tsing Hua University President Chung-Laung Liu, and "Conversations with History," hosted by the renowned scholar Tsann-Liang Liu. It is hoped that the incisive and in-depth analysis of historical personages and events provided by these programs will convey exemplary historical models, principled decisions, and modern reflections to listeners among communities and all corners of society.

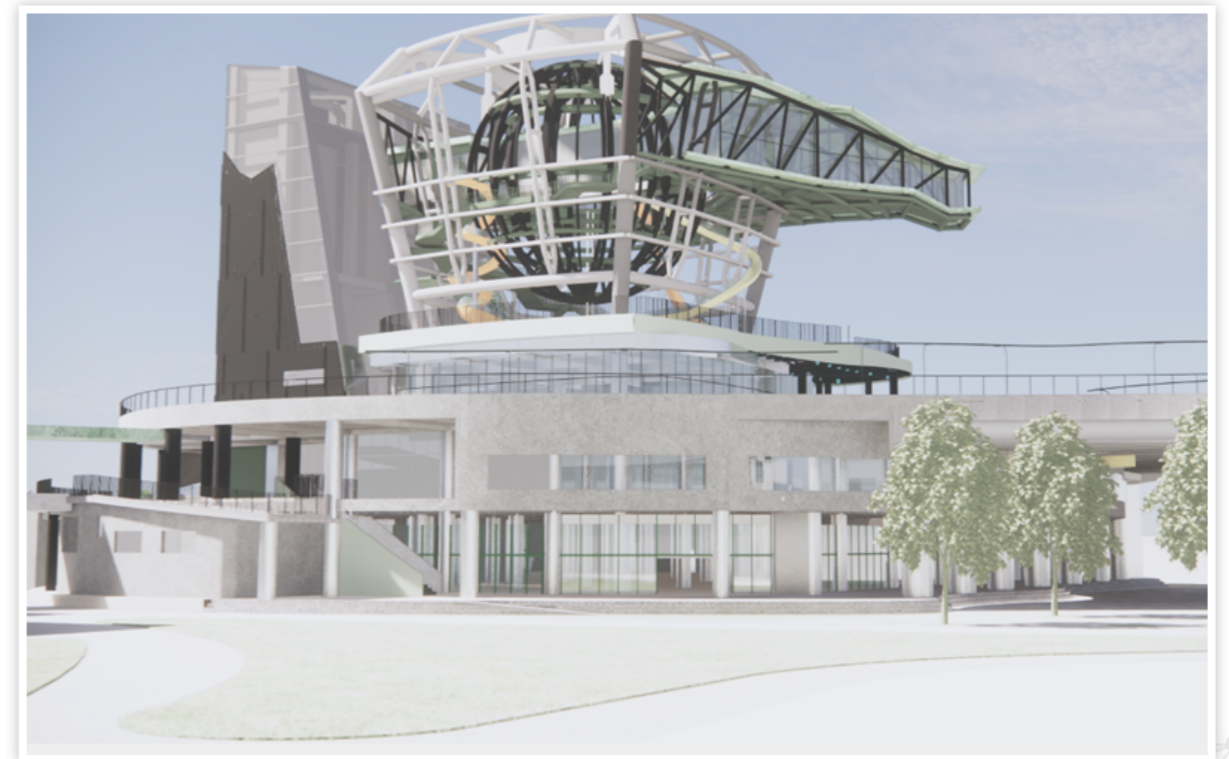
30 episodes of "Conversations with History" has been produced and broadcasted. Apart from being broadcasted on radio, the contents were carried in 4 IC Radio newsletters (25,000 subscribers) and 14 Facebook posts (72,932 views). On the IC Radio website, this program had 33,000 hits, the highest among arts and humanities programs.

On the other hand, there were a total of 157 "Wisdom in Daily Happenings" episodes. This program was also carried in 3 IC Radio newsletters (25,000 subscribers) and 5 Facebook posts (15,152 views and 985 interactions). On the AOD list, this program was among the top 10; it was also second place among personal growth programs with 5,808 hits.

Hsinchu Children's Discovery Center

Inspiring interests in science and supporting children on their discovery

On the occasion of its 20th anniversary, MediaTek donated 50 million NTD to sponsor the conversion of the Taiwan Pavilion Expo in the World's Fair into Hsinchu Children's Discovery Center, with the aim of promoting science and interactive learning. After its groundbreaking in April 2020, the interactive facilities is scheduled for inauguration in summer, 2021, serving as a ground for popular science. The Discovery Center will be operated by the Cultural Affairs Bureau, Hsinchu City, with participation by MediaTek employees.



About this Report

Thank you for taking time to read the 2020 Corporate Social Responsibility Report (CSR Report) of MediaTek Inc. This Report is a transparent and comprehensive presentation of MediaTek's performance in the three ESG (Environmental, Social, and Governance) domains that aims to help our stakeholders understand our principles and actions regarding sustainability. We provide responses to our stakeholders' expectations and needs within this Report and strive to exceed their expectations by reviewing and enhancing our practice.

Reporting Standards

This Report has been prepared in accordance with the GRI Sustainability Reporting Standards (GRI standards): Core option. It provides comprehensive disclosure on economic, environmental, and social issues of concern to our stakeholders, showcasing MediaTek's performance and determination in sustainable development.

Scope of this Report

The disclosure period of this Report is January 1, 2020 to December 31, 2020. Our previous CSR Report was published in September, 2020, and all reports are published annually on www.mediatek.com as part of our continuing mission to realize sustainable corporate development. Information disclosed in this Report is focused on our headquarters located in the Hsinchu Science Park of Taiwan, though some information may cover MediaTek branch offices around the world. Information disclosures that involve other regions are noted within this Report. We plan to gradually include important information regarding our affiliated companies and subsidiaries so as to display our sustainable influence on our value chain.

Reporting Guidelines

MediaTek compiled and conducted material analysis on important international economic, environmental, and social issues to better understand issues of concern among our stakeholders; this serves as the main information disclosures for this Report. We adhere to the three Universal Standards and six reporting quality principles of the GRI Standards, while also conforming to the Inclusivity, Materiality, and Responsiveness principles of the AA1000 AccountAbility Principles Standard (APS). In this report, we also began cross-referencing the Sustainability Accounting Standards Board (SASB) accounting metrics for the semiconductor industry in some of the aspects, and we plan to further develop the reporting where appropriate.

Data Collection

Relevant information in this Report was provided by corresponding business and functional units in MediaTek, reviewed for accuracy and comprehensiveness by department managers, and compiled, edited, and reviewed by the CSR Committee. The Board and executives of the CSR Committee reviewed and confirmed MediaTek's strategic initiatives and management approaches for sustainable development.

Data in our financial reports were taken from publicly disclosed information certified by Ernst & Young, and the unit of calculations used was New Taiwan Dollars (NTD). Calculations and units for environmental data was sourced from publicly available governmental information. Social data encompasses the MediaTek Foundation, and a note is made for all other quantitative data of significance.

Third-Party Assurance

Verification of this Report was entrusted to the BSI (British Standards Institution) Taiwan Branch and Type 1 moderate-level assurance was conducted according to the AA1000 Assurance Standard v3, confirming adherence to the GRI Core option. Relevant results were fully communicated to responsible business and functional units subsequent to the completion of assurance. Please refer to the Independent Assurance Declaration in the appendix of this Report for more information.

MediaTek Inc.

Founding date May 28, 1997
Public listing TWSE stock code 2454
Capital 15,902,506,080 NTD
Main areas of business Smart home, wireless communications, IoT, advanced automotive, ASIC, smart TV, mobile devices

Contact information
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 Phone number: 886-3-5670766 #27518
 Email: csr@mediatek.com



MediaTek CSR website <https://www.mediatek.tw/corporate-social-responsibility#>

GRI Standards Index

GRI Standards	Disclosure	Chapter	Page	
Universal Standards				
Organizational Profile				
102-1	Name of the organization	About this Report	74	
102-2	Activities, brands, products, and services	1 Global Presence	13	
102-3	Location of headquarters	About this Report	74	
102-4	Location of operation	1 Global Presence 1.2 Global Operations	13 17	
102-5	Ownership and legal form	About this Report	74	
102-6	Markets served	1 Global Presence	13	
102-7	Scale of the organization	1 Global Presence 3 Talent 4 Corporate Governance About this Report	13 29 47 74	
102-8	Information on employees and other workers	3 Talent 3.1 Talent Strategy	29 29	
102-9	Supply chain	5 Environmental Management 5.1 Supply Chain Management	54 55	
GRI 102: General Disclosure 2016	102-10	Significant changes to the organization and its supply chain	No changes	
	102-11	Precautionary Principle or approach	4 Corporate Governance 4.5 Risk Management	47 50
	102-12	External initiatives	2 Innovation 2.2 Innovation in Practice 5 Environmental Management 5.1 Supply Chain Management	23 24 54 55
	102-13	Membership of associations	2 Innovation 2.2 Innovation in Practice	23 24
Strategy				
	102-14	Statement from senior decision-maker	Words from Our Chairman	01
	102-15	Key impacts, risks, and opportunities	4 Corporate Governance 4.5 Risk Management	47 50
Ethics and Integrity				
	102-16	Values, principles, standards, and norms of behavior	4 Corporate Governance 4.3 Integrity and Legal Compliance	47 49

GRI Standards	Disclosure	Chapter	Page	
Universal Standards				
Governance				
GRI 102: General Disclosure 2016	102-18 Governance structure	4 Corporate Governance	47	
		4.1 Governance Structure	48	
	102-20 Executive-level responsibility for economic, environmental, and social topics	4 Corporate Governance	47	
		4.1 Governance Structure	48	
	102-32 Highest governance body's role in sustainability reporting	4 Corporate Governance	47	
		4.1 Governance Structure	48	
	102-33 Communicating critical concerns	4 Corporate Governance	47	
		4.1 Governance Structure	48	
	Stakeholder Engagement			
	102-40 List of stakeholder groups	Stakeholder Engagement		07
	102-41 Collective bargaining agreements	No union or collective bargaining agreements, but periodic communication via labor meetings and multiple other communication channels were offered instead.		
	102-42 Identifying and selecting stakeholders	Stakeholder Engagement		07
102-43 Approach to stakeholder engagement	Stakeholder Engagement		07	
102-44 Key topics and concerns raised	Stakeholder Engagement		07	
Reporting Practice				
102-45 Entities included in the consolidated financial statements	Refer to Annual Report		Link	
102-46 Defining report content and topic Boundaries	About this Report Table 2: Material Issues and MediaTek's Value Chain		12	
102-47 List of material topics	Stakeholder Engagement		11	
102-48 Restatements of information	No restatements of information.			
102-49 Changes in reporting	The material issues and their boundaries stay the same as the 2019 CSR Report, except for a light wording change in "Corporate Governance and Compliance"			
102-50 Reporting period	About this Report		74	
102-51 Date of most recent report	About this Report		74	
102-52 Reporting cycle	About this Report		74	
102-53 Contact point for questions regarding the report	About this Report		74	
102-54 Claims of reporting in accordance with the GRI Standards	About this Report		74	
102-55 GRI content index	GRI Standards Index		74	
102-56 External assurance	About this Report		74	

GRI Standards	Disclosure	Chapter	Page
Material Issues			
Economic Performance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1 Global Presence 1.4 Financial Performance	13 22
	103-2 The management approach and its components	1 Global Presence 1.4 Financial Performance	13 22
	103-3 Evaluation of the management approach	1 Global Presence 1.4 Financial Performance	13 22
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	1 Global Presence 1.4 Financial Performance 6 Community Engagement	47 53 65
	201-3 Defined benefit plan obligations and other retirement plans	3 Talent 3.4 Employee Experience	29 39
	201-4 Financial assistance received from government	2020 financial assistances received from government are investment subsidies and rental tax exemption. For more information, please refer to the Annual Report (p.F-93) .	Link
Corporate Governance and Compliance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	4 Corporate Governance	47
	103-2 The management approach and its components	4 Corporate Governance	47
	103-3 Evaluation of the management approach	4 Corporate Governance	47
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	No significant fines or penalties (i.e., to the amount of 1 million NTD) were imposed for violating environmental laws or regulation in 2020.	47
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with environmental laws and regulations	No significant fines or penalties (i.e., to the amount of 1 million NTD) were imposed for violating socioeconomic laws or regulation. The only fine MediaTek received in 2020 was 476,000 NTD by the Department of Labor Affairs, Hsinchu City Government for violating Article 38, People with Disabilities Rights Protection Act, failing to enroll 20 physically / mentally challenged employees in labor insurance by January 2, immediately after their start date on January 1. The company has reviewed the case and made improvement to prevent recurrence of the breach.	
Brand Identity and Market Perception			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1 Global Presence 1.1 Brand Vision	13 13
	103-2 The management approach and its components	1 Global Presence 1.1 Brand Vision	13 13
	103-3 Evaluation of the management approach	1 Global Presence 1.1 Brand Vision	13 13

GRI Standards	Disclosure	Chapter	Page
Material Issues			
Customer Relationship Management			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1 Global Presence 1.3 Customer Services	13 21
	103-2 The management approach and its components	1 Global Presence 1.3 Customer Services	13 21
	103-3 Evaluation of the management approach	1 Global Presence 1.3 Customer Services	13 21
Innovation			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	2 Innovation	23
	103-2 The management approach and its components	2 Innovation	23
	103-3 Evaluation of the management approach	2 Innovation	23
Talent Attraction and Retention			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	3 Talent 3.2 Best Employer	29 30
	103-2 The management approach and its components	3 Talent 3.2 Best Employer	29 30
	103-3 Evaluation of the management approach	3 Talent 3.2 Best Employer	29 30
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	3 Talent 3.2 Best Employer	29 30
	401-3 Parental leave	3 Talent 3.2 Best Employer	29 39
Multi-Channel Communication			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	3 Talent 3.4 Employee Experience	29 39
	103-2 The management approach and its components	3 Talent 3.4 Employee Experience	29 39
	103-3 Evaluation of the management approach	3 Talent 3.4 Employee Experience	29 39
Supply Chain Management			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	5 Environmental Management 5.1 Supply Chain Management	54 55
	103-2 The management approach and its components	5 Environmental Management 5.1 Supply Chain Management	54 55
	103-3 Evaluation of the management approach	5 Environmental Management 5.1 Supply Chain Management	54 55

GRI Standards	Disclosure	Chapter	Page
Material Issues			
Supply Chain Management			
GRI 308: Supplier Environment Assessment 2016	308-1 New suppliers that were screened using environmental criteria	No new suppliers 5 Environmental Management 5.1 Supply Chain Management	54 55
	GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	No new suppliers 5 Environmental Management 5.1 Supply Chain Management
Employee Development			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	3 Talent 3.3 Employee Development	29 34
	103-2 The management approach and its components	3 Talent 3.3 Employee Development	29 34
	103-3 Evaluation of the management approach	3 Talent 3.3 Employee Development	29 34
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	3 Talent 3.3 Employee Development	29 34
Social Welfare Activities			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	6 Community Engagement	65
	103-2 The management approach and its components	6 Community Engagement	65
	103-3 Evaluation of the management approach	6 Community Engagement	65
Risk Management			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	4 Corporate Governance 4.5 Risk Management	47 50
	103-2 The management approach and its components	4 Corporate Governance 4.5 Risk Management	47 50
	103-3 Evaluation of the management approach	4 Corporate Governance 4.5 Risk Management	47 50
Other Issues			
GRI 204: Procurement Practice 2016	204-1 Proportion of spending on local suppliers	5 Environmental Management 5.1 Supply Chain Management	54 60
GRI 302: Energy 2016	302-1 Energy consumption within the organization	5 Environmental Management 5.3 Facility Management	54 60

GRI Standards	Disclosure	Chapter	Page
Material Issues			
Other Issues			
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	5 Environmental Management	54
		5.3 Facility Management	60
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	5 Environmental Management	54
		5.3 Facility Management	60
	305-2 Energy indirect (Scope 2) GHG emissions	5 Environmental Management	54
		5.3 Facility Management	60
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	5 Environmental Management	54
		5.3 Facility Management	60



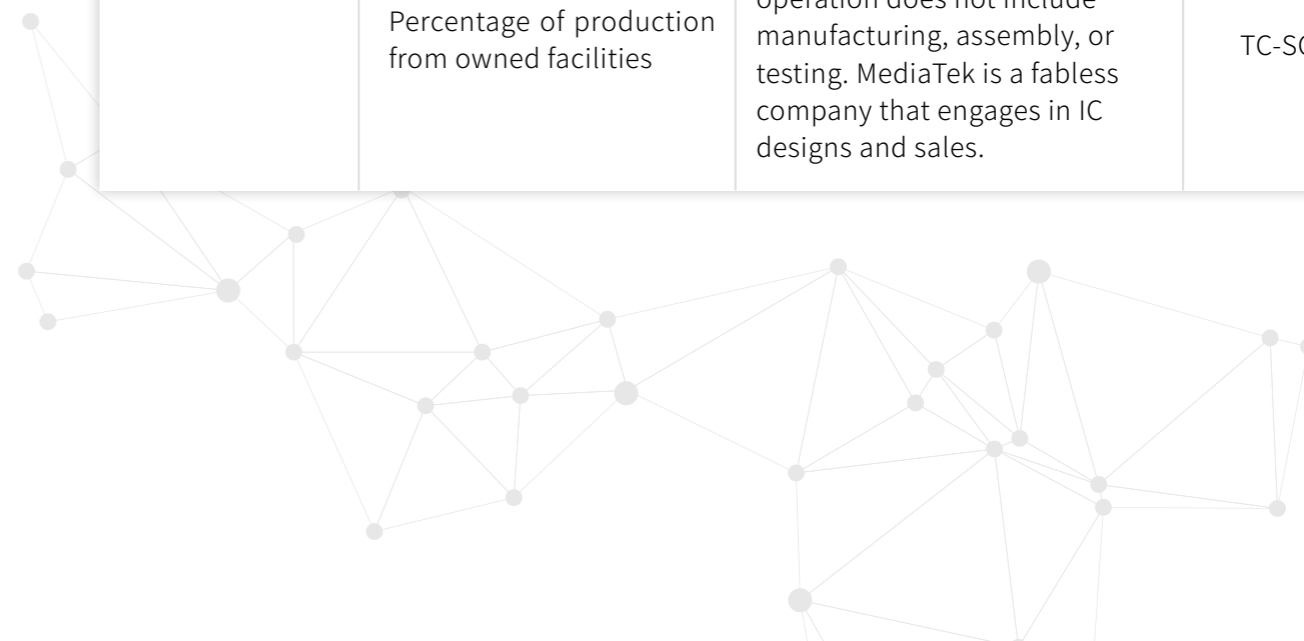
SASB Index

Table 1. Sustainability Disclosure Topics & Accounting Metrics

Topic	Code	Accounting Metric	Response / Comments
Greenhouse Gas Emissions	TC-SC-110a.1	1. Gross global Scope 1 emissions and 2. amount of total emissions from perfluorinated compounds	1. Refer to 5.3.2 Resource Management 2. MediaTek's figure for the indicator is zero, since its operation does not include manufacturing, assembly, or testing. MediaTek is a fabless company that engages in IC designs and sales.
Waste Management	TC-SC-150a.1	Amount of hazardous waste from manufacturing, percentage recycled	Hazardous waste disclosed in the report does not derive from manufacturing, as MediaTek does not engage in production.

Table 2. Activity Metrics

Topic	Activity Metric	Response / Comments	Code
Activity Metrics	Total production	Refer to Annual Report (p.70)	TC-SC-000.A
	Percentage of production from owned facilities	MediaTek's figure for the indicator is zero, since its operation does not include manufacturing, assembly, or testing. MediaTek is a fabless company that engages in IC designs and sales.	TC-SC-000.B



Independent Third Party Assurance Statement



INDEPENDENT ASSURANCE OPINION STATEMENT

MediaTek Inc. 2020 Corporate Social Responsibility Report

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

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

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

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

Scope

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

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

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

Opinion Statement

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

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

Methodology

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

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

Conclusions

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

Inclusivity

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

Materiality

MediaTek publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of MediaTek and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the MediaTek's management and performance. In our professional opinion the report covers the MediaTek's material issues.

Responsiveness

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

Impact

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

GRI Sustainability Reporting Standards (GRI Standards)

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

Assurance level

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

Responsibility

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

Competency and Independence

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

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan



Statement No: SRA-TW-2020078
2021-06-19

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