



Environmental Protection

CSR2019

CORPORATE SOCIAL RESPONSIBILITY



Smart City



Insights Into the Future

D-Link[®]

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About this Report

Aligning with International CSR Standards



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About this Report

This report is compiled in accordance with GRI and AA1000 Standards.

D-Link attaches great importance to transparency in the disclosure of information related to non-financial performance, and enhances enterprise value through the combination of financial statements and non-financial information.

Reporting Period

The reporting period of 2019 CSR Report is from January 1 to December 31, 2019. There were no significant changes in our company's organizational size, structure, ownership, or supply chain during the reporting period.

Date of the Last Released Report

The 2018 CSR report was released in June 2019.

Reporting Cycle

The CSR report is released once a year.

Scope and Boundary of this Report

The economic information and data sources in this report are based on the company's consolidated financial statements published in the 2019 annual report. The consolidated revenue data covers the D-Link group's overall operating revenue. The disclosure of environmental and social categories is confined to the operational headquarters in Taipei.

Compilation Guidelines

This report is compiled based on the GRI Sustainability Reporting Standards(GRI Standards), the new version of standards. This report is compiled in accordance with core options.

Verification Criteria and Results

This report has been compiled through internal senior management meetings with a reference to external sources to improve its reliability. We have adopted Type 1 and High Assurance of AA1000 Assurance Standard 2019 established by Accountability, a global non-profit organization, as our assurance standard to perform the simulated assurance of information disclosed in the report. In the future, we plan to invite a third-party certification body for external assurance of the report.

External Measures of the Report

All financial data are from the consolidated financial reports that were audited and certified by KPMG Taiwan according to the International Financial Reporting Standards (IFRS). Moreover, the international certification for the ISO 45001 Health and Safety Management System has been successfully obtained, and the ISO 9001 Quality Management System, OHSAS 18001 Occupational Safety & Health Management System, ISO 14001 Environmental Management System, and ISO 14064-1 Greenhouse Gas Inventory Standards have been verified by third-party certification bodies. The third-party certification bodies who work with us include TUV Rheinland Germany, SGS Taiwan, and AFNOR Group.

Contact Information

If you have any comments about this report, please feel free to contact us via the following ways. For ease of reference, this report will also be published on our website.

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Message from the Chairman

Polishing Taiwanese Brands through Sustainability



/ 02

Message from the Chairman

Accelerating the Resolution of Global Issues through the World's Best Network Communication Technologies and Professional Knowledge for the Benefit of Mankind, Society and the Earth

Every year I reinforce my determination to not just grow D-Link as a world leader in network communication equipment, but to do so sustainably. It is no small task, but D-Link is uniquely positioned, with our world class network solutions and collective professional knowledge, to really make a difference. But these differences must be for the better, and with the goal of doing good by the Earth and all its inhabitants. Since last year's report, we have continued to strive to do just that.

Contributions to Nature

As the world's population becomes increasingly urbanized, nature finds itself increasingly under threat. Urbanization is a fact of life, but how we go about it is up to us. However, as I see it, through great innovation in communication technology, we are presented with the opportunity to cultivate a more harmonious relationship with the planet we live on. Our technology can mitigate the damage of pollution and effectively reduce it by facilitating greater controls for civic administrators and allow them to make data-driven decisions. In turn these can reduce pollution and keep air quality at healthy levels.

Contributions to Society

All of us at D-Link understand that cities are becoming increasingly dense and that there is a need for digitalization to enable smarter, safer, more efficient cities. That is why D-Link is offering new technologies and solutions in network connectivity, edge computing, cloud computing, intelligent video analytics, and big data

analytics to help cities tackle pressing issues such as urban gridlock and public safety. Our goal is to be a key enabler in progressing society into a healthier, safer place for all.

Contributions to Families

As the internet and connectivity increasingly permeates every aspect of our lives, so do the potential tangents of intrusion into our personal privacy. We're dedicated to making a host of devices that improve homelife by making process more efficient so that you can enjoy more together time, as well as creating a sense of security. However, along with the exponential growth of the Internet of Things (IoT), though the real world becomes safer, the online world is left exposed, creating threats to our personal and our family's privacy. D-Link actively spends time researching methods to provide you with not just a safer offline world, but online too. The result is not just a smart home, but a safe smart home.

Contributions to The Economy and Business

Reliable connectivity is an essential part of doing business, no matter what industry. Every year I reaffirm the company's idea that business can and must be ethical. Reliable connectivity means better business, and with better business comes a better economy, this in turn can improve life quality for all. But doing that ethically is how we set ourselves apart. The products launched by D-Link every year also help our global customers reduce their carbon footprint. From data centers to power usage in network environments, D-Link is committed to creating a low-energy consuming operating environment for global customers, with a view to helping enterprises around the world reduce energy needs for IT.

On top of that we continue to renew our commitment to the environment by using greener materials and championing the Circular

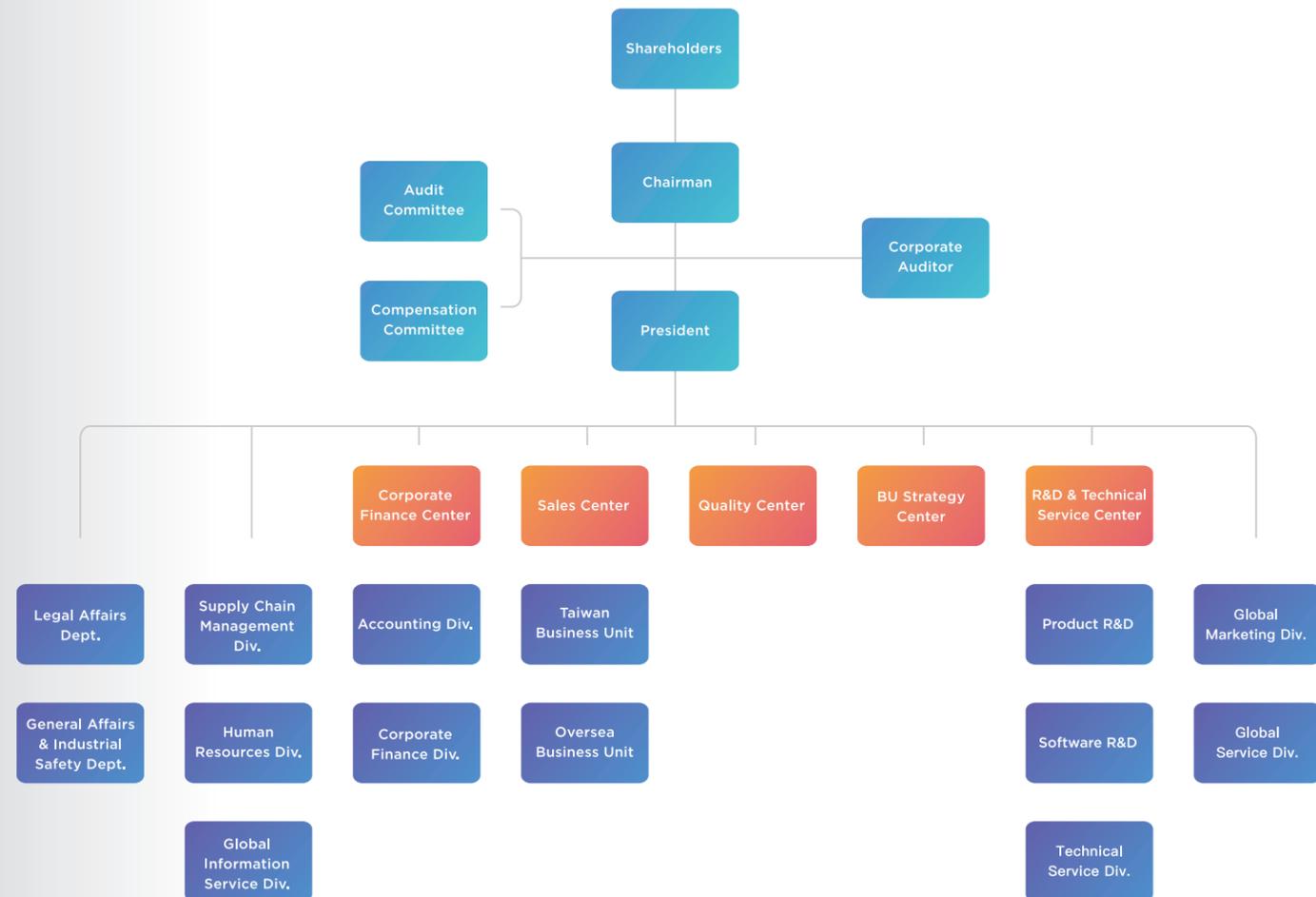
Economy: keeping resources in use for as long as possible and only replacing when necessary.

As one of the 7.5 billion stakeholders in this planet and in creating a brighter future for it, I hope to use my unique position as Chairwoman of D-Link as a force for good, not just into 2020, but in the many years to come.



Lori Hu

Lori Hu
D-Link Chairman



D-Link - Company Profile

Communication Anytime, Anywhere

- We stormed the Mobile World Congress (MWC) by launching six brand new services which enable you to always be connected to the world.
- We participated in the Consumer Electronics Show (CES), fully exhibiting secure connection anytime, anywhere.
- A wide variety of our new products have swept the board at local and overseas awards and gained high recognition from the international media.

D-Link

03

Communication Anytime, Anywhere

While chatting and live broadcasting on social media, using Facebook, and playing online games, mobile phones transmit megabytes of data per second to data centers million miles away over the sky, and various data are transmitted back to mobile phones through fiber networks and eventually via the Internet. With swiping mobile phones becoming a trend in contemporary life, D-Link's network communication products enable you to communicate anytime, anywhere.

Founded in 1986, D-Link Technology Co., Ltd. has specialized in the design and development of computer network equipment and created the "D-Link" brand, which has been marketed worldwide. It was established in the form of a company limited by shares in accordance with the Company Act of the Republic of China, and was listed on TWSE in October 1994 with stock code 2332. The paid-in capital is NT\$6,500,000,000. With more than 2,000 employees worldwide, D-Link is a world-renowned professional Internet company. D-Link's main products are switches, hubs, routers, network bridges, network cards, network peripheral servers, network systems/management software, and cloud applications and solutions, etc. D-Link has played a critical role in the global small and medium-sized enterprises and home network market. Our consolidated revenue in 2019 was NT\$17 billion. For more information regarding our financial information, please refer to the "2019 D-Link Annual Report".

Primary Products and Services

D-Link product lines range from Ethernet switches, broadband products, and wireless products to digital home products. Our customers include general consumers, business users, and network operators. Since its inception, D-Link brand products have been sold throughout the world. Through internalization, localization, and globalization, sales performance has grown steadily. Deep-rooted in each market for many years, we have studied, designed, developed, and marketed our Internet communication equipment products and relevant services as the core of our business development. We have been committed to providing high-quality networking solutions to global consumers and businesses of all sizes. With the complete and diverse product lines, we have been awarded international prizes as recognition of our network products and services. D-Link has become a leading global consumer networking brand beyond the European and American mainstream markets. Moreover, our brand occupies an important position in emerging markets, way ahead of the main competitors.

Operational Locations

D-Link has set up more than 120 marketing strongholds in the 50 countries around the world, including Taiwan, U.S.A., Canada, Europe, Australia, India, Singapore, Middle East (Dubai), Latin America, Brazil, Russia, and China.

- | | | | | | |
|-------------------|-------------|-------------|----------------|--------------|-------------|
| U.S.A. and Canada | UK | Portugal | Hungary | Morocco | China |
| Mexico | Germany | Switzerland | Poland | Egypt | Japan |
| Argentina | France | Austria | Czech Republic | Saudi Arabia | Korea |
| Brazil | Italy | Denmark | Croatia | Israel | Singapore |
| Chile | Spain | Finland | Bulgaria | Turkey | Malaysia |
| Columbia | Netherlands | Norway | Romania | Pakistan | India |
| Ecuador | Belgium | Sweden | | South Africa | Indonesia |
| Costa Rica | Greece | | | Kenya | Thailand |
| Peru | | | | Nigeria | Australia |
| Guatemala | | | | | New Zealand |



120⁺	50⁺	20	50⁺
Sales Locations	Countries	Regional Warehouse Management Centers	RMA Customer Service Centers

Participated in the Consumer Electronics Show (CES), fully exhibiting secure connection anytime, anywhere.



Another CES, and another great success! D-Link led the way in home networking solutions at the world's biggest consumer electronics show in 2019!

At CES 2019, D-Link gave consumers a glimpse of a truly connected future powered by its smart connectivity solutions. The time for home automation, lightning-fast, seamless Wi-Fi throughout your home, and 5G connectivity is upon us and D-Link is here to help you Connect to More.

Dictionary: Wi-Fi 6

Wi-Fi is already an indispensable technology for everyone on a daily basis. However, it is obvious that a more friendly method is required to help most people to understand the sequence of difficult-to-understand terms such as 802.11n and 802.11ac. To welcome the arrival of 802.11ax, the next-generation Wi-Fi standard, a new naming method will be adopted in the future. For example, the next generation of mainstream technology, 802.11ax will be identified with an easy-to-understand term: Wi-Fi 6.

The Wi-Fi Alliance, which is in charge of wireless technology standards, have proposed brand new naming rules which involve simple representation using numbers to make product labels easy to understand, so that consumers can make judgments of specifications and speed levels by simply using numbers. For example, the new Wi-Fi 6 logo has been added to new products with 802.11ax standard launched by D-Link, which clearly distinguishes itself from the previous 802.11ac "Wi-Fi 5" generation!

Products in the limelight at CES 2019 in U.S.A.

The Showstopping EXO Series We showcased our all-new range of EXO mesh-enabled smart Wi-Fi routers and extenders. With premium features like voice controls with the Google Assistant and Alexa, powerful McAfee protection and intelligent Wi-Fi Mesh that lets you mix and match compatible routers as you want, the EXO range is perfect for smart home owners who demand much more than just a Wi-Fi signal.

The Award-winning 5G Gateway

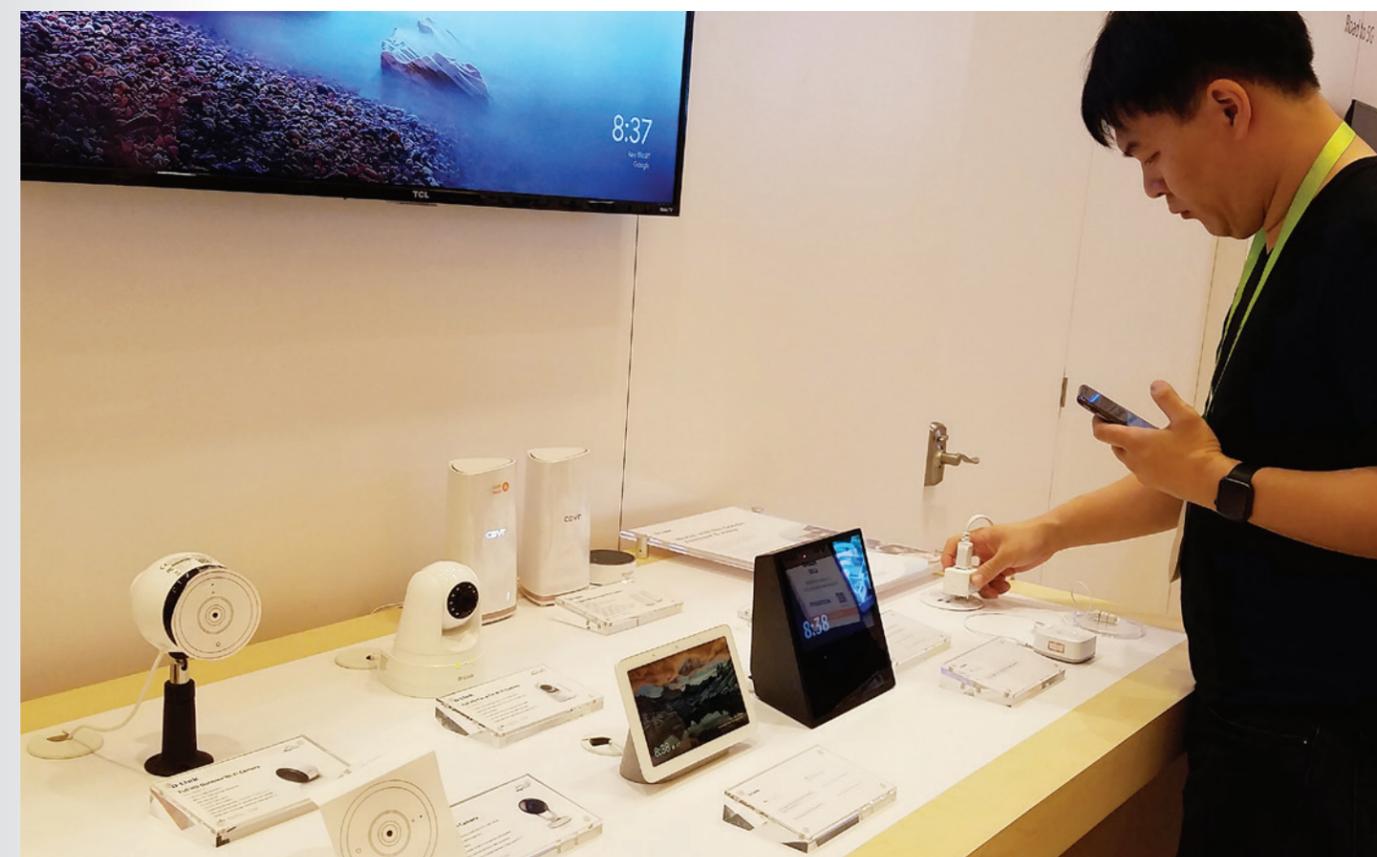
We also helped consumers gear up for a world dominated by 5G with our first 5G router for the home. Fit for the modern IoT home packed wall-to-wall with IoT devices, the DWR-2010 5G NR Gateway achieves blistering Gbps speeds on all your favorite home entertainment and smart devices for a ridiculously smooth, lag-free experience.

Enhancing the Safety of our Communities' First Responders

D-Link also announced a dedicated Pre-5G body camera and Edge-as-a-Service small cell solution specially designed to enhance coordination and protection for emergency services, security and law-enforcement officers.

Increased Compatibility and Reduced Energy Usage

D-Link presented the latest mydlink smart home devices and announced brand-new features of the mydlink app. The new and improved mydlink ecosystem includes new cameras and smart plugs with increased compatibility while some even use Zigbee™ technology - a low power, no Wi-Fi connection solution, making life not just energy friendly, but all-round easier for smart home owners.



mydlink**Making Your Life Easier with a Wealth of Advanced Technology**

That's right, once again, the mydlink team have succeeded in helping make your life smarter, safer, and easier with the new and improved mydlink ecosystem and mydlink app. New announcements at CES let the world know, the improved mydlink app now brings Smart Recaps and Rich Notifications directly to your phone, so knowing what's going on in your smart home has never been easier.

On top of that, we made the mydlink ecosystem more compatible than ever. The DCS-8330LH has a built-in Zigbee hub that lets you string together and control selected D-Link Zigbee contact sensors, motion sensors, and smart plugs even if they don't use Wi-Fi. The camera also supports Intelligent Video Analytics (IVA) features capable of person detection, ambient movement filtering, multi-zone motion detection, boundary-crossing detection, priority zone creation and tamper detection.

What's more!

Our new IVA-enabled Smart Recorder comes with sophisticated analytics and detection tools – perfect for pairing with mydlink cameras for a safer home.

The best part? No matter whether you use the Google Assistant or Alexa, the new mydlink range works with both. Perfect!

Zigbee™ Technology**A better future reduces energy and increases efficiency**

Thanks to the efforts of mydlink and the use of Zigbee Technology – that future has arrived.

mydlink lets your smart home devices talk to each other – even if some use Zigbee technology and others, Wi-Fi.

D-Link announced the new DCS-8330LH Full HD Wi-Fi Camera and new mydlink devices with Zigbee technology. The new mydlink sensors and smart plug work with the smart home hub that is built in to the DCS-8330LH. With the mydlink app, users can receive alerts from the mydlink sensors and trigger automations like recording video clips to the cloud and turning lights on with the mydlink Smart Plug.

The DCS-8330LH supports Intelligent Video Analytics (IVA) features such as moving object detection and human detection to reduce false alarms. Additional features include Full HD Resolution, built-in IR LEDs with 5-meter night vision, two-way audio, a microSD/SDHC/SDXC card slot for local video recording, and Bluetooth support for easy setup. The DCS-8330LH is also compatible with the Google Assistant, Alexa, and IFTTT.

New mydlink devices with Zigbee technology:

- mydlink Door/Window Sensor (DCH-B112)
- mydlink Motion Sensor (DCH-B122)
- mydlink Smart Plug (DCH-B212)

The three new mydlink devices feature Zigbee technology and over-the-air firmware upgrades. The mydlink Smart Plug also provides outlet on/off schedule control with the mydlink app. The mydlink sensors provide real-time push notifications to the user's phone when a door or window is opened or motion is detected, and the anti-tampering function prevents theft. Additionally, the mydlink Door/Window Sensor has a convenient bypass button for when users do not want the sensor to be triggered.

Entering a new era in technology – 5G**D-Link Drives the 5G Era with Revolutionary 5G Gateway**

D-Link launched the new 5G Gateway at the Consumer Electronics Show in Las Vegas. The DWR-2010 was named a CES® 2019 Innovation Awards Honoree during CES Unveiled, the official media event of CES that brings together exhibitors, industry analysts, and more than 1,500 influential media from around the world.

An annual program that celebrates outstanding design, the CES Innovation Awards recognizes honorees across 28 product categories. A panel of judges, including designers, engineers and members of the tech media, reviews submissions based on design, functionality, consumer appeal, engineering and how the products compare with competition. The CES Innovation Awards are sponsored by the Consumer Technology Association (CTA)™, owner and producer of CES. CTA has been recognizing achievements in product design and engineering since 1976.

Let's dive deeper into the DWR-2010 and find out what makes it so special.

D-Link's DWR-2010 is a 5G NR Enhanced Gateway that provides 5G internet connectivity through an 802.11ac/n wireless network, providing users with internet access with speeds 10 times faster than the current LTE standard. Once connected, users can transfer data and stream media at speeds in the Gbps range, and a multi-Gigabit Ethernet port allows for super high-speed connections to wired devices. Support for D-Link's Wi-Fi Mesh technology makes it easy to add additional devices to create a mesh network covering large areas, and options of Zigbee, Z-Wave, and Bluetooth Low Energy (BLE) allow for the connection of a range of smart home and IoT devices.



D-Link - Company Profile

After last year's success at MWC19, keeping the momentum going, D-Link again championed the connectivity solutions of tomorrow



No doubt the years biggest event in enterprise connectivity, a presence at MWC19 was absolutely essential. Building on the momentum from last year, we showcased a slew of solutions which build real connections that empower unreal digital transformation experiences for consumers, SMBs, and city administrations.



1.

Solutions We Unveiled:

- 5G Smart City Solutions
 - Public & Personal Safety
 - Smart Parking
 - Traffic Management
 - Smart Retail
 - Pollution Control
- Edge Computing
- Big Data & Machine Learning
- Nuclias
- Mesh
- Whole Home Wi-Fi Systems
- Mydlink & Smart Home



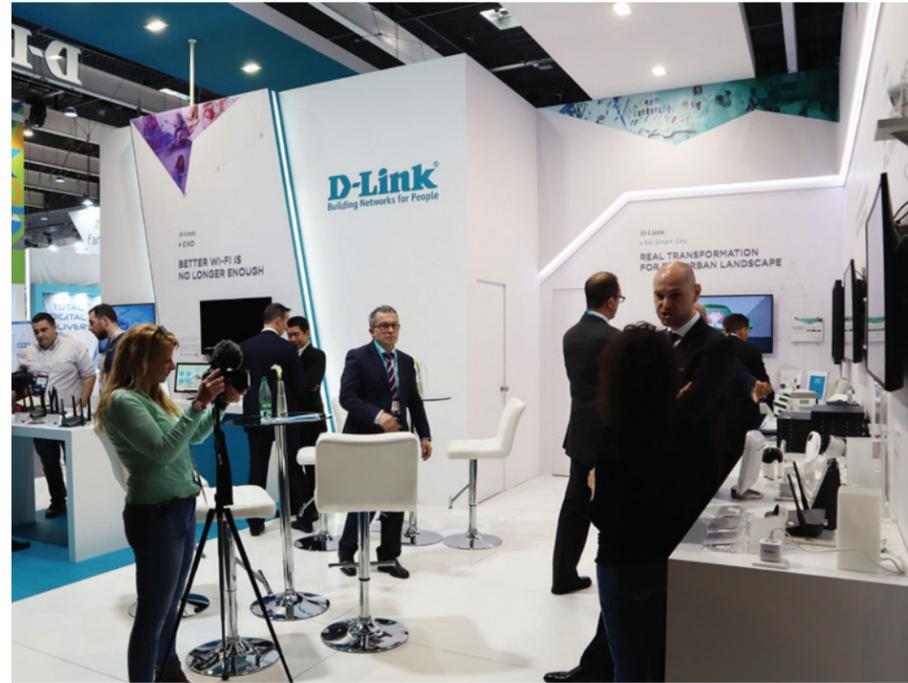
2.

The Switches Industry X.0 Needs

In order to meet the rapidly growing needs of Smart City applications, industrial automation and the adoption of Industry X.0, we presented high performance, industrial-ready switches. These switches have superior reliability, built-in redundancies and resiliency to tolerate extreme environments.

We're known for our high-quality enterprise switches. When you combine these with our Industrial Ethernet switches, you benefit from one seamless network that maintains data flow from the factory floor to the office – or right across your city, from the very edge to the control center.





3.

Nuclias Gets a Partner

In 2018 we launched Nuclias, a cloud network management solution for small to medium-sized businesses. Apart from expanding the Nuclias Cloud compatible range of devices with more powerful Access Points and a Switch Series, we gave Cloud a partner: Nuclias Connect. Connect has three key differences from Cloud:

- Data is kept onsite, rather than in the cloud for greater privacy
- Connect affords even greater customization and management for those who want greater control over their network
- With no subscription fees, Connect is great for reducing OPEX and a healthier-looking budget

The introduction of Connect gives SMBs more flexibility when choosing a network for their business.

4.

The Rise and Rise of Smart Cities

Cities across the globe are increasingly making 'Smart' choices. With nearly 70% of humanity expected to be urban by 2050, 5G Smart City investment is no longer a luxury — it's a necessity. Applications such as Smart Parking, Traffic Management, Smart Retail and Pollution Control are key staging grounds for demonstrating the benefits not just for business, but for improving quality of life for all residents.

◀ Receiving international media to increase brand exposure



5.

Digital Transformation at The Edge

D-Link has the solutions that can unleash the value of 5G, IoT, AI, and other game-changing technologies for your business through Edge Computing.

At the heart of our Edge-as-a-Service (EaaS) is private LTE, which offers unique capabilities such as specialized radio equipment, optimization for industrial applications, guaranteed Quality of Service (QoS), a hosted or self-contained, self-organizing core network, end-to-end system control & reliability, interoperability with other systems, future-readiness for 5G & MulteFire, and seamless management & communication with diverse wireless devices such as robots, sensors, head-mounted displays (HMDs) and handhelds.



6.

A Big Deal for Big Data

Facial Recognition and Object Recognition depend on Machine Learning, which depends on data – lots and lots of it. When it comes to data management, few companies can compete with Microsoft, which is why we've turned to them for a partnership that leverages the huge data sets they enable through:

- Microsoft Intelligent Cloud
- Azure Machine Learning
- Azure Media Service
- Vision AI

These resources turbocharge the machine learning process, which enables it to be tailored to the needs of your industry and business, and to adapt to new conditions and new analytics, very rapidly.



Products in the limelight at the 2019 MWC in Spain

5000 Series Data Center Switches

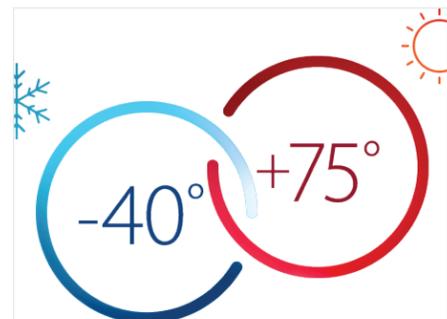
Uncompromising performance meets long term flexibility. Get future-ready data center infrastructures with D-Link 5000 Series, an exceptional long-term solution for managing and expanding infrastructure. With high port density, routing, and ultra-low latency, the 5000 Series is perfect for deployment as Top-of-Rack (ToR) or leaf-spine switches in data center applications.



Industrial Switch Series

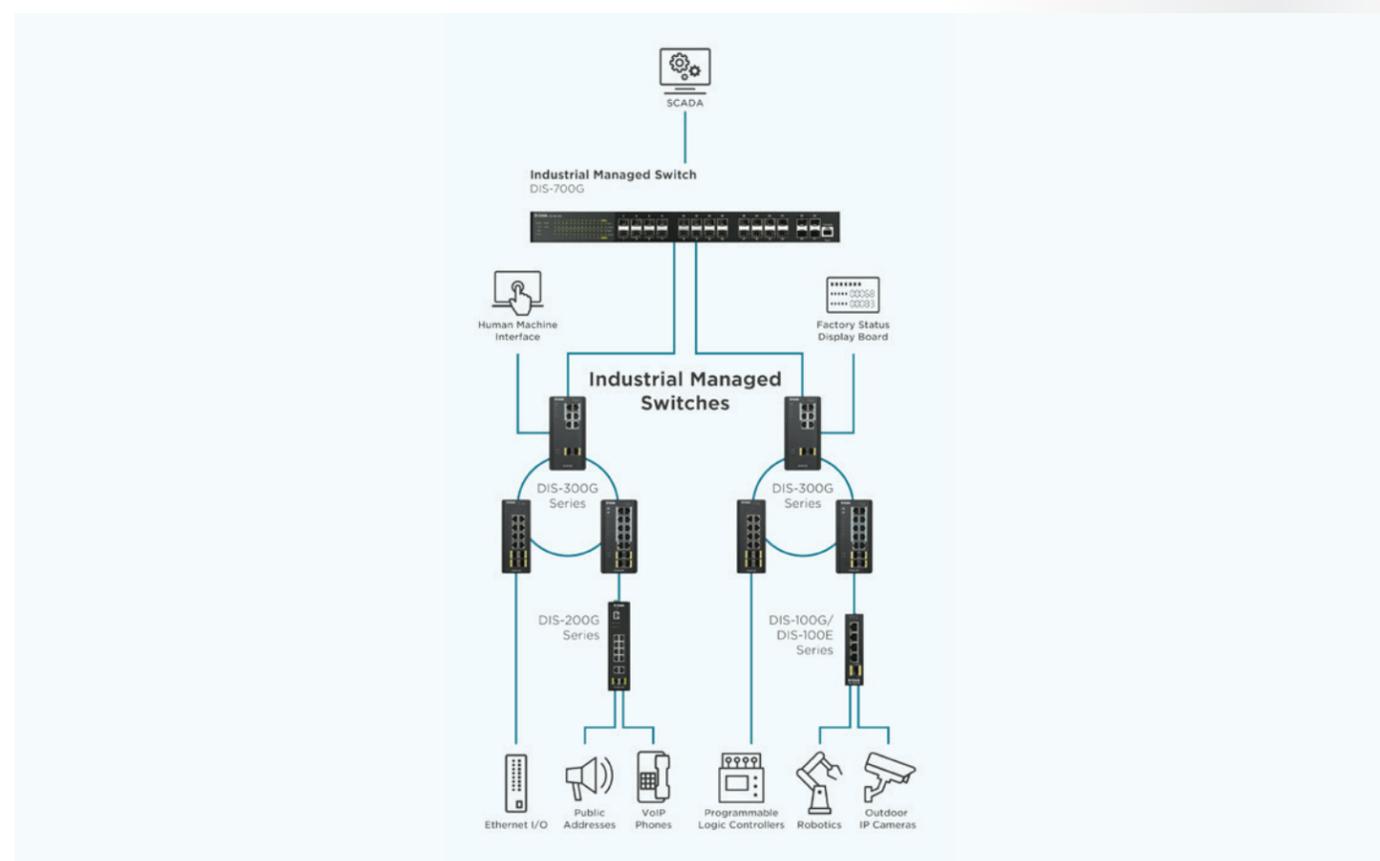
DIS-300G Industrial Gigabit Managed Switch Series— suited for industrial and Smart City applications, such as remote monitoring performance, fine-tuning data flow and Quality of Service (QoS) configurations to prioritize the processing of important data.

DIS-100G Industrial Gigabit Unmanaged Switch Series — great frontline ethernet switches for industrial environments. These unmanaged switches offer plug & play installation, best suited for network edge deployment.



DWR-2010 5G NR Enhanced Gateway

D-Link is bringing 5G connectivity everywhere. Our award-winning DWR-2010 5G Router lets users enjoy wireless speeds of up to 3 Gbps anywhere, even where conventional network access is unavailable. We're also paving the way forward with public and personal safety solutions designed to leverage the immediately available 4G and Pre-5G spectrums.



Solution Highlight at the 2019 MWC in Spain

Nuclias Connect – Your Network, Your Way

Some people prefer their network to not be seen or heard. However, if you want control at your fingertips then you are in luck. Connect puts you in the driving seat to manage your network how you see fit. It's the simplest route to an efficient, locally managed network.

Comprising high performance Access Points and a versatile hardware controller, delegate management to those you give permission to, utilize your preferred security add-ons and access a host of powerful features, all with the Nuclias Connect Management software. It's up to you.



Smart Cities – Pollution Control

Civic administrators, environmental bureaus and law enforcement agencies need D-Link's solutions to curtail vehicle emissions whilst maintaining economic productivity and driver convenience. If a tailpipe is observed producing black smoke, an automated alert can be raised, with that vehicle's license plate identified via Automated Number Plate Recognition (ANPR).

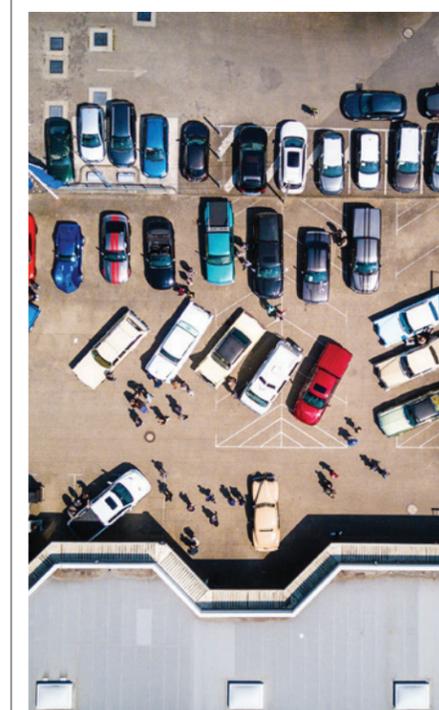
D-Link also facilitates data-driven decision making through real-time ambient environmental analytics that help determine emissions sources at the jurisdictional level, so that districts and administrators can better enforce and comply with regulations.



Reinvigorating the Brick & Mortar Experience

Offline retail is dead? Not if D-Link has anything to say about it. Our Smart Retail solutions bring the 'Smart makeover' brick and mortar stores need to survive and thrive.

With our Smart Retail solutions, you'll finally be able to incorporate state-of-the-art Intelligent Video Analytics (IVA), People Counting, Heat Mapping and Facial Recognition into your business. The result? A superlative customer experience that generates more brand loyalty and boosts profit margins sustainably. It's possible with D-Link Smart Retail.



D-Link - Company Profile

A wide variety of our new products have received local and overseas awards and gained high recognition from international media.

The outstanding design and advanced technology of various new products launched by D-Link have swept the board at major international awards, including the Taiwan Excellence Award and the CES Innovation Award in U.S.A., and earned high praises from judges from various countries. Our products have also garnered great acclaim from international technology media, and earned positive reviews from foreign media.



D-Link 5G Gateway Receives Taiwan Excellence Award

DWR-2010 5G NR Enhanced Gateway was honored with the Taiwan Excellence Award 2020 at the 28th annual Taiwan Excellence Award Ceremony. D-Link's DWR-2010 5G NR Enhanced Gateway provides 5G internet connectivity through an 802.11ax/ac/n wireless network, providing users with internet access with speeds 10 times faster than the current LTE standard. Once connected, users can transfer data and stream media at speeds in the Gbps range, even in places where conventional network access is unavailable.

About the DWR-2010

D-Link's DWR-2010 is a 5G NR Enhanced Gateway that provides 5G internet connectivity through an 802.11ac/n wireless network, providing users with internet access with speeds 10 times faster than the current LTE standard. Once connected, users can transfer data and stream media at speeds in the Gbps range, and a multi-Gigabit Ethernet port allows for super high-speed connections to wired devices. Support for D-Link's Wi-Fi Mesh technology makes it easy to add additional devices to create a mesh network covering large areas, and options of Zigbee, Z-Wave, and Bluetooth Low Energy (BLE) allow for the connection of a range of smart home and IoT devices.

The DWR-2010 also offers customization options for service providers, making it suitable for deployment on a range of network configurations. It features an embedded 5G NR (New Radio) NSA module and can operate on the sub-6 GHz or mmWave frequencies in 200 MHz (2 x 100 MHz) or 800 MHz (8 x 100 MHz) configurations. TR-069 and FOTA support allow easy remote management by service providers.



D-Link Drives the 5G Era with Revolutionary 5G Gateway

The DWR-2010 was named a CES® 2019 Innovation Awards Honoree during CES Unveiled, the official media event of CES that brings together exhibitors, industry analysts, and more than 1,500 influential media from around the world.

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Forward-looking Vision and Insights into the Future

Responsible Business Conduct and Moral Governance by Board of Directors

Responsible Business Conduct and Moral Governance by Board of Directors

The Board of Directors at D-Link is committed to the principles of business ethics and legal conduct. Our highest business ethics policy is to act in an ethical and legal manner, and maintain high standards of business integrity at D-Link.

In addition to having a forward-looking horizon and insights into the future, the Board of Directors at D-Link also requires all employees to always comply with D-Link's business conduct and the relevant regulations. Violation of D-Link's integrity guidelines is not permitted. If employees have any questions regarding whether their actions have violated D-Link's integrity guidelines, they should immediately consult the managers. For more information regarding members of the Board, their education background and professional experience, as well as its organizational structure, please refer to the Company's annual report for this year.

The Board of Directors at D-Link has assigned a dedicated unit, which is responsible for providing specific instructions on business conduct and ethics, and conducting regular review at its discretion, including the Code of Business Conduct Certification Program, in order to ensure compliance. Each operating unit or subsidiary is responsible for implementing such instructions, including managing the certification program.

D-Link's core value is integrity, which every employee needs to bear in mind when it comes to work attitude, values, business methods and principles. Moreover, the Company's business has developed globally, and the client base includes local government agencies and large-scale telcom operators. Any dishonest behaviors would not only jeopardize the corporate image and employee morale, but also

break the trust between clients and D-Link. Therefore, the stakeholders pay close attention on such matter.

Prohibition of Any Form of Bribery

D-Link strictly prohibits any form of bribery, and relevant anti-bribery regulations are included in relevant documents, such as D-Link's "Code of Conduct" and "Procedures for Gift Acceptance". Promotion is carried out to make sure all employees understand Company's rules and regulations on integrity. Meanwhile, cooperative partners are required to abide by relevant laws and are prohibited from improper interests, bribery, or corruption, to maintain the highest standards of business ethics when interacting with manufacturers.

As of this report, there has been no instance of bribery or corruption involving any of the Company's Directors, managers, or employees. Furthermore, all the Company's donations to third-party organizations are solely for charitable purposes. To ensure that donations and sponsorship will not be abused and used as a disguise for bribes, all donations are executed by specially appointed personnel and are planned by D-Link's Charitable Foundation and Care Club.

Anti-bribery Code of Conduct

The Company complies with all applicable anti-bribery laws. All employees are made aware that bribery is in violation of laws and are prohibited from engaging in any illegal or inappropriate behavior involving bribery, kickbacks, inappropriate rebates, or provision of gifts of cash or valuables to any other party in order to obtain or secure business favors related to D-Link's products or services. The aforementioned "any party" may refer to officials, employees, or representatives of governments, companies, public organizations, or international organizations, or any third party. The aforementioned illegal behavior

or misconduct refers to the situation when there are appropriate reasons to believe that the act(s) of offering inappropriate pecuniary or other benefits to a person involved in the commercial decision-making process has substantially influenced the person's good judgment and decision-making. To maintain the Company's honesty and operational efficiency, all our employees are required to comply with the following rules: All employees are prohibited from receiving improper benefits from the Company or from any third party in the course of their work, or having their family members and friends accept the aforementioned benefits in disguise. All employees are prohibited from offering kickbacks, bribes, and other benefits in the form of cash or goods to any of our business partners in order to obtain or secure business favors related to D-Link's products or services. All employees are strictly prohibited from manipulating, withholding, or abusing any information obtained in their course of work, and from making untruthful statements regarding important issues so as to obtain improper benefits.

Integrity and Honesty of Suppliers

D-Link's expectations of its suppliers' integrity and honesty are clearly stated in the contracts. It is stated in all our contracts that "In the event of any of the following conditions, D-Link has the right to rescind or terminate the contract with immediate effect if the Supplier attempts to offer any of D-Link's employees (including employees of our branch offices, subsidiaries, or affiliates) an improper benefit, including but not limited to agreed benefits, gifts, or bribes, or has engaged in a similar activity for his/her personal or the Company's interest."

None of our suppliers has been found to be involved in any illegal dealings in 2019.

Procedures for Gift Acceptance

The "Procedures for Gift Acceptance"

established by D-Link is applicable to all employees, and explicitly prohibits any individual or group from improper behaviors, including but not limited to offer/receipt of bribes, unreasonable gifts, hospitality, or other improper benefits, and sets forth relevant countermeasures and handling for all people involved to abide by. The channels for misconduct reporting: Internal line: ext. 1444; External line: +886-2-66000123 ext. 1444. E-mail address for misconduct reporting: coc@dlinkcorp.com. Personal e-mail address of the Chairman of the Disciplinary Committee: coc.chair@dlinkcorp.com. D-Link accepts both anonymous and non-anonymous reporting. The Company shall ensure the confidentiality of the reported content and identity of any whistleblower.

Fair Competition

The Company fully complies with all applicable business transaction laws and regulations, including the Fair Trade Act, anti-trust laws, and unfair competition laws. When competing for business opportunities, all of the Company's employees are prohibited from manipulating, withholding, and abusing any information obtained in their course of work, and from making untruthful statements regarding important issues in order to obtain improper benefits. The Company's policies on ensuring fair competition include:

1. As D-Link has businesses worldwide, local laws vary in scope and stringency in different regions, in the event of legal disputes, it is our local branches/subsidiaries that consults with local legal consultants to seek solutions that can best protect the Company' interests.
2. Should the disputes involve our headquarters, the headquarters shall collaborate with the local branches/subsidiaries to settle the disputes.

As an international company, D-Link, in addition to pursuing business growth, is committed to complying with laws and regulations governing fair competition both in Taiwan and around the world; meanwhile, it maintains the balance between all stakeholders' interests and social responsibility to uphold social and substantial justice. To ensure that the Company does not breach any principles of fair competition, we have always required our overseas subsidiaries to report any act or case involving violations of fair competition to the headquarters in the first place. The headquarters' appointed personnel will notify our legal and other relevant departments immediately, who will then discuss, investigate, and confirm the scope of the reported case. The case may be addressed through negotiation or litigation, depending on the situation. In the future, if there is any

violation of fair competition and will have an impact on D-Link's business, operations, and prospects, the situation will be assessed and handled in an appropriate manner.

As of the end of 2019, there had been no report of any such related cases.

Disciplinary Committee

To ensure that all our employees' conduct is in line with the principles of integrity and honesty, D-Link has set up the Disciplinary Committee to implement relevant practices. The chairperson of the Disciplinary Committee is appointed by the Chairman of the Board of Directors, and the committee shall comprise no fewer than seven members. Members of the Disciplinary Committee are elected from the human resources, legal, audit, business, research and development, and administration departments. Responsibilities of the Disciplinary Committee include:

1. Notification, receipt, evidence collection, investigation, and handling regarding illegal matters. This applies to reported cases and autonomous investigations.
2. Monitoring any abnormal dealings that our procurement, technology, business, marketing, or other departments may have with our manufacturers.
3. Establishing employee reward and penalty systems, and disseminating related information.

4. Explaining legal sources, providing consultation on laws and regulations, and liaising with legal agencies.
5. Monitoring and investigating any abnormal business dealings with manufacturers.
6. Making regular and unscheduled announcements on relevant regulations and policies.
7. Taking action once required by competent authorities and stakeholders.

There was no instance regarding breaches of integrity in 2019.

Corporate Social Responsibility Working Group

Since 2008, the Board of Directors has established a corporate social responsibility working group, which is a part-time unit in charge of planning corporate social responsibilities. The Chairman serves as the convener and brings together all the departmental heads for task grouping; group members are supervisors from the stock services, marketing, finance, R&D, Auditor, business, legal, human resources, and other departments. The Working Group holds a review meeting once a year to propose, implement, and present the corporate social responsibility policies, guidelines, and relevant action plans to the Board of Directors.



As the pioneer in the global digital era

D-Link creates a new digital silk road of the century and breaks down digital barriers

France

D-Link Upgrade Helps Cultivate Young Minds Throughout French High Schools

Poland

Relpol S.A. Creating 3 separate wireless networks

India

D-Link Deploys Fiber Backbone w/Unified Wireless in West Bengal

India

D-Link is Digitizing Schools in India

Korea

D-Link Outshines the High Expectations of Business Travelers in Incheon

Taiwan

D-Link Smart City Solutions: Cleaning Up the Air and Streets

/ 05

As the pioneer in the global digital era

We become the first to seize unlimited business opportunities in cloud computing in the new Digital Silk Road in the 21st century

In the face of unprecedented opportunities in the IoT era, industries around the world are immediately acting to invest in digital transformation through the new digital silk road, turning to new business models. Apart from actively embracing digital transformation and moving toward smart enterprises, leaders who act first, will be the first to formulate future blueprints and increase profitability and efficiency.

Since the arrival of the 4G era, the Internet has become a gold mine for enterprises. Numerous industries rush to ride this trend to ensure that they seize opportunities in this industrial revolution and the gold rush of the century. Enterprises around the world are gearing up to embrace online business opportunities. They are actively seeking quality partners and gathering resources, in hopes of becoming the final winner in the war of the century. As a top global network device brand, D-Link has assisted many customers from the Americas, Europe, Africa, and Asia in establishing network devices, and helped them seize unlimited business opportunities in cloud computing.



France *Occitanie*
La Région de Occitanie



Poland *Zary*
Relpol S.A.



South Korea *Incheon*,
Toyoko Inn Co., Ltd.



Occitanie, France

Zary, Poland

Incheon, South Korea

West Bengal, India

Taiwan

Kerala, India

India *Kerala*
KITES



India *West Bengal*
West Bengal, India



Taiwan
Environmental Protection Bureau



As the pioneer in the global digital era

Based on D-Link's theory of digital evolution, cloud is the future

D-Link's outstanding network communications products help companies around the world gain the most instant business insights, enabling digitization of operations and cost and profit transparency, as well as creating a perfect user experience.

”

Faced with the fact that cloud is the era of the future, D-Link helps companies around the world leverage their efforts, accelerate transformation into smart enterprises, and keep up with the wave of cloud and mobile networking. D-Link believes that the major focus in this wave of transformation is based on innovative technologies, including big data, IoT, and artificial intelligence (AI), which will subsequently lead to the birth of smart enterprises. As it is very likely that this round of transformation may reverse the job roles of humans and machines, and lead to the development of new industrial competition, the impact it causes will be even greater and far-reaching.

D-Link's products will help companies around the world gain the most instant business insights, enabling digitization of operations and cost and profit transparency, as well as creating a perfect customer experience. D-Link's products are able to combine marketing, e-commerce, sales and service processes,

compile and generate 360-degree consumer images on a singled integrated platform to adjust business models, thereby improving satisfaction with better service quality, and establishing new brand value.

In recent years, D-Link's customers around the world have shown strong demand for network communications devices because "they will not have any future in the information and data era if they do not pay attention to digital transformation." Each industry hopes to conduct operational information analysis through hardware upgrades in order to provide decision-makers with real-time and accurate business insights, so that companies can lay out future strategies, while conducting review and tracking with real-time analysis systems, thereby fully implementing innovative technologies and digital management.

When the world changes too rapidly, technology will constantly cause impact more quickly. Hence, the only way to maintain competitive advantage is to engage in continuous transformation. D-Link recommends that companies need to clearly define their vision for the next 10 years when implementing digital transformation. By developing their own key capabilities, they will progress together with their own talents. Companies can obtain tickets to participate in each stage of the competition, as well as discover and create the future only by constantly transforming and remodeling themselves.

At the same time, since this wave of digital transformation is led by the advancement and application of machine intelligence, digital strength not only is a tool for improving operational efficiency, but may also become the key to driving future career development. Due to the rapidly changing business and technological environment, not only does the manufacturing industry promote new manufacturing concepts, but financial institutions also position themselves as technology companies. It is getting increasingly difficult to predict new

sources of competition, while the industrial landscape will also change constantly.

Making good use of partners may effectively shorten exploration time, thereby reducing transformation uncertainties. D-Link is the best network communications device brand in the world. As the pioneer in the global digital era, D-Link assists companies in laying out plans for the new Digital Silk Road in the 21st century, and also helps companies make good use of cloud technology and own the latest technology and applications at optimal cost. As long as companies are determined, the digital transformation of traditional and startup companies can definitely lead to amazing operational performance and profits in the face of the cloud era in the future.



Selected Successful Cases ^(A)

France — D-Link Upgrade Helps Cultivate Young Minds Throughout French High Schools

The LoRdi initiative in the French region of Occitanie aims to provide lycée (state-funded secondary school) pupils with innovative and universally accessible tools for encouraging the adoption of digital in class. To further the adoption of digital in the education process, the Lycée Numérique (Digital High School) programme was introduced to provide students a dedicated online e-learning component to their curriculum.

Challenges

A key foundation of the project's e-learning component is a substantial IT network that can be relied on. Across the region, 224 lycées required modernization of their current network in order to be in line with the Lycée Numérique programme's ambitious goals.

To pave the way for expansion in the future, product homogeneity was required. Furthermore, the ability to keep switch management simple and cost effective when upgrading and expanding infrastructure in the future.

A Wi-Fi system that allowed connection management in real time, that on-site staff can quickly and easily familiarize themselves with.

Solutions

DGS-3630 and DGS-3130 Layer 3 Stackable Managed Switches were called upon in order to respond to the projects need for product homogeneity, simplified management of switches, low costs and ability to be upgraded in the future when demanded.

The DWC-2000 Unified Wireless Controller was used to preside over the school's network. The DWC-2000 is capable of managing up to 64 Wireless Access Points, which is an ideal capacity when managing APs across a campus. The DWC-2000 can also dynamically respond to changes in demand, such as class time, by self-optimizing with automatic RF channel settings and adjustments of AP output power setting.

With the Wi-Fi centralized via the DWC-2000, management is able to be done in real time without affecting use, which overall improved Wi-Fi reliability throughout the schools.

Finally, D-View 7 was implemented as the software to manage the whole setup. Excelling at managing multi-site networks, staff in the school can utilize the software for overseeing, monitoring and managing the network through the 224 lycées.

Results

The 224 lycées are now equipped with new cabling and upgraded Wi-Fi systems.

Students across the region can easily access online learning resources and in turn be inspired to pursue subjects such as mathematics.

With 2.4 million jobs in France directly linked to the study of mathematics, it is a big step in supporting France's economic future.

Staff were able to quickly familiarize themselves with the system, meaning they can get back to being productive in areas that really demand it.

A fruitful long-term partnership between D-Link, the Lycée Numérique programme and the local education system.

Products & Services

Network infrastructure:

- DGS-3630 network core
- DGS-3120 and DGS-3130 series
- DGS-1510 series
- DGS-1210 series

Wi-Fi:

- DWC-2000 wireless controller
- DWL-8610AP and DWL-8710AP Wi-Fi access points
- Network management software:
- D-View 7



DGS-1510



DGS-3630



D-View 7



Selected Successful Cases ⑧

Poland — Relpol S.A. Creating 3 separate wireless networks

Relpol S.A. is a manufacturer of electromagnetic relays based in Zary. The company, which has been continuously operating since 1958, offers a wide range of relays, including semiconductor, industrial, interface, installation, temporary and programmable relays. Relpol branded products are used in industry, railway, household appliances, photovoltaic systems, SMP radiation monitoring and SN protection, as well as in charging stations for electric cars.

Challenges

Rebuild existing non-managed wireless network to centrally managed, which will cover all buildings (factories and office buildings).

Solutions

The distributed Wi-Fi network operating at the company's headquarters in ary included both an office building and production halls. Due to the necessity of constant communication between devices responsible for production tests, it was decided to implement a managed wireless network, which would also cover the office building. The requirement was to be able to manage the network using a wireless controller.

Results

As a result, it became necessary to replace the unmanaged Wi-Fi network components with manageable solutions. The choice was made for access points and wireless controllers manufactured by D-Link. It is worth mentioning

that the company previously also used D-Link wireless solutions.

In total, the investment in the wireless solution covered three buildings - two Wi-Fi networks were planned in the part of the office building where conference rooms are located. The remaining buildings were implemented in two production buildings. They contain testers of manufactured relays, which send test reports wirelessly, but also in case of changes in operating parameters, also by Wi-Fi, they have to retrieve the necessary data. Maintenance of relay testers' network traffic required not only an efficient wireless network, but also imposed an additional condition. Due to the fact that they work in 802.11b standard, the requirement was to be supported by access points of this standard.

Products & Services

- 1 x DWC-1000
- 6 x DWL-6610AP
- 6 x DPE-301GI



DWC-1000



DPE-301GI



DWL-6610AP



Selected Successful Cases ©

India — D-Link Deploys Fiber Backbone w/Unified Wireless in West Bengal

The Health & Family Welfare Department of the West Bengal State Gov't maintains and develops the healthcare system in West Bengal, including Public Health, Sanitation, and Hospitals. D-Link provided a complete Wi-Fi & Campus LAN solution with 10G Fiber-optic backbone infrastructure that connects multiple buildings. It includes Wireless Controllers, Indoor & Outdoor Access Points, 10G SFP switches & Cabling.

Challenges

Robust and scalable Campus LAN & Wi-Fi Connectivity was needed at a variety of campus hostels, complexes, and the HQ itself. Diverse services were needed in different places/ scenarios, for both employees and the general public.

Solutions

The DXS-3400 Stackable Layer-2/Layer-3 10G switch was used for the distributed core architecture. It's a compact, high-performance, ultra-low-latency solution two hot-swappable AC/DC power modules for 1+1 redundancy and load sharing, and Data Center bridging that enables "lossless Ethernet" transmission quality.

The DGS-3130 Stackable Managed switch was used for Aggregation, with 6KV surge protection, and external redundant power supply ideal for access configuration.

The DWC-F2000 Wireless Controller was deployed to provide centralized configuration and management.

Access Switch: DGS-1510

Access Points: DWL-F6612-I & DWL-F6713

Results

D-Link's 10G switching solution Unified Wireless architecture is delivering robust, feature-rich connectivity, which is improving both the customer's redundancy and reliability.

Products & Services

- Core Switch: DXS-3400-24SC
- Distribution Switch: DGS-3630-28SC & DGS-3120-24SC
- Access Switch: DGS-3130-30PS & DGS-1510-28P
- Access Points: DWL-F6612-I, DWL-F6713
- Hardware Controller: DWC-F2000



DXS-3400-24SC



DGS-3630-28SC



DGS-3130-30PS



Selected Successful Cases ①

India — D-Link is Digitizing Schools in India

The Kerala Infrastructure and Technology for Education (KITES) organization was tasked with bringing school IT infrastructure in the Indian state of Kerala up to international standards, with the goal of making the quality of teaching materials more consistent statewide by enabling easier sharing from local and centralized servers.

Challenges

This project required network design for 50 different schools across the state. D-Link, which had already implemented IT solutions for 3,000 schools and 60,000 classrooms in India, partnered with the Kerala State Electronics Development Corporation (KELTRON) to survey these 50 sites, and implement solutions.

Solutions

D-Link provided both fiber cabling for the backbone, and copper cabling for the local networks. Where fiber connectivity was needed, the DGS-1210-28 Smart Managed Switch was used, which provides four SFP uplinks, which was double the number that the competition was able to offer in a comparable switch class.

When fiber wasn't needed, the DGS-1024C Unmanaged Switch was used, with offers 24 x10/100/1000 Gigabit ports, combined with an energy-efficient fanless design.

Results

Thanks to D-Link's infrastructure, 200 classrooms in Kerala have been transformed

into Smart Classrooms. Teachers in every school have access to high-quality materials from headquarters, and teachers are able to share their own improvised teaching aides with other teachers.

Products & Services

- DGS-1210-28 Smart Managed Switch.
- DGS-1024C Unmanaged Switch
- D-View Monitoring Software



DGS-1210-28



DGS-1024C



D-View 7



Selected Successful Cases ㊦

Korea — D-Link Outshines the High Expectations of Business Travelers in Incheon

Toyoko Inn is a chain of hotels originating from Japan with a focus on providing simple and affordable accommodation for business travelers in locations close to major transit hubs. Such a strategy demands robust onsite Wi-Fi connectivity for guests, but at a reasonable price. Their latest hotel opened in the hyper-connected market of Incheon, South Korea, where business travelers have high expectation for online speed and stability. The hotel partnered up with D-Link to establish their network and further enhance their competitiveness.

Challenges

The Toyoko Inn in Incheon is a high-rise building, spanning over 30 floors. Furthermore, thick walls and other construction related difficulties added complexity to the project. The hotel had a tight deadline which it had to meet, meaning a quick turnaround was necessary.

Solutions

To answer the challenges posed by the complexity of the construction, the DGS-1100-26MP Smart Managed Gigabit Power over Ethernet (PoE) Switch was used. With a hefty 370W power budget, it was highly suitable for powering numerous PoE Cameras and Access Points. This overall provided a much simpler installation, especially in places where power outlets were hard to come by.

To upgrade to Gigabit connectivity the DGS-1005A 5-port Gigabit Desktop Switch was utilized for its energy efficiency and high performance. This switch also comes with Quality of Service (QoS), prioritizing network traffic so that time-sensitive data could be delivered efficiently, even during bouts of high data traffic.

The software-controlled Wireless AC1750 Simultaneous Dual-Band PoE Access Point fulfilled the requirements for an indoor AP that could handle high-demand applications. Deployed on the walls, it is able to provide stable coverage throughout the hotel.

Results

With the network successfully put in place, the hotel opened on time.

Seamless roaming was enabled on every floor of the hotel, meeting the high expectations of business travelers for network speed and reliability.

Interoperability with a third-party unified threat management (UTM) system assuring further stability and security.

Products & Services

- DAP-2695 Simultaneous Dual-Band PoE Access Point
- DGS-1100-26MP 26-Port PoE Gigabit Smart Managed Switch
- DGS-1005A 5-Port Gigabit Desktop Switch



DAP-2695



DGS-1100-26MP



DGS-1005A



Selected Successful Cases (F)

Taiwan — D-Link Smart City Solutions: Cleaning Up the Air and Streets

Taiwan has implemented progressive environmental regulations in recent years, but the issue of vehicles evading them remains a concern, with one focus being a certain river dredging project, with many large trucks carrying dirt and gravel from the worksite. Some of these trucks were not up to code in terms of PM2.5 emissions, posing a health risk for roadside homes and businesses. Some were also leaving gravel and dirt strewn on the roads – an unsightly and significant hazard to vehicles, often leading to citizen complaints.

Challenge

With many trucks on the road, and multiple hauling companies contracted for this project, determining specific culpability for emissions and debris was not easy. An environmental protection bureau was tasked with determining the guilty parties, which meant a lot of man-hours spent watching these trucks on camera and inspecting them roadside. They needed a way to automate and centralize this work, and put it in the Cloud.

Solution

D-Link implemented our Pollution Control Solution, which integrated detector boxes, new cameras, and legacy onsite cameras,

connected to our Smart City Cloud (Azure). Air pollution detectors and road debris detectors were installed along 16km of road, with D-Link IP cameras utilized for License Plate Recognition (LPR), and new wireless D-Link cameras used for pollution detection (via object recognition). Data and video feeds for the latter were transmitted wirelessly via LoRa or 4G LTE, and made accessible in the Cloud (along with historical stats) via PC, Smartphone, or Tablet. All this added up to a versatile and highly-efficacious solution, that demanded no significant modifications to the underlying roadside infrastructure.

Result

This deployment has been well received. Guilty parties have been determined, with pollution levels and debris amounts in the area reduced as a result. Data analysis from this project has also enabled profiling of polluting vehicles, and reduced the amount of time it takes to identify them, which should prove useful not only to the continued efforts of this project, but in many others.

Products & Services

D-Link's Air Pollution Detection technology can detect a variety of environmental factors, including temperature and humidity, though this implementation focused on PM2.5, which can impair the functioning of the lungs. Detector boxes were installed roadside, with results transmitted to the Cloud through LoRa and 4G LTE.

D-Link's Road Debris Detection technology utilized legacy D-Link 2MP HD networked

roadside cameras to provide clear images for IVA (Intelligent Image Analysis) analysis. Strewn dirt and debris are detected automatically, triggering a social media alert for road managers and cleaning crews.

D-Link's License Plate Recognition capabilities were integrated for both the Air Pollution Detection and Debris Detection. This enables the owners of offending vehicles to eventually be notified and/or penalized.

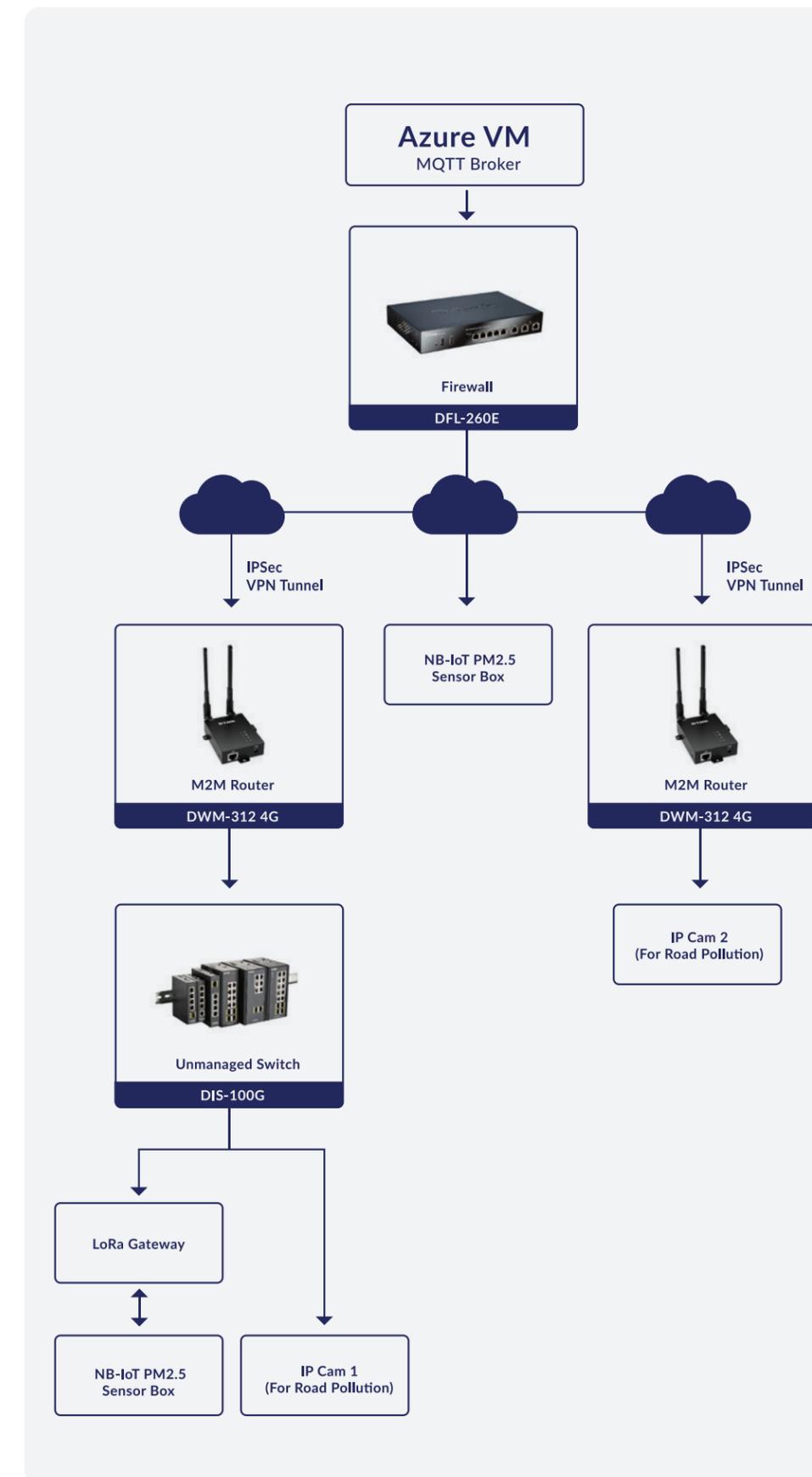
Pollution Control System Features

- Event Recording & Reporting
- Vehicle Abnormality Alerting
- Dirt- and Debris-Detection Alerting
- Analytics Reporting and Charting
- Air Quality Display
- Electronic Map Display
- Live View (Live View)
- Real-Time License Plate Recognition
- Regular Uploading of LPR Snapshot
- IVA Dirt & Gravel Identification
- IVA Uploading of Snapshots

D-Link's partnership with Microsoft enables a variety of Smart Edge solutions tailored to Smart City needs, leveraging the Azure Machine Learning Platform, Azure Media Services, and Azure IoT Edge to provide seamless Machine Learning, modeling, transformation, deployment, and image analysis. D-Link uses the Microsoft Vision AI development kit to enable our object (road debris in this case) recognition capabilities, enabling cities and businesses to improve traffic management, pollution prevention, and general safety.

Key Products

- **PM2.5 Sensor Box (LoRa) with LoRa Gateway:** Utilizes a lower-power transmission technology suited to rural deployments.
- **PM2.5 Sensor Box (NB-IoT):** Uses a higher-power transmission technology (4G/LTE) suited to deployments where interference is a consideration.
- **D-Link 2MP IP Bullet Camera:** A standard product that provides sufficient resolution, contrast, color, and image clarity for D-Link's Object Recognition technologies to reliably function.
- **DIS-100G:** Ruggedized Reliable Unmanaged Industrial Switches built for remote deployments, that feature diverse mounting options, Ethernet Ring Protection Switching (ERPS), and resistance to power surges and other environmental stresses.
- **DWM-312:** A ruggedized dual-SIM 3G/4G M2M Router built to withstand extreme heat, humidity, and corrosion.
- **DFL-260E:** An enterprise-class Firewall with unified threat management, robust VPN performance, UTM services, Stream-Based Virus Scanning, and D-Link Green Certification.



Going All Out to Fight Hackers

Protecting D-Link Products From Attacks by Creating Data Security Shield

- With the implementation of the European Union (EU)'s most stringent personal data protection law, the General Data Protection Regulation (GDPR), D-Link is duty-bound to protect customer privacy.
- Going all out to fight hackers by creating data security shield.

06

Going All Out to Fight Hackers

Protecting D-Link Products From Attacks by Creating Data Security Shield

As the first network communications company in Taiwan to pass the software information security framework set up by the Building Security in Maturity Model (BSIMM), we effectively improve code quality so that our products become more perfect. We identify errors early and information security vulnerability by creating data security shield, in order to protect D-Link's embedded network communications

products from attacks.

Since our founding in 1986, D-Link has continued to adopt innovative technologies to provide cost-effective network solutions with better connectivity and security, and higher performance to general domestic and corporate users. In response to the growing number of cyber security hacking incidents, we view product security, consumers' private information, and privacy protection as our important missions. To enhance information security management, we perform vulnerability scanning information during the product development process, and conduct a security assessment of source code scanning and black box testing. D-Link's products are embedded network communications products, such as routers, IP cameras, NVRs, switches, and IoT devices. We detect errors early and modify information security vulnerabilities by creating data security shield, in order to protect D-Link's network communications products from being easily attacked by hackers.

2019

We continue to upgrade product information security requirements and standards by introducing the IEC 62443 Industrial Network and System Security, including the IEC 62443-4-1 certification with regard to software security requirements.

2018

We passed the BS 10012 Personal Information Management System (PIMS).

2017

We officially and fully implemented the BSIMM system. At the end of 2017, we passed the audit performed by internationally renowned consulting and certification company, Bureau Veritas, and met the BSIMM V7 requirements, thereby becoming the first network communications company in Taiwan to pass the BSIMM verification. In addition, to maintain the quality of information security, we carry out internal audit once every year, and appoint a third-party data security verification company to conduct audit at least once every two years.

2013

We renewed the product inspection contract with the Institute for Information Industry (III), which not only requires all new products to pass the information security inspection standards, but also further strengthen cooperation regarding information security incident response measures, as well as information security training for employees.

2014

We introduced a third-party information security consulting company to improve our product security research and development process.

2016

We passed the ISO/IEC 27001 Information Security Management System (ISMS) certification. We incorporated BSIMM to improve the overall development process, with source code scanning tools serving as an important part of the model. One of the key points of BSIMM is to implement code review. At present, vendors, D-Link's development team and software products are fully required to present source code information security scanning reports before shipment, and must reach the established level to pass the model. We strictly control product information security through the newly developed D-Link development standards.

2012

D-Link signed the contract with III to implement cooperation on product information security vulnerability and penetration scanning and testing.

2011

With the official announcement of Taiwan's "Personal Information Protection Act", D-Link launched the international information security standards, TRUSTe Privacy in order to establish a service privacy protection policy. TrustArc, formerly a not-for-profit organization named TRUSTe, is a private for-profit company in U.S.A. which provides information security technologies and is headquartered in San Francisco, U.S.A. This company assists enterprises in updating their privacy management processes in order to comply with government laws and regulations, as well as best practices.

D-Link's systematic management framework for product information security

PRODUCT INFORMATION SECURITY MANAGEMENT PLATFORM

1. Product vulnerability repair management ■
2. Security incident management ■
3. Product version database ■
4. Vulnerability scanning and penetration testing report ■
5. External security vulnerability database ■
6. External information security news database ■
7. Development document management ■
8. Source code information security scanning report ■
9. Suite information security management ■

Existing systems and documents

External information

Product information security system

Product vulnerability management:

Vulnerabilities detected in products and subsequent repair records are included in the product test report. Each vulnerability is listed and managed in the database, where repair records and versions will also be included.

Security incident management: Security incident management is used for tracking the processing of each information security incident, the release of modified software, and unified information announcement channels.

Product version database: It includes the hardware and software versions of products, as well as related data.

Vulnerability scanning and penetration testing report: Vulnerability scanning and penetration testing are black box tests specified in the BSIMM process. At present, new products must be sent to third-party information security service companies for testing.

External security vulnerability database: Publicly shared information security vulnerability database can be used for general data query.

External information security news database: The database collects external news related to information security released by online media to keep abreast of the latest impact of information security incidents at all times.

Development document management: It covers reference specifications and analysis documents required for product development, such as threat analysis, information security requirements, and test plans and results, various types of assessment documents, test reports, and information security incident management in the future, as well as employee training materials.

Source code scanning: It uses a code security scanning tool which complies with the secure software development life cycle (SS-DLC) to scan source code security in the segment specified by BSIMM. All software versions have to be accompanied by a qualified source code security scanning report.

Suite information security management: The software suite used by a product is recorded for tracking purposes. In case of information security vulnerabilities in the future, the product version using this suite can be found promptly.

Expected information security goals

- » Strengthen the inspection of vulnerability and penetration scanning and test quality. In addition to manual inspection, automated inspection tools are used to increase efficiency and expand the scope and scale of

inspection.

- » Combine historical data and information security incidents in all product information security inspection reports.
- » Automate comparison between product software suite data and the latest externally generated information security incidents, and actively provide notification for tracking and processing when matches are found.
- » Regularly generate statistical reports on the information security vulnerabilities of various product lines, which enables checking of product information security status, adjust information security arrangements at any time, and assist in searching for information security function during product planning. Product-related functions can also be enhanced.
- » Conduct internal self-inspection of the product information security development process every year, arrange for third-party information security companies to perform audit every two years, and conduct information security audit with partnering vendors.
- » Enhance the information security-related professional skills of internal product inspectors/developers and conduct regular training for them to obtain the relevant licenses and qualifications, in order to help fight for system procurement.

Going All Out to Fight Hackers

With the implementation of the EU's most stringent personal data protection law, the General Data Protection Regulation (GDPR), D-Link is duty-bound to protect customer privacy.

GDPR, the EU's consistent compliance requirements, helps D-Link and consumers communicate on an equal footing. It also enables consumers to know their own data, and have the right to data entity self-determination. In this way, mutual trust established between both parties after consumers get to know the method their personal information is used by companies, will develop more innovative business opportunities and digital convergence optimization services.

The General Data Protection Regulation (GDPR), which was implemented beginning May 25, 2018, aims to provide EU citizens with better protection of privacy and freedom, thereby promoting data circulation within the EU and reduce barriers to business operations. It is applicable to natural persons, legal persons, public authorities or other institutions, including those located in the EU, and those which are "not" established in the EU but whose goods or services involve the personal data of EU citizens.

Before the implementation of GDPR, D-Link has established a foundation for personal data protection, technology and organization management in accordance with international regulations. With regard to personal data and privacy protection, we begin from data itself, while establishing protection technology support and ensuring a continuously effective management system with service process and legal operations.

Step 1: Stocktake GDPR requirements

GDPR extends the scope of application to organizations outside the EU which provide services and products to the EU. Therefore, international companies and institutions outside the EU have to comply with GDPR. Under the global operations framework, there are additional legal compliance requirements for the global operations and data utilization of branches outside the EU and the head office.

2
Strict requirements regarding the legal basis for processing personal data of EU citizens are strictly limited to the collection and processing of personal data according to contracts, by consent or by legitimate interest. Therefore, stricter requirements for the collection of data, the necessity of fields, and the consent to exercise them, as well as marketing based on legitimate interests, are adopted compared to privacy protection regulations used in other regions.

3
With appropriate safeguarding requirements for transfer to third countries (countries outside the EU), there needs to be privacy protection levels similar to EU's GDPR requirements for transfer of data from the EU to countries outside the EU. However, there are only 12 countries identified by the EU as adequacy decision countries. For instance, the transmission of data back to the Head Office the use of resources in Taiwan to perform IT management or the use of cloud service outside the EU by the EU branch involves cross-border transfer to third countries or the use of data processors in third countries which leads to transfers to third countries.

4
With protection by default and protection by design, GDPR has significantly improved requirements for personal data protection, including encryption and pseudonymization, and requires that privacy protection, technical control, and management control should be in

place during the design of products, services, and processes. GDPR also has more and higher security standards for information security. Products and services provided by D-Link must comply with these requirements.

5
With data subject rights, the right to be forgotten, portability, and the right to object, as stipulated in GDPR, lead to an increase in system complexity and the level of difficulty in service and data processing processes resulted from system design, data retention design and the possibility of exercising the rights of the parties.

6
The possible impact of GDPR and ePrivacy Regulation (yet to be implemented) may restrict current marketing operations, the use of technologies, such as cookies and trackers in website operations, as well as data utilization and precision marketing jointly performed with other social media and marketing resources. There is also a need for a more legal approach for data utilization and marketing operations after the implementation of GDPR.

7
Requirements for the legitimacy and accreditation of industries and products, such as certification and code of conduct, will lead to another type of product design, increasing demand for service design, and cost increase. Facing legitimacy and the new requirements for product labeling and service specifications, organizations need to have a new mindset and support from think tanks, along with this new demand to change organizational structure and configuration.

Step 2: Respond to GDPR measures

8
The adjustment of differences, as well as the redistribution and investment of resources are

carried out based on the foundation of privacy protection established in the past.

9
Responses to GDPR lie in the legitimacy of product design and service process; therefore, it is not a top-down approach or merely the tasks of the legal affairs and compliance departments, but a comprehensive transformation of contact points from bottom to top throughout the entire organization instead. Therefore, the first priority is to conduct appropriate awareness and training to ensure that all employees and teams understand and are committed to GDPR compliance.

10
For compliance checking according to GDPR and relevant laws related to EU nations (e.g., direct marketing regulations), comprehensive inspection is conducted on current EU-related operational processes, data processing process, and service process to first ensure the legality and compliance of operations. At present, the legality of all operational processes in the EU and the head office in Taiwan have been completely

reviewed, and responses have been given and implemented with regard to the review results. The current responses implemented include improving operational processes and data processing process, narrowing the scope of data collection, and deploying technology management, as well as responding to regional data processing structure and the adjustment of data processors under GDPR.

11
Privacy policy documents, including information shown in products and service processes, as well as on websites, are revised and adjusted.

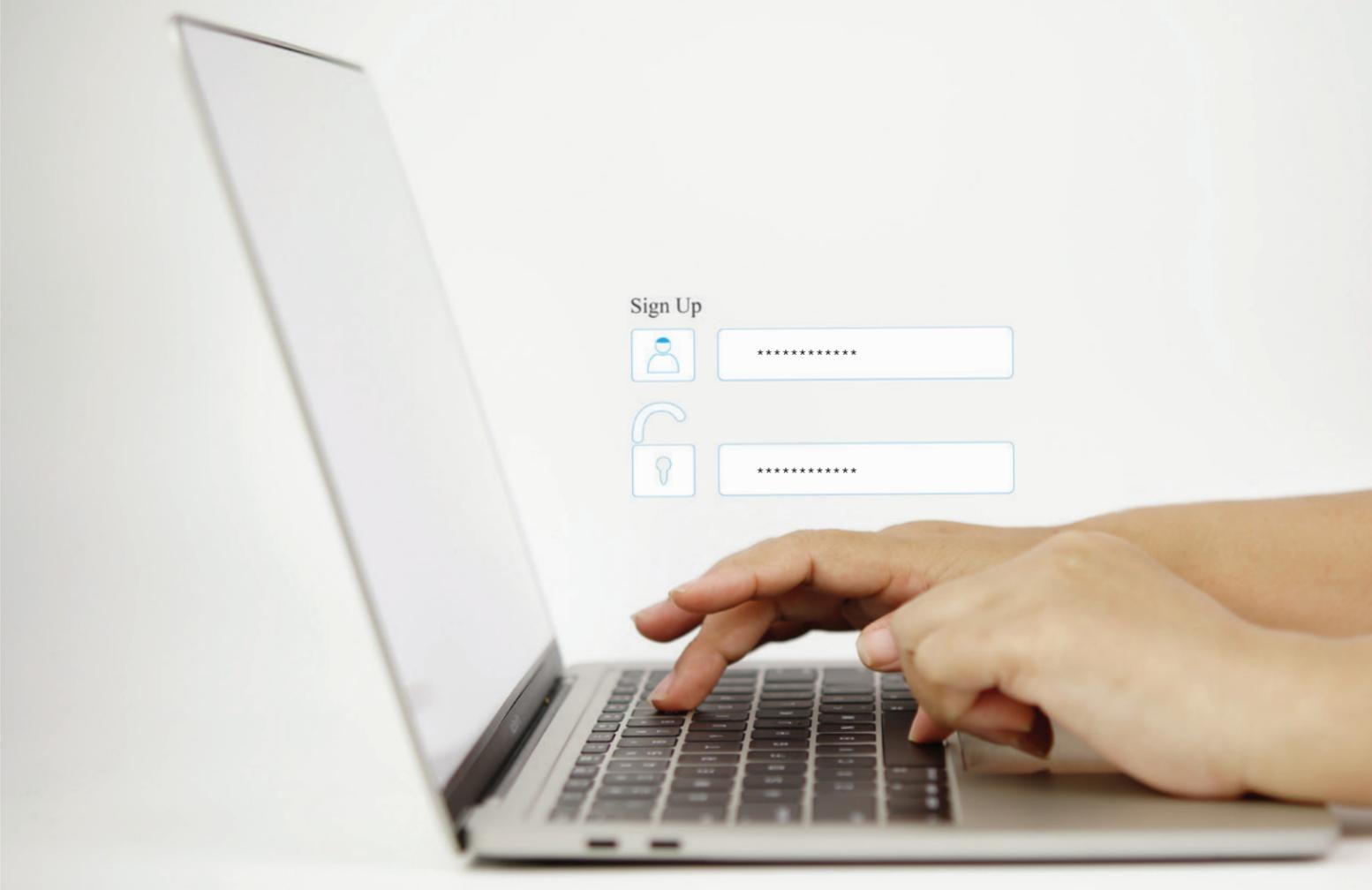
12
A management system is incorporated. The management system currently adopted is based on the BS10012: 2017 Standards, and a continuously effective management process is established by taking into consideration the relevant guidance.

13

Privacy by design is introduced by incorporating the principles of information security and privacy protection into product design and service design, to ensure that all product and service processes comply with privacy protection standard and GDPR principles.

14
Information security and protection are strengthened by improving the relevant information security technologies in accordance with GDPR requirements.

15
The management of data processor and the validation of its legitimacy are enhanced. At present, a data processing agreement has been signed with major service providers and outsourced data processors, and legal operations are performed in compliance with transfer of data to third countries as stipulated in GDPR through the signing of Standard Contractual Clauses. The control of contractual legitimacy is implemented on data processors and outsourcing vendors, and the relevant operating procedures are revised.



Mission as Citizens of the Earth

Maintaining the Endless Growth of Mother Earth

- Our planet deserves our attention.
- Building a Green Supply Chain

,07

Our planet deserves our attention.

The methods we use to promote environmental protection are as innovative as the products we manufacture. We created the D-Link Green program to reduce our carbon footprint. We are gradually switching to the use of more eco-friendly materials to create safer products and production processes. In some countries, we have even developed a more conscientious approach to effectively recycle electronic waste.

Our carbon footprint drives our way of thinking. Based on the perspective of the product life cycle as specified in the ISO14001 standard, we continue to improve our methods for greenhouse gas life cycle analysis. When our analysis shows that a particular material, process or system has a significant negative impact, we will re-examine the method of product, process or facility design.

As a company which combines both software and hardware design, we can achieve outstanding energy performance by making good use of technological synergies. We produce more outstanding products using cleaner methods, and are committed to sustainable, eco-friendly operations.

For example, D-Link India has built electronic waste collection centers in numerous locations across India. The goal of these centers is to establish an effective system to manage the generation, collection, storage, transportation, import, export and disposal of e-waste. We take every opportunity to develop cleaner production and manufacturing processes which help us create a better environment when manufacturing

excellent products.

Every Generation of Products Designed by D-Link Is As Energy Efficient As Possible

Having a smaller footprint has always been the goal that D-Link Green strives for. Our product manufacturing process accounts for the largest portion of our carbon footprint. We can start with both the processing of raw materials and the electricity used in the manufacturing process to effectively reduce our impact on the environment. Energy-saving products not only reduce our overall footprint, but also help customers save on electricity bills.

More Complicated Footprints Require More Innovative Solutions

Headquartered in the Neihu Technology Park in Taipei City, D-Link's action plan includes reducing the use of paper with electronic-based operations, reducing waste by implementing waste management, not providing waste bins at each cubicle, and categorizing waste for recycling, conserving water by replacing all the taps with more efficient ones, and conserving electricity by replacing lighting in public and underground parking areas with energy-saving LEDs, suspending the operation of some elevators during off-peak hours, and putting drinking fountains on hold on holidays. Meanwhile, disposable cutlery is not provided in the staff cafeteria, as well as a discount of NT\$10 for using a personal cup each time at the cafe is provided. In 2018, the company was not fined or issued with any orders for improvement by the local environmental protection authorities.

Leading the Industry, Abiding to SGS ISO 9001:2015 and ISO 14001:2015 Standards

The new editions of the ISO 9001 and ISO 14001 standards are performance-oriented management systems, designed with a particular

focus on high-level management participation, leadership and communication, interest groups' expectations, paying attention to the handling and environmental changes in management processes, as well as identifying risk and opportunities to promote a management system that rapidly adapts to changes in the business environment. The revision this time covers three major aspects, including substantial deregulation on documentary control, paying more attention to the organization's external business environment, and the integration of higher-level management and quality systems, to enhance performance and execution.

Compliance with International Standards, Non-Toxic Raw Materials

D-Link's excellent electronic products are made of safe materials, excluding the use of toxic ones such as lead, mercury or cadmium. We have audited and analyzed the raw materials of tens of thousands of components and the recorded data to ensure non-toxic materials are used throughout all aspects of the production process.

We exclude the use of toxic substances from all of our products. Currently, all raw materials containing lead or mercury have been phased out and comply with the EU RoHS restrictions of hazardous substances. In fact, in our supplier management process, the traceability process has been developed over many years to ensure hazardous materials do not enter the production process at any stage. This process helps us do a better job in reducing and eliminating toxic substances.

Our design and development teams adhere to EU environmental standards, developed green products in line with the EU's Eup, RoHS, WEEE and REACH directives, in response to the green product development trends. Meanwhile, we have developed ecological norms for a number of products to help the business, project development units, and assure customers of



DGS-3630-28PC

The latest-generation DGS-3630-28PC Switch reduces energy consumption by 7% compared to the previous model.

7% ↓



DGS-3630-52PC

The latest-generation DGS-3630-52PC Switch reduces energy consumption by 15% compared to the previous model.

15% ↓



DGS-1016C

The latest-generation DGS-1016C Switch is 30% smaller in size, and weighs 5% less than the previous model.

30% ↓



eco-friendliness, as well as help the research and development personnel assess the product life cycle to obtain relevant environmental standards based on customers' requirements and to reduce the impact on the environment.

We have complied with and adopted various international standards and regulations as best practice guide for sourcing raw materials for our products. This also includes the EU's Restriction of Hazardous Substances Directive (RoHS) that took effect in 2006, and Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). Evaluating various chemicals in our components helps us understand the impact these parts have on our health and the environment, so as to realize greener product design.

Reduce and Eliminate Toxic Substances

We have managed the hazardous substances of our products in accordance with IECQ HSPM QC 080000 (Electrical and Electronic Components and Products Hazardous Substance Process Management System Requirements).

Upon identifying toxic substances in our products, we reduce or eliminate them immediately, selecting new suppliers as well as seek sources for safer materials. These efforts have helped us remove toxic substances from processes, not only protecting our employees and consumers from health hazards, but also protects the Earth by preventing air and water pollution. In addition, bilateral cooperation with suppliers, rather than just one-way evaluation and supervision, has significantly increased material quality and safety.

In 2019, since our operation processes do not involve use of toxic materials, there were no violations of environmental laws and regulations; hence, no penalties or administrative fines were imposed.

Immediate, Specific Actions Can Effectively Prevent Climate Change

We have identified the risks derived from climate change, including the increase in energy cost and carbon tax. We have continued to manage energy, improve efficiency, and implement low-carbon procurement and transportation at main operating bases. Meanwhile, we have continually paid attention to the development of climate change, closely monitoring and controlling the risks derived from climate change. In response to global environmental protection trends, we have strived to seek various measures to reduce energy consumption. We have started with reduction of electricity consumption in the workplace to reduce our impact on the

environment effectively. We have also developed a specific energy-saving plan for the future. In the next five years, the lighting of D-Link's operation headquarters in Taipei will be replaced by energy-saving LEDs. With 2016 as the base year, it is estimated to cut electricity consumption by 2.5%.

We record electricity and water consumption, developing long-term records to help us analyze our efforts over the years and their corresponding effectiveness. This helps us better set goals and achieve greater reductions. For more information on D-Link's responses to climate change and the action plans for reducing the consumption of natural resources, please refer to the chapter of GHG Emission Solutions and Performance.

D-Link's products are made of non-toxic raw materials, without containing lead, mercury, cadmium, or other hazardous substances.



- 1. Lead (Pb)
- 2. Chromium Six (CrVI)
- 3. Mercury (Hg)
- 4. Polybrominated biphenyls (PBB)
- 5. Cadmium (Cd) - Maximum content of 0.01% (100ppm)
- 6. Polybrominated diphenyl ethers (PBDE) — Maximum content of 0.1% (1000ppm)

Energy and Water Consumption

Category	2017	2018	2019
Average Number of People Per Year	602	635	658
Externally Purchased Electrical Power	3,065,600	3,086,600	3,127,600
Average Number of Using Externally Purchased Electrical Power Per Person	5,092	4,861	4,753
Water Resources	11,468	11,743	12,375
Average Number of Using Water Resources Per Person	19.05	18.49	18.81

Gas, Waste Water and Waste Emissions

Scope	Regulations or International Standards Identification	Item	Unit	2017	2018	2019
Greenhouse gases	ISO 14064-1	Scope 1	ton CO ₂ e	193.19	193.49	203.18
		Scope 2	ton CO ₂ e	1,607.10	1,694.57	1,652.01
Effluents	Water Pollution Control Act	Domestic effluents	m3	10,321	10,569	11,138
Wastes	Waste Disposal Act	General waste consumption	ton	11.80	12.27	13.85

Note
 1. The data have not been verified by a third-party certification body.
 2. Scope 1 / Direct emissions refer to emissions released from the generation of electricity at operating bases by burning coal, natural gas, and gasoline.
 3. Scope 2 / Indirect emissions refer to emissions released from the generation of electricity externally purchased by operating bases.

Mission as Citizens of the Earth

Building a Green Supply Chain

Every year, we conduct in-depth investigations into environmental protection within the supply chain to continuously analyze low carbon benefits, and develop various methods to help reduce impact on the Earth. In this we strive to set an example. Although in the preliminary stage of assisting suppliers in achieving the same goals, we see this as a big step in the right direction.

In 2019, our stable cooperative suppliers consisted of three major categories: raw material suppliers, transportation contractors and final assembly suppliers. Therefore, we boast a solid foundation for green manufacturing so that we can provide training to local suppliers and guide them in meeting the requirements of global environmental protection in terms of products and processes. Hence, local suppliers have also continued to improve their skills and knowledge, while improving their employees' traditional skills and training their procurement departments to source eco-friendly non-toxic raw materials, which indirectly promotes a new learning cycle. Our involvement in the local supply chain has created a network hub in Taiwan, enabling the switch industry to grow in an S-curve.

We developed the D-Link Supplier Management Regulations for our Quality Control Department and Department of Procurement to evaluate suppliers and assess the industry. When new suppliers join the Company's supply chain, they must first accept our evaluation. Afterwards, once recognized as a formal supplier, they must receive regular annual assessments. Building a

Green Supply Chain assessment items include Quality, Cost, Delivery, and Service (QCDS), as well as various environmental regulations. Therefore, we employ an audit system to promote our suppliers' QCDS capabilities. Furthermore, we also recognize and have signed the environmental initiatives that are developed by external entities, while requiring our suppliers' commitments to these rules and regulations too.

Suppliers Must Meet the Requirements of RoHS, WEEE and HSF Environmental Directives, Published by the EU.

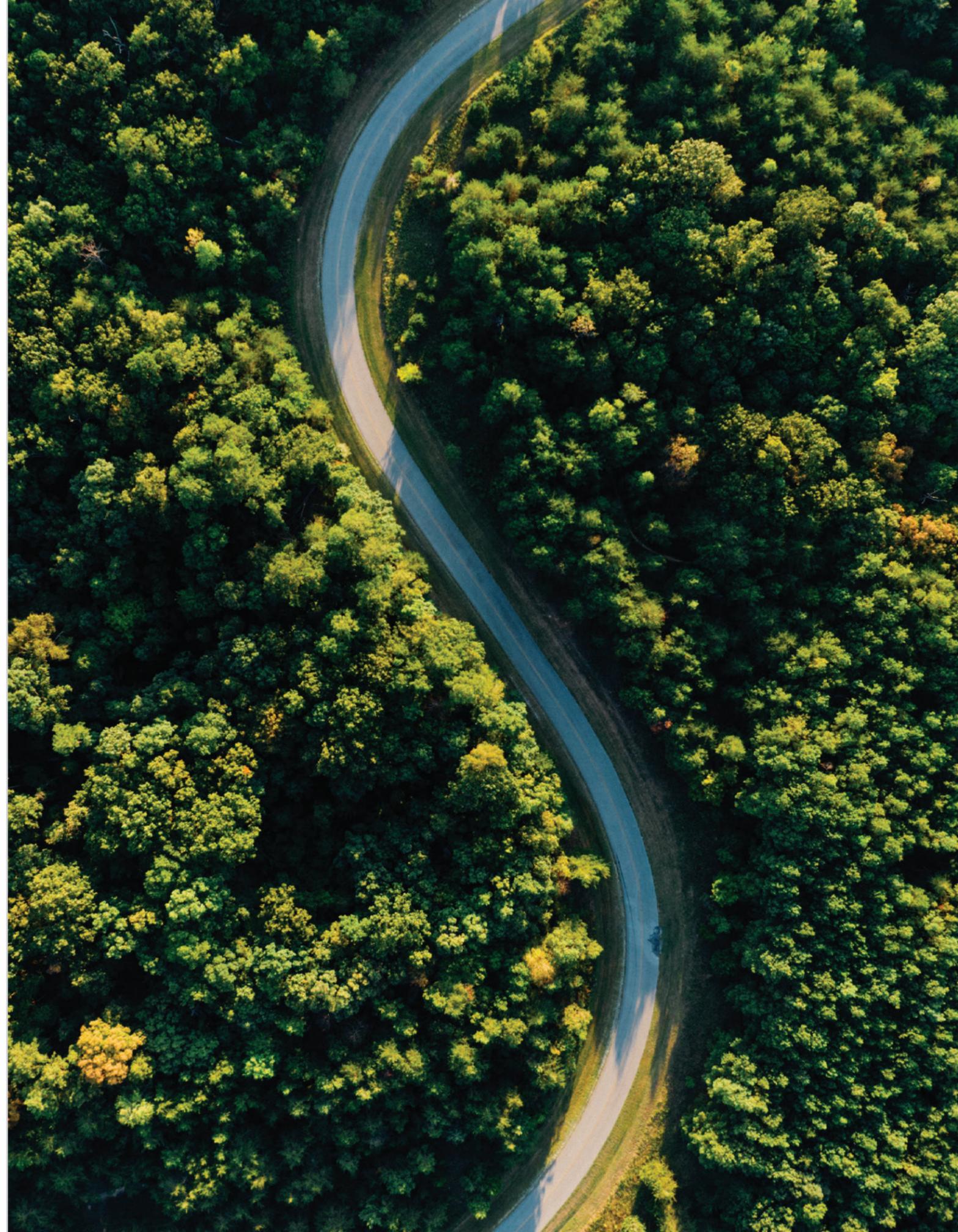
We boast a solid foundation for green manufacturing technology and knowledge, and are capable of training local suppliers. So far, the rate of selecting new suppliers based on environmental initiatives and standards has been 100%. All suppliers are required to comply with the EU Hazardous Substance Free (HSF) Directive, and sign the Restriction of Hazardous Substances (RoHS) Directive 2011/65/EU as well as make a commitment to the Waste Electrical and Electronic Equipment (WEEE) Directive. Among them, RoHS strictly controls the maximum amount of hazardous substances contained in suppliers' raw materials. The following six chemical substances must not be used: hexavalent chromium (CrVI), lead (Pb), mercury (Hg), and polybrominated biphenyl (PBB); the maximum allowable content of polybrominated diphenyl ether (PBDE) is 0.1% (1000 ppm) and the maximum allowable content of cadmium (Cd) is 0.01% (100 ppm). The Material Safety Data Sheet (MSDS) that records the chemical substances used in processing production for items as well as notary third party inspection reports must also be provided.

Suppliers Are Requested To Sign And Make A Commitment To The EU's REACH Regulations

The EU's Registration, Evaluation, and Authorization of Chemicals is referred to as the EU's REACH regulations. In comparison with the RoHS Directive for the control of electrical and electronic products, REACH regulates chemical raw materials. Since the EU is aware that in the process of electrical and electronic products and their raw material sources, chemical products were used, such as plastic, rubber, organic or inorganic chemical raw materials. Thus, the EU promulgated these regulations in 2008. Suppliers are required to make a commitment and guarantee that their products comply with the EU's REACH regulations. If suppliers' products contain substances of very high concern (SVHC), they have a duty to communicate this.

International Management System Certification

In addition to the aforementioned environmental initiatives and regulations, the suppliers are also required to introduce the international management system certification, and be certified by a third-party to ensure that their management processes and environmental policies are in line with international standards. During this reporting period, 100% of final assembly suppliers passed the QCDS Quality Review, 100% passed the ISO 9001 Quality Management System, 100% signed the Conflict-free Mineral Declaration, 11% passed the ISO 14064-1 Greenhouse Gas Inventory Standard, and 64% passed the ISO 14001 Environmental Management System.



Friendly Workplace

Adding Value to Employees' Careers

- D-Link Has Employees All Around the World
- Voluntary Compliance with the UN Universal Declaration of Human Rights

08

Friendly Workplace

D-Link Has Employees All Around the World

D-Link has fully demonstrated the features of inclusive and diverse human resources in the global workplace. We see employees all over the world speaking different languages and working together. We celebrate the differences between these people, as well as the results that make us and our customers happy.

Inclusiveness and diversity mean getting everyone involved. We welcome every person's opinions and beliefs, and believe that they can be fully taken note of by us. D-Link is a global company, comprising more than 2,200 employees. Of these, 743 are located in Taiwan, of which about 61% are male, and 39% are female. Average salary for full-time, non-managerial employees is NT\$ 1,057 thousand.

To attain our strategic goals in business, we are currently building our strength in software for products and cloud services. With our headquarters based in Taiwan, D-Link is constrained by Taiwan's human resources structure. In 2018, research staff accounted for 29% of our total employees. We insist on meritocracy and allocate jobs based on suitability and capabilities. As such, a good balance in gender ratio is maintained at the management level.

In order to provide a warm, friendly and harmonious working environment that meets the expectations for a balanced body and mind, family and career, D-Link facilitates nursing rooms with refrigeration equipment for the storage of breast milk. We also ensure strict access control to these rooms to protect the privacy and safety of our female employees at our headquarters in Taiwan. Furthermore, based on our internal evaluation and the

recommendations from our employees, we partnered with competent nurseries/daycare centers in the neighborhood to provide enhanced nursery options to our employees. In Taiwan, in accordance with the Act of Gender Equality in Employment and the 'Regulations for Implementing Unpaid Parental Leave for Raising Children, any employees who has worked a six-month period in Company with at least one child below the age of three may apply for unpaid parental leave for up to two years. Upon expiration of the unpaid parental leave, we will arrange for the employee to be reinstated to their original position.

A Variety of Welfare Programs

D-Link values the needs of our employees and wishes to accomplish the goal of "Enjoy Your Work, Enjoy Your Life", and therefore the Company offers various employee welfare programs. For example, our employees in Taiwan benefit from labor insurance and National Health Insurance, childbirth subsidies and parental leave, and labor pensions (through both the new and old systems) as stipulated by laws and regulations. Additionally, employees (including full-time, part-time, and temporary) are covered by group insurance from the day they report for duty. Employees can also opt to extend the coverage of the group insurance to their family dependents at their own costs. For our employees in other regions, their insurance programs apply to the local laws and regulations.

D-Link also provides our employees with a leave system beyond the stipulations of the Labor Standards Act. Our employees are entitled to annual full-pay for the first 7 days of their medical or menstrual leave, and 3 days of special leave in advance from the first day on board. This arrangement will allow both the body and the mind to be adequately rested and relaxed when needed. Furthermore, D-Link has set up dedicated lounges, staff restaurants, and gyms to create a comfortable office

environment. The 2019 welfare committee has also organized a variety of fun employee welfare activities in conjunction with various festivals, including:

- Chinese New Year: Year of the Pig
- 2019 D-Link Family Day
- D-Link Charity Club: Time for a GARDEN PARTY!
- Dragon Boat Festival Rice Dumpling Event

NT\$1 Million in Subsidies for Club Activities

We encourage employees to organize clubs. Currently, D-Link Taiwan Headquarters has 19 clubs, including Talent Club, Health Promotion Society, Baby Club, and a Badminton Club. In 2019, a total of NT\$1 million was awarded in subsidies to all clubs. For an enterprise, the association enhances the cohesiveness of employees and promotes horizontal contact between teams. For employees, participating in the clubs after work not only cultivates healthy and leisure, but also networking with work contacts and colleagues.

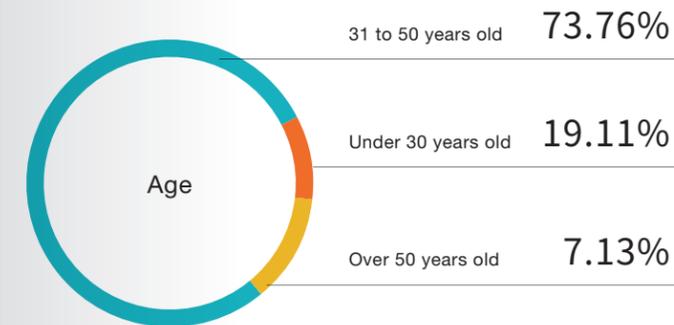




Members of D-Link's Mountaineering Club challenged Dabajian Mountain and successfully reached the peak of the mountain.

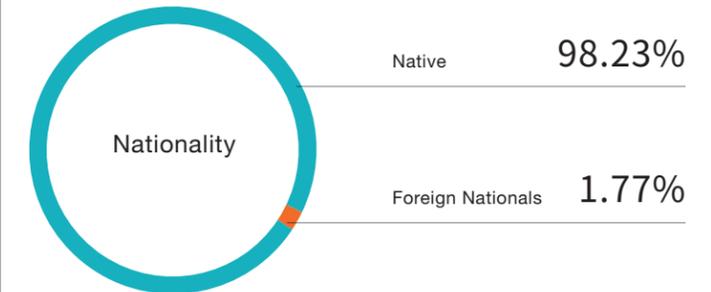
By Age

	Number	Percentage
Under 30 years old	142	19.11%
31 to 50 years old	548	73.76%
Over 50 years old	53	7.13%
Subtotal	743	100%



By Nationality

	Number	Percentage
Locals	727	98.23%
Foreign Nationals	16	1.77%
Subtotal	743	100.00%



Note: Based on the number of employees in office as of the last day of the fiscal year 2019.

Total Number and Percentage of New Employees and Employee Turnover by Age Gender, and Location

	Male		Female		Subtotal		
	Number	Percentage	Number	Percentage	Number	Percentage	
New employees	Under 30 years old	68	34.00%	25	12.50%	93	46.50%
	31 to 50 years old	76	38.00%	28	14.00%	104	52.00%
	Over 50 years old	1	0.50%	2	1.00%	3	1.50%
	Subtotal	145	72.50%	55	27.50%	200	100.00%
Departed employees	Under 30 years old	22	17.46%	10	7.94%	32	25.40%
	31 to 50 years old	49	38.89%	32	25.39%	81	64.28%
	Over 50 years old	8	6.35%	5	3.97%	13	10.32%
	Subtotal	79	62.70%	47	37.30%	126	100.00%

Note: As of the last day of the fiscal year 2019, the number of full-time employees is 743.

List of D-Link Clubs in 2018

1 Art and Culture Society	5 Traditional Dance Club	9 Mountaineering Club	13 Table Tennis Club	17 Basketball Club
2 Yoga Club	6 Baby Blub	10 Love heart	14 English Club	18 Kaohsiung Swimming Club
3 Talent Club	7 Fitness Club	11 Taipei Swimming Club	15 Board Game Club	19 Taichung Swimming Club
4 Aerobics Club	8 Health Promotion Club	12 Badminton Club	16 Survival Game Club	

Voluntary Compliance with the UN Universal Declaration of Human Rights

We voluntarily comply with the following, regarding them as the highest guiding principles for the rights and interests of our employees around the world.

- The UN Universal Declaration of Human Rights,
- The UN Guiding Principles on Business and Human Rights
- The ILO Declaration of Fundamental Principles and Rights at Work

D-Link advocates freedom of employment, which means all work should be done voluntarily. No employee should be forced to work against their will through coercion, mortgages, unreasonable contracts, or non-voluntary physical restraint. It is clearly stated in D-Link's CSR Code of Conduct that child labor is strictly prohibited. There was no report of slavery or human trafficking in 2018. Moreover, we have extended human rights issues to suppliers year after year and asked them to abide by our human rights policy:

- » Integrity: Make no attempt to seek, agree on, offer, accept or deliver bribes or other improper business interests.
- » Ensure all work is done voluntarily and no employees have been forced or coerced into employment.
- » Eliminate child labor and prohibit any worker under the age of 18 from engaging in risky tasks.
- » Ensure all employees are entitled to at least one day off each week, and the weekly working hours comply with the stipulations of local laws and regulations.
- » Provide our employees with a reasonable salary and benefits. Wages will be paid in accordance

with relevant local laws, and wage deduction as a form of disciplinary penalty is prohibited.

- » Provide employees with diversity and equal employment opportunities, and protect employees from all forms of harassment, including sexual harassment, obscenity, physical punishment, mental or physical coercion, verbal abuse, etc.
- » Ensure that no employee is discriminated or treated unfairly due to his/her race, color, religion, nationality, age, gender, religion, disability, citizenship, prior experiences, or other grounds that are protected by statutory regulations.
- » Respect our employees' freedom of association, and their right to participate in labor organizations and to elect representatives.
- » Ensure that all employees have equal access to education, training, and other career development opportunities.

Investing in Employees' Future

The sustainable development of a company depends on long-term individual talent learning and development. The training and development of our employees is of prime importance to D-Link. As such, our Human Resources Department assists each of our new employees in familiarizing with the Company's policies, operations, and the environment from their first day of work. Orientation training sessions are also conducted bi-monthly to help new employees understand the Company's products, organization, business direction and philosophies, as well as to encourage them to continuously grow their professional skills and other competencies.

In order to cater to different areas of specialization, the department heads and the Human Resources Department will arrange for employees to undergo on-the-job training and internal training, including common core functional training, such as DC/BC/KC courses, management training programs (MTP), and

management skills training (MST). Based on the needs of each department and its professional skills requirements, our employees are also selectively chosen for specific training (e.g., marketing, business, labor safety, fire safety, and specialization-related) through external agencies. Furthermore, to better respond to rapidly changing industry trends, our employees may also be required to attend external seminars or lectures to learn about the latest trends and developments. Annual training sessions are also provided according to organizational goals and employees' developmental needs. Through these actions, we hope to encourage mutual learning and growth among our employees that will then be internalized as a driving force for overall corporate growth. Annual training sessions are also provided according to organizational goals and employees' developmental needs. Each department proposes training needs, while the Human Resources Department formulates training plans for execution.

Our employees have equal access to education and training regardless of gender. In 2019, a total of 500 employees participated in training programs. On average, each employee spent 6.03 hours taking training courses. Furthermore, male employees averaged 6.7 hours of training per year, while female employees averaged 4.98 hours of training.

Adding Value to Employees' Careers

D-Link's transparent talent goal performance management system effectively drives talent and teams to realize their potential and help global teams grow, as well as produce higher levels of performance, thereby adding value to employees' careers. Since 1992, D-Link has introduced the concept of "Management by Objectives" to systematically integrate the Company's vision, strategic objectives, and employees' work goals with the Company's development and needs. To this end, we facilitate communication and feedback through preliminary setting, mid-term review, and final assessment. In addition, different aspects of functional assessment of managerial/

non-managerial employees are carried out to help the organization develop and use human resources properly. With the integration of the organization's business performance and the performance management system, the results of performance assessment are reflected in the promotion and reward system to motivate every employee with the growth of the Company. Except for contractors and employees who were reinstated for less than three months after taking a leave of absence, all employees who have served for three months or more (after probation) are required to participate in the regular performance and career development reviews.

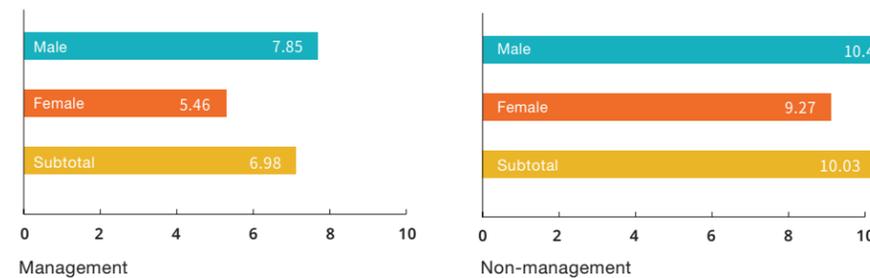
Adhering to A Safe Working Environment of High Standards

D-Link's strict occupational safety regulations push us to adhere to safe working conditions of high standards and provide a comfortable office environment. Furthermore, we constantly enhance these standards and are continuously committed to improve these standards every year. The results of our efforts enable us to achieve high scores in terms of overall occupational safety performance.

We have formed the Occupational Safety and Health Committee based on Article 23 of the Occupational Safety and Health Act to discuss and review issues related to occupational safety.

Labor representatives dedicated to supervising and giving advice on occupational health and safety make up to one-third of the Occupational Safety and Health Committee. Also, our employees have not engaged in any work that is risky for their safety or health.

Average Hours of Training per Year per Employee, by Gender and by Employee Category



Work Injury Types, Work Injury Frequency, Occupational Disease, Days Lost and Absentee Rate during Reported Period

Item	Work Injuries		Work Injuries	
	Male	Female	Male	Female
Number of people	0	1	7	3
Work hours lost	0	0	136	8
Working days lost	0	0	17	1
Absentee Rate (AR)	0	0	19.69=(17/172697)*200000	1.16=(1/172697)*200000
Integrated Absentee Rate (AR)	20.85=19.69+1.16			
Disabling Injury Frequency Rate (FR)	7.96=[(7+4)*1000000]/1381576			
Disabling Injury Severity Rate (SR)	13.03=[(17+1)*1000000]/1381576			
Frequency-severity Indicator (FSI)	$\sqrt{[(7.96 \times 13.03) / 1000]} = 0.32$			

Employees Receiving Regular Performance and Career Development Reviews, by Gender and Employment Position

	Male	Female	Subtotal	
Managerial Positions	Employees Evaluated	71	41	112
	Training Received (hours)	557.5	224	781.5
	Average Hours of Training Received Per Employee	7.85	5.46	6.98
Non-Managerial Positions	Employees Evaluated	243	131	374
	Training Received (hours)	2536	1214.5	3750.5
	Average Hours of training received per Employee	10.44	9.27	10.03
Totals	Total Employees	314	172	486
	Training Received (hours)	3093.5	1438.5	4532
Total Employees at End of Reporting Period	462	289	751	
Average Hours of Training Received	6.7	4.98	6.03	

Participation in Civic Activities

As love knows no borders, D-Link's charity programs are flourishing all over the world

- Italy
- India
- Russia
- Taiwan

09

1st stop of Making Meaningful Connections through D-Link's Global Charity Programs



Taipei Blood Bank Donation

D-Link Headquarters in Taipei was first up on our round-the-world charitable causes in 2019, and we organized something special for the participants. We encourage all our colleagues to part in donating blood, with the added incentive of every participant who donate receiving a hand-painted spring festival poem. With the advancement of modern medicine, demand for blood continues to increase day by day. To ensure that all kinds of patients can receive sufficient blood for treatment at all times, it is important for the public to actively and regularly donate blood. Furthermore, blood donation is a good deed which not only helps others, but also benefits us, too. It not only promotes better metabolism for us, but it helps save the precious lives of others.

So far, blood cannot be replaced by man-made products. It is therefore necessary to encourage the public to donate blood. D-Link's operational headquarters in Taipei has long supported blood donation activities organized by the Taipei Blood Center, Taiwan Blood Services Foundation. We make it convenient for our colleagues to donate blood during lunch break and after working hours, and also welcome residents staying near our offices to join the event. The entire company shows the spirit of "donating a bag of blood to save a life" and "relay with love to prolong lives" to do our part for the society.



Charitable Activities Award Ceremony

D-Link received the Charitable Activities Award from Taipei's mayor for organizing blood drives at the headquarters.

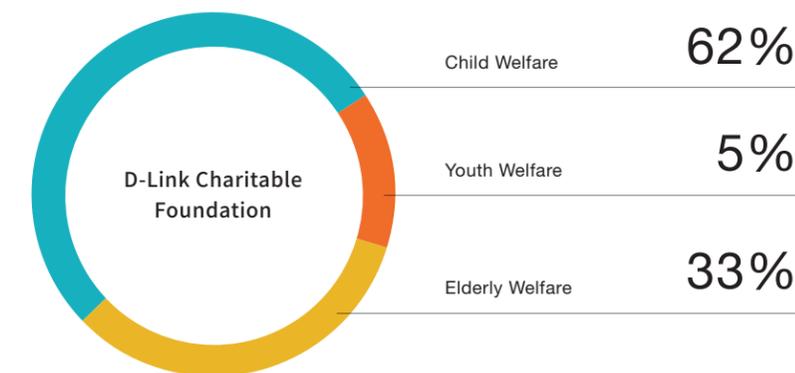
In honor of D-Link's ongoing charitable efforts in Donating Blood we were extremely proud to receive the Charitable Activities Award. Donating blood for the first time may seem like a daunting task, but most individuals feel that donating blood is worthwhile. Thanks to our returning participants and our first-timers we believe we can really make a change for the better for those that need it. While you may not think of giving blood as a way to protect your health, it turns out that you do reap some solid benefits from donating blood, too. And for that we are forever grateful.



D-Link Charity Club: Time for a GARDEN PARTY!

D-Link's Charity Club attended a garden party organized by HungKuo Delin University of Technology and the Development Center for Spinal Cord Injuries.

In order to help support HungKuo Delin University of Technology and the Development Center for Spinal Cord Injuries we attended their annual garden party where we sold an abundance of items to the many crowds of people that came out on the day to help raise funds in order to support patients suffering from spinal cord injuries. Everyone had a great time and raised a significant amount of money for an extremely worthy cause.



2019 D-Link Family Day

D-Link's Family Day for employees and their families to explore Zhishan Ecological Garden was a great success. There were several stations set up allowing D-Linkers and their children to learn more about Taiwan's ecology through fun games, tricky quizzes, and a wealth of ecological information.

Ecology enriches our world and is crucial for human wellbeing and prosperity. It provides new knowledge of the interdependence between people and nature that is vital for food production, maintaining clean air and water, and sustaining biodiversity in a changing climate. For these reasons, we at D-Link believe it is crucial to learn more about the environment and instill this knowledge into our future generations, too. And what better way to do this than enjoying family time with old and young alike learning, loving and growing together.



Waker Walker Charity Event at Taipei 101

A group from D-Link took great pride in representing the company to help support the incredible work that the Waker Walker charity does in helping underprivileged children receive the education they deserve.

Waker Walker is looking for a group of volunteers who are open-minded and willing to use empathy to serve in remote locations throughout the world and help in the betterment of children's lives. Being able to understand the local culture and accompany the children is what they are truly looking for, and D-Link helps to raise awareness and funds for such great causes like this regularly.

Waker and local non-profit organizations (NPOs) work together to arrange an entire plan that lets all volunteers be part of the program, enjoy the experience and maximize their efforts wherever they are stationed. Waker works with local communities and schools, too. The plans for all chosen locations are formulated carefully to match the needs of those that are living there and ensure that they receive the care required in order to spend time there for long-term service. Therefore, to make the plan more efficient, Waker hopes all volunteers have a positive approach when interacting and helping people and children at their locations around the globe.

Waker accepts people that are enthusiastic, willing to learn, and eager to help. Nothing is more important than these three things. What

does Waker really need? They need "YOU". They need you to be willing to walk into the local life, villages and schools, and observe their life styles, obey their culture, learn their culture and become part of their community. The most important thing is to respect the local culture and also the local children and their families.

Only through education can we disassociate from poverty. Children's betterment through education is the main aim that Waker has been working on. Sometimes we have to be brave and willing to persevere knowing that it will eventually develop character and great patience and ultimately produce greatness. Waker hopes volunteers can inspire the children's aspirations and give them hope for a life outside of poverty, fulfilling their needs and interacting through fun learning.

Every child has the right to food, play, education and love, and we at D-Link couldn't agree more.

The D-Link Charitable Foundation has set up the “Starlight Classroom” in remote areas and within disadvantaged communities to provide care and giving at a local level. The Company provides subsidized meals and after-school tutoring for children from first grade in elementary school (first grade) to third grade in junior high school (ninth grade) in Keelung, New Taipei City, Hualien, Taitung, and other areas. In 2019, various activities, such as after-school tutoring, computer, kendo, painting, and oral expression classes were held. We hope to support both knowledge and character development in children by expanding their learning scope with diverse curriculum.

D-Link's Starlight Classroom

Children from Starlight Classrooms are economically, culturally, and educationally disadvantaged or grow up in a dysfunctional family. Among them, the proportion of children from economically disadvantaged families in remote areas is the highest, and it is increasing annually. In order to reduce the number of children who need assistance, and also considering that the parents are the most suitable caregiver of their children, the D-Link Charitable Foundation therefore works with non-profit groups to promote the industry development in remote tribes. We hope that we can help increase the income of tribes and families so that adults do not have to leave their home to find jobs. This will solve social problems caused by the lack of proper care for children.

The project is carried out by the D-Link Charitable Foundation in three stages, including:

Preliminary stage

Provide tutoring and dinner. Through local public welfare groups, we aim to solve the urgent problem that children lack academic

counseling and that there is no one to prepare dinner for them.

Intermediary stage

Promote the “Charity-based Agriculture Project. We wish to solve economic issues that separated families and caused social problems of children lacking of proper care by assisting parents to cultivate organic or toxin-free produce with better unit price to increase household income. This also in line with D-Link’s corporate social responsibility goal of encouraging the production of green products.

Long-term stage

As the saying goes, “Give a man a fish and you feed him for a day; teach a man how to fish and you feed him for a lifetime.” D-Link is fully aware that charitable organizations depend on external donations to support their social work. However, the sustainability of social work is often affected by instability and a lack of funds. For this reason, we hope to help charitable organizations become “social enterprises” to achieve the goal of increasing funds for those NPOs.

Success Story 1

Our Starlight Classroom Project aims to promote the transformation of farming of the parents of the Starlight Classrooms, and adopts natural farming methods that do not apply chemical fertilizers and pesticides to produce toxin-free products to increase product prices. D-Link is also pioneered to purchase toxin-free products from the assistance project. At the same time, we work with public welfare groups to establish online sales platform. The profits are used to provide assistance for children in need. In 2018, the results of the public welfare agricultural project were as follows: (1) Organic pomelos were exported to China. (2) The “Adopting Organic Pomelo Tree” charity event was initiated, with the general public invited to support the environmental friendly pomelo farmers against the destruction caused by typhoons.

Success Story 2

At present, we have successfully assisted NPOs such as the "Seedinland Social Enterprise" in transforming into social enterprises.

Number of pomelos successfully sold based on the results of assisting the "Seedinland Social Enterprise (Unit: boxes)



D-Link Charitable Foundation Classes organized by the Starlight Classroom Project in 2019



Tutoring Class

After school, the golden three-hour shelter class is held to have a place to take care of children of single parents, foreign spouses, families facing domestic violence or high risk, so that some parents can take a breather and rest. After-school tutoring lessons or meals are provided in this class.



Computer Class

This class offers lessons on the application and concepts of computer network, mobile phones, etc. for beginners.



Kendo Class

This class involves exercise sessions for sweating and nurturing high self-discipline. It also helps cultivate positive human qualities, such as teamwork, self-demand, leadership, obedience, etc. in children.



Painting and Oral Expression Class

This class comprises lessons on arts and communication. It teaches children from families facing domestic violence, of single parents or from disadvantaged families to express their inner dark self through painting, words, and spoken language. It assists teachers in exploring children's captive souls, and help them search for a healthy and happy childhood.

Note
 1. Each class consists of 5 to 30 people.
 2. Lessons are held at least once a week, with each lesson lasting between 1 and 3 hours.

2nd stop of D-Link Russia Connecting Educational Initiatives and Civic Activities with the Leaders of Tomorrow

1.

▼ The Medal Winners of WorldSkills Russia 2019 in Information Network Cabling



Partnership with the WorldSkills Russia movement

D-Link supported the 7th WorldSkills Russia National Competition which was held on May 21-23 in Kazan, the capital and the largest city of the Republic of Tatarstan, Russia. Its goal is to introduce the best international practices into the national system of education, increase the attractiveness of skilled jobs and improve the quality of training.

WorldSkills Russia is the largest Russian professional skill competition according to WorldSkills standards among junior students aged 14 to 16 and students of secondary vocational education institutions aged 16 to 22. The competition includes six skills

sectors: construction and building technology, information and communication technology, creative arts and fashion, manufacturing and engineering technology, social and personal services, as well as transportation and logistics.

D-Link took part in organizing and conducting competitions in Information Network Cabling skills. For three days, the competitors were solving challenges that network cabling technicians usually face every day. Young professionals and juniors demonstrated their skills in designing and installing cable systems for telecommunication and network communications. As part of our partnership with the WorldSkills Russia movement, D-Link team equipped the competition site with switches, routers, wireless access points, IP cameras and IP phones, provided expert support for the

professional assessment of the competitors' performance and donated prizes for the award ceremony.

D-Link is very supportive of this kind of social activity and is willing to continuously share resources, including technologies, tools, professional talents, etc. with industry partners.

2.

▼ Opening Ceremony of the 18th Youth Delphic Games of Russia



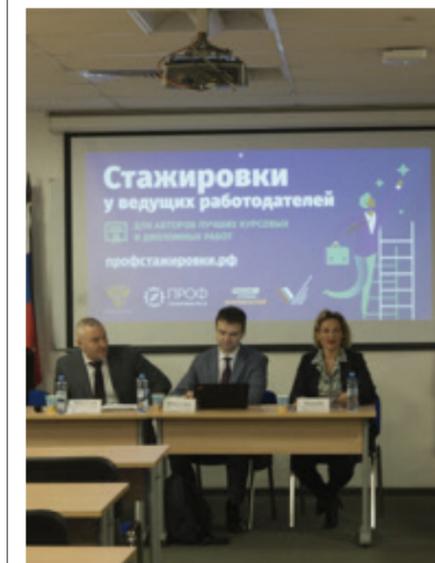
Supporting competitions of young talents in the field of art

D-Link supported the 18th Youth Delphic Games of Russia held in Rostov-on-Don in April 2019. Over 2500 young talents aged 10 to 25 came to the competition in order to demonstrate their mastership in 50 folk, classical and contemporary skills (piano, violin, folk instruments, TV journalism, cooking art, hairdressing, preservation of cultural heritage, etc).

D-Link provided over 30 high-definition professional surveillance cameras for live webcasting of the Delphic Games on the official Delphic TV channel and on social networks so that thousands of devotees of art all over the world could enjoy the performances of the talented youth. By supporting the Delphic Games movement, D-Link encourages young people to get involved in arts and helps to build a more creative and inspired society for the future.

3.

▼ "Professional Training 2.0" Presentation Meeting



Participating in the Russian National Competition of Student Projects to inspire young talent and help them launch successful IT careers

D-Link is now participating in the Russian national competition of student graduation projects called "Professional Training 2.0". It is a new educational initiative launched in June 2019 by the Russia, Land of Opportunity, non-profit organization, which was established upon the initiative of the Russian President. In fact, this is a new mechanism of interaction between graduate students and potential employers, which can become a social elevator for young people.

According to the competition terms, D-Link has provided several programming challenges and topics to be studied and solved by students as their graduation project. All the works will be reviewed by D-Link R&D experts, and the winners will be invited for internship at D-Link. As part of our work, we seek to support and empower a new generation of IT specialists so that they are ready to drive technology and innovation.

4.

▼ Education and Career Guidance Festival in Ryazan



Supporting career guidance activity for high school students

The "Ryazan Region Education and Career Guidance Festival" is a social welfare event annually held by the Ministry of Education and Youth Policy in partnership with the leading employers and educational institutions of the region. The project aims to provide career guidance to local students aged 15 to 17 years old. As a network communications expert, D-Link has been invited to this social welfare event to help young people explore careers in technology. The D-Link Education Team provided up-to-date information about IT occupations, fields of work, company education courses and career opportunities in D-Link R&D Centre in Ryazan. D-Link attaches great importance to this kind of activity as it helps thousands of students to ensure that their choices about future working lives are well-informed and well-thought-through in relation both to their own aspirations and potential, and to the needs of the regional labor market.

Participation in Social Welfare Activities

3rd stop of D-Link India Connecting People in Rural Areas and the Underprivileged to a Better Future

► Presenting Cardiac Ambulance to Masina Hospital



Cardiac Ambulance Donated to Masina Hospital

As part of our CSR objective of serving the society, D-Link India donated an Advanced Life Support Cardiac Ambulance to Masina Hospital in Mumbai (Maharashtra, India). This ambulance is equipped with state-of-the-art equipment. Citizens of Mumbai looking for emergency healthcare service can now benefit from this Ambulance service as it will not only help to bring critically ill patients to the hospital but also initiate treatment right from the patients' house. The ambulance service will be available from 15th November 2019 on 24 hours a day, 7 days a week basis using the Jeevan Ambulance helpline 982155528 and Masina Hospital Casualty number 022-61841279.



Support Towards Karnataka Flood Relief Operation

The 2019 floods in the state of Karnataka (India) brought major upheaval, rendering many families homeless and businesses being ruined. We at D-Link (India) Ltd. realize that as a responsible corporate entity it is our duty to help our brothers & sisters in time of such despair. In our effort to support the rehabilitation of flood victims, D-Link team handed over a cheque of INR 10 Lakhs to Mr. R Ashok – Revenue Minister, Government of Karnataka to assist in the Chief Minister Disaster Relief fund.



▲ Donation Ceremony Lion S. P. Jain Eye Hospital and Diagnostic Centre

Lion S.P.Jain Eye Hospital and Diagnostic Centre Machine Donation

Lion S. P. Jain Eye Hospital and Diagnostic Centre located in a western suburb of Mumbai (Maharashtra, India) provides eyecare treatment to the underprivileged. The hospital was looking for support to procure Vision Screening Machines through which they can efficiently detect many eye problems. As part of our CSR effort towards promoting quality healthcare initiatives by making available latest medical equipment's, D-Link (India) Ltd. donated Vision Screening Machines to the hospital.



▲ Indian movie actress Ms. Juhi Chawla giving a speech at A.K. Munshi Yojana NGO

Donation Support for Project Anando by Light of Life Trust

First generation learners need support and guidance to break out of the vicious cycle of poverty and illiteracy. Project Anando Light of Life Trust decided to focus its interventions on secondary school level students in rural districts in Maharashtra, with a vision to reach out and positively impact the entire nation over time. At D-Link we believe Education is a powerful tool that can transform individuals and society, and with this belief we have extended our support to project Anando under the D-Link CSR program.



▲ Donation Ceremony at Project Anando by Light of Life Trust, Maharashtra

4th stop of D-Link Italy Connecting Responsibly in The Combat Against Cyberbullying

The D-Link Italy CSR campaign once again took aim at informing and enabling people to use connectivity in a responsible manner and to think about the importance of tone of voice, content and security when browsing and communicating online.

In 2019, one of the main activities of this campaign was to engage with two high schools in Milan, with the aim of preventing cyberbullying in the scholarly environments. Both institutes produced a poster and a video to raise awareness around this difficult topic.

Subsequently one poster and one video were chosen, as well as a number of other materials which have been made available on D-Link's specialized landing page (<https://connettitiresponsabilmente.it/>) for all schools that would like to replicate the campaign with the students in their institute.

The kit was formed of:

Next year an email campaign will be carried out to share the kit with as many schools as possible. We will continue promoting awareness among schools about the severity of cyberbullying in the hopes to stamp it out completely.

The materials to support the campaign "Connect responsibly" are:

Website:
<https://connettitiresponsabilmente.it/>

Video of the campaign:
<https://drive.google.com/open?id=1RKBAIAPX-UfEpdJuOdT9f4gf-hLRMD2u>

Kit against Cyberbullying:
<https://drive.google.com/open?id=1fbX338eaFYn52QOqsnVdudch5UicV4k4v>

► Video made by the students of the Liceo Berchet School, Milan



Appendix

Appendix A : GRI Standards Comparison Table

Appendix B : Table of Topic Identification, Boundaries, and Material Aspects

Appendix C : Table of Stakeholder Engagement and Frequency of Communication

Appendix A:

GRI Standards Comparison Table

GRI Standards	Material Topics	Disclosure No.	Disclosure Item	Page
GRI 102:2016				
GRI 102	Organizational profile	102-1	Name of the organization	10-13
GRI 102	Organizational profile	102-2	Activities, brands, products, and services	10-13
GRI 102	Organizational profile	102-3	Location of headquarters	10-13
GRI 102	Organizational profile	102-4	Location of operations	10-13
GRI 102	Organizational profile	102-5	Ownership and legal form	10-13
GRI 102	Organizational profile	102-6	Markets served	10-13
GRI 102	Organizational profile	102-7	Scale of the organization	10-13
GRI 102	Organizational profile	102-8	Information on employees and other workers	10-13
GRI 102	Organizational profile	102-9	Supply chain	10-13
GRI 102	Organizational profile	102-10	Significant changes to the organization and its supply chain	10-13
GRI 102	Organizational profile	102-11	Precautionary Principle or approach	10-13
GRI 102	Organizational profile	102-12	External initiatives	10-13
GRI 102	Organizational profile	102-13	Membership of associations	10-13
GRI 102	Strategy	102-14	Statement from senior decision-maker	12
GRI 102	Ethics and integrity	102-16	Values, principles, standards, and norms of behavior	30-33
GRI 102	Governance	102-18	Governance structure	30-33
GRI 102	Stakeholder engagement	102-40	List of stakeholder groups	Appendix C
GRI 102	Stakeholder engagement	102-41	Collective bargaining agreements	Appendix C
GRI 102	Stakeholder engagement	102-42	Identifying and selecting stakeholders	Appendix C
GRI 102	Stakeholder engagement	102-43	Approach to stakeholder engagement	Appendix C
GRI 102	Stakeholder engagement	102-44	Key topics and concerns raised	Appendix C
GRI 102	Reporting practice	102-45	Entities included in the consolidated financial statements	6-9
GRI 102	Reporting practice	102-46	Defining report content and topic Boundaries	6-9
GRI 102	Reporting practice	102-47	List of material topics	6-9
GRI 102	Reporting practice	102-48	Restatements of information	6-9
GRI 102	Reporting practice	102-49	Changes in reporting	6-9
GRI 102	Reporting practice	102-50	Reporting period	6-9
GRI 102	Reporting practice	102-51	Date of most recent report	6-9
GRI 102	Reporting practice	102-52	Reporting cycle	6-9
GRI 102	Reporting practice	102-53	Contact point for questions regarding the report	6-9
GRI 102	Reporting practice	102-54	Claims of reporting in accordance with the GRI Standards	6-9
GRI 102	Reporting practice	102-55	GRI content index	6-9
GRI 102	Reporting practice	102-56	External assurance	6-9
GRI 103:2016				
GRI 103	Management Approach	103-1	Explanation of the material topic and its Boundary	8/12/16/32/36/54/62/70/76
GRI 103	Management Approach	103-2	The management approach and its components	As above
GRI 103	Management Approach	103-3	Evaluation of the management approach	As above

GRI Standards	Material Topics	Disclosure No.	Disclosure Item	Page
GRI 200:2016				
GRI 201	Economic Performance	201-1	Direct economic value generated and distributed	10-13
GRI 201	Economic Performance	201-3	Defined benefit plan obligations and other retirement plans	68-75
GRI 203	Indirect Economic Impacts	203-1	Infrastructure investments and services supported	76-87
GRI 205	Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	30-33
GRI 300 2016				
GRI 301	Materials	301-2	Recycled input materials used	60-67
GRI 301	Materials	301-3	Reclaimed products and their packaging materials	60-67
GRI 302	Energy	302-1	Energy consumption within the organization	60-67
GRI 302	Energy	302-4	Reduction of energy consumption	60-67
GRI 302	Energy	302-5	Reductions in energy requirements of products and services	60-67
GRI 303	Water	303-1	Water withdrawal by source	60-67
GRI 305	Emissions	305-2	Energy indirect (Scope 2) GHG emissions	60-67
GRI 306	Effluents and Waste	306-2	Waste by type and disposal method	60-67
GRI 308	Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	60-67
GRI 400:2016				
GRI 401	Employment	401-1	New employee hires and employee turnover	68-75
GRI 401	Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	68-75
GRI 401	Employment	401-3	Parental leave	68-75
GRI 403	Occupational Health and Safety	403-1	Workers representation in formal joint management-worker health and safety committees	68-75
GRI 403	Occupational Health and Safety	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	68-75
GRI 403	Occupational Health and Safety	403-3	Workers with high incidence or high risk of diseases related to their occupation	68-75
GRI 404	Training and Education	404-1	Average hours of training per year per employee	68-75
GRI 404	Training and Education	404-3	Percentage of employees receiving regular performance and career development reviews	68-75
GRI 405	Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	68-75
GRI 406	Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	68-75

Appendix B:

Table of Topic Identification, Boundaries, and Material Aspects

Prioritization	Relevant Issues	Topics	Indicators of the GRI Standards	Boundaries of Stakeholders							
				Internal	External						
				Employees	Shareholders	Customers	Suppliers	Government	Media	NPO	
1	Branding and marketing	Marketing and labeling	417-3 In compliance with the regulations of marketing communications	•		•	•				
2	D-Link Green	Compliance-Environment	307-1 No heavy fines have been incurred due to violation of environmental laws and regulations	•		•	•	•			
3	Charity activity	Indirect Economic Impact	203-1 Investment in local community infrastructure and development and impact of support services	•			•	•	•	•	
4	Revenue disclosure	Economic Performance	201-1 Directly generated and distributed economic value	•			•	•	•	•	
5	Supplier management	Supplier Environmental Assessment	308-1 Percentage of new suppliers that were screened using environmental criteria	•			•				
6	Information Security Management	Customer privacy	418-1 Substantiated complaints regarding concerning breaches of customer privacy and losses of customer data	•			•				
7	Employee training	Training and Education	404-1 Average number of hours of training per employee per year, by gender and by employee category	•				•			
8	Gender equality in the workplace	Equal Remuneration for Women & Men	405-2 Ratio of basic salary and remuneration of women to men, by employee category and by operation bases	•				•			
9	Emissions	Energy	302-2 Indirect emissions of greenhouse gases (Scope 2)	•				•			
10	Introduction of ISO 14001:2015 Environmental Management System	Environmental Grievance Mechanisms	302-4 Reduction of energy consumption	•				•			

Appendix C:

Table of Stakeholder Engagement and Frequency of Communication

Stakeholder Engagement, Identification, and Selection

In our engagement with stakeholders, we plan out a rigorous identification process. First, members of the Corporate Social Responsibility Office will, through internal meetings, brainstorm and identify various stakeholders, including worldwide customers, domestic and foreign investors, employees, government officials, customers and suppliers, non-profit organizations, and the media. We then adhere to the five criteria: responsibility, influence, tensions, dependence, and diverse perspectives set forth in the AA1000 Stakeholder Engagement Standard (abbreviated as AA1000 SES 2015)

formulated by Account Ability, a global non-profit organization. Based on these five criteria, we identify stakeholders, grade their importance, and, ultimately, establish six major categories of priority stakeholders. After the identification process, there are seven major categories stakeholders we have engaged with for this annual report, namely customers, employees, non-profit organizations, investors, suppliers, government, and the media. Notably, we place special emphasis on D-Link product users around the world, as they form an integral part of our daily operational activities, and are the stakeholders with whom we communicate quite frequently.

Methods, Frequency, and Particular Procedures of Engagement with Stakeholders

We employ various methods of engaging with,

cooperating with, and surveying our stakeholders' opinions and feedback, particularly D-Link users around the world. For more details, please refer to the table of stakeholder engagement methods, frequency, and specific procedures.

In addition to engagement methods in the table, as for the issues, including the Company's corporate social responsibility policies, development directions, material issues, and development plans, we also manage to obtain stakeholders' opinions and feedback through questionnaires or email as a reference for the disclosure of material issues and the basis for the Company to continually improve corporate sustainability. The stakeholders' feedback is processed and compiled by each department head, and then material issues are discussed and prioritized through internal meeting discussions.

▼ Frequency of Communication with Stakeholders

Stakeholders	Channels of Communication	Frequency of Communication	Records
Customers	Marketing activities	Monthly	Press Center
	Social network	Daily	Website records, such as D-Link YouTube and Facebook
	Official website in multiple languages	Daily	Dedicated personnel are responsible for forwarding customers' feedback that is sent to the customer service mailbox to the responsible unit for subsequent handling. Technical support, shopping, and maintenance records
	Global toll-free services	Daily	Statistical report on consumer feedback
	Customer service mailbox	Daily	Statistical report on consumer feedback
	Customer satisfaction survey	Daily	Customer satisfaction survey report
	Brick-and-mortar operation counseling	Daily	Dealers' feedback
Employees	Conference call communication	Irregular intervals	Telephone interview records
	Face-to-face communication	Irregular intervals	Interview records
	E-mail	Irregular intervals	E-mail
	Foundation's contact person	Irregular intervals	Conference records
Investors	Annual Shareholders' Meeting	Once a year	Shareholder meeting booklets and conference records
	Quarterly operational achievement presentation and conference calls	Once every quarter	Legal financial information from Market Observation Post System
	Disclosure of monthly revenue	Once a month	Monthly revenue and press release on Market Observation Post System and the Company's website
Suppliers	Selection of new suppliers	Once per supplier	Supplier selection and evaluation report
	Requirements for environmental protection	Irregular intervals	Supplier's letter of commitment
	Annual audit	Once a year	Supplier auditing records
	Supplier training	Irregular intervals	Training materials
	Supplier conferences	Once a year	Meeting minutes
Government Agencies	Official correspondence		Official documents
	Market Observation Post System		
	Company's website		
Media	Press conferences	Irregular intervals	Latest news and press releases

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