



# 2021 Sustainability Report



# About the Report



SYSAGE Technology Co., Ltd. (SYSAGE, SYSAGE Technology, or we), as a world citizen, proactively seeks advancement in corporate governance, society, and the environment while addressing the Sustainable Development Goals (SDGs) of the United Nations. We issue the Sustainability Report periodically on a yearly basis as a means to examine developments of

internal ESG and to engage important stakeholders. This Report is prepared in compliance with the core options of the Global Reporting Initiative (GRI Standards) and with reference to the Sustainability Accounting Standards Board (SASB)'s sustainability accounting standards and other applicable international regulations (such as the United Nations Global

Compact, ISO26000, etc.) to strengthen the communicative nature of the information disclosed herein. SYSAGE Technology is devoted to fulfillment of its corporate social responsibilities (CSRs) and treats all stakeholders with integrity while trying to build sustainable connections that feature mutual trust and reciprocity.

## Reporting Period

SYSAGE Technology released its very first CSR Report in 2016 and prepared the Report for the first time in 2020 in compliance with core options of the GRI Standards. This year, the SASB standards are included, too, to show the persistent effort to promote the quality and soundness of information disclosed. The Reporting Period of this Report ranged from January 1, 2021 to December 31, 2021.

## Scope of Report

This Report surrounds the SYSAGE Group and covers SYSAGE Technology and its subsidiaries as shown in the corporate annual report, namely, SYSAGE Technology Co., Ltd., Global Intelligence Network Co., Ltd., and Epic Cloud Co., Ltd. Due to the differences in the applicability of respective sustainability topics, however, the scope of disclosure on different topics was somewhat adjusted to reflect the operational status of each subsidiary. The financial data answer to those shown on the Consolidated Financial Statements of SYSAGE Technology and are all indicated in New Taiwan Dollar. Social and environmentally applicable statistics, on the other hand, are based on internationally accepted units.

## External Qualification

External qualification is outsourced to the independent third-party verifier, Bureau Veritas Certification (BVC) to ensure compliance with the disclosure requirements of the GRI Standards and AA 1000/Type 1/Moderate. The complete Statement of Assurance is appended to the end of this Report.

## Contact Information

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# Contents



**01 Sustainability Strategy**

- SDGs and Sustainability Strategy | 13
- Involvement in International Initiatives | 16
- Five Major Cornerstones of ESG | 17
- ESG Five Year Development Goals | 18
- ESG Management Framework | 19
- Business Continuity Planning (BCP) - Response to COVID-19 | 20

**02 Sustainability Topics and Stakeholders**

- Evaluation of Material Sustainability Topics | 22
- Matrix of Material Sustainability Topics | 23
- Communication with Stakeholders | 24
- Evaluation of Significance and Impacts of Material Sustainability Topics on SYSAGE | 25
- Management Approach and Performance Evaluation of Material Sustainability Topics | 26

**03 About SYSAGE Technology**

- Company Profile | 28
- Products and Services | 34
- Economic Performance | 37
- Corporate Governance | 39

**04 Compliance and Risk Management**

- Compliance | 44
- Risk Management | 49

**05 Customer Commitment**

- Customer Satisfaction Survey | 56

**06 Information Security**

- Information Security Management | 58
- Customer Privacy Protection | 59

**07 Happy Workplace**

- Overview of Employees | 62
- Talent Recruitment | 63
- Compensation and Remuneration | 64
- Quality Benefit | 65
- Talent Development | 72
- Talent Retention | 74
- Workplace Safety | 75

**08 Responsible Supply Chain**

- RBA Supply Chain Management | 78
- Supplier Selection and Communication | 79
- Green Supply Chain | 80

**09 Friendly Environment**

- Electricity, Water, and Waste Management | 82
- GHG Inventory Check | 83
- Energy Conservation and Carbon Reduction Measures | 84
- Substantial Risks and Opportunities Associated with Climate Change | 85

**10 Common Good in Society**

- Charity Donations | 87
- Employee Involvement | 87

**Appendix 1: Reference table of internationally accepted social responsibility standards**

- Global Reporting Initiative (GRI) | 88
- Sustainability Accounting Standards Board (SASB) | 92
- United Nations Sustainable Development Goals (SDGs) | 93
- United Nations Global Compact (UN Global Compact) | 95
- Social Responsibility Directive (ISO26000) | 96

**Appendix 2: Certification of inspections fulfilled for suppliers | 98**  
**Appendix 3: Third-party independent certification of the Report | 101**



## Message from the Chairman and President

Since 2021, the world has been in the post-pandemic era of COVID-19. Enterprises are not only speeding up with digital transformation but also valuing sustainable development. The post-pandemic era has contributed to rising awareness of wellness of the whole society, too. While riding along the contemporary new economic wave for digital transformation, SYSAGE Technology is breaking away from the operational framework of traditional dealers by proactively integrating the powerful resources over the Cloud and those on the ground, connecting the overall applied ecology in series, reinforcing the growth momentum for future operations, and welcoming a future that is “cloud-based, digital, international, and on the move” with other businesses to have ready for use by customers the most needed software-hardware integration tool to allow digital transformation for the coming 5 to 10 years. With more than 20 years of experience in dealership and distribution, SYSAGE is proactively reinforcing the deployment of public and private clouds and combining further the cloud platforms that we resell, including cloud adoption, cloud-ground integration, and cloud application in order to address customers’ needs and to help business owners turn digital proactively and cope with challenges.

As a member of the Qisda family, we have our corporate social responsibilities (CSR) to fulfill and are also obligated to do something for society to make it and the environment better. By proactively assisting corporate users in digital transformation, it helps to not only boost the operational efficacy of the corporations but also effectively enforces paper-less operations for the good sake of conserving the global environment and making a greater difference in society.

The revenue of SYSAGE throughout 2021 reached NTD 11.953 billion. We thank our colleagues for their contribution and effort to make this possible despite the pandemic yet to ease. SYSAGE shares its fruits with its people. The employee compensation and remuneration were adjusted in 2021 and salary raises are ongoing. In addition, to care for the physical and mental health of employees, SYSAGE has them covered by vaccination insurance and offers health examinations that help them stay concerned about their physical and mental wellness besides work.





Corporate social responsibilities shall be proactively fulfilled during corporate operations. Fulfilling corporate social responsibilities is not only a developmental trend in the international society but also improving the quality of life of employees and even the society directly or indirectly with the promotion of related civil issues; it contributes to even more normalized developments throughout society and mankind welfare. The practice and policy of SYSAGE in CSR follow four major themes, namely, accountable governance, smart future, digital talent, and green operation.

We hope that by reinforcing and consolidating each ESG aspect, it helps not only improve the quality of life of employees and the general public and lead people towards accumulation of wealth but also enable them to reinforce and enjoy a quality life and create values in life. We also hope to lead the general public to effectively restore resources available in society and guide through and improve the life of disadvantaged groups with the devotion of corporate resources, which is likely to inspire all colleagues and their families on the significance of life. We firmly believe that anyone can be an important start of a virtuous cycle, too.



Chairman and General Manager  
Lee, Chang-Hung





# SYSAGE 聚碩科技

COREX



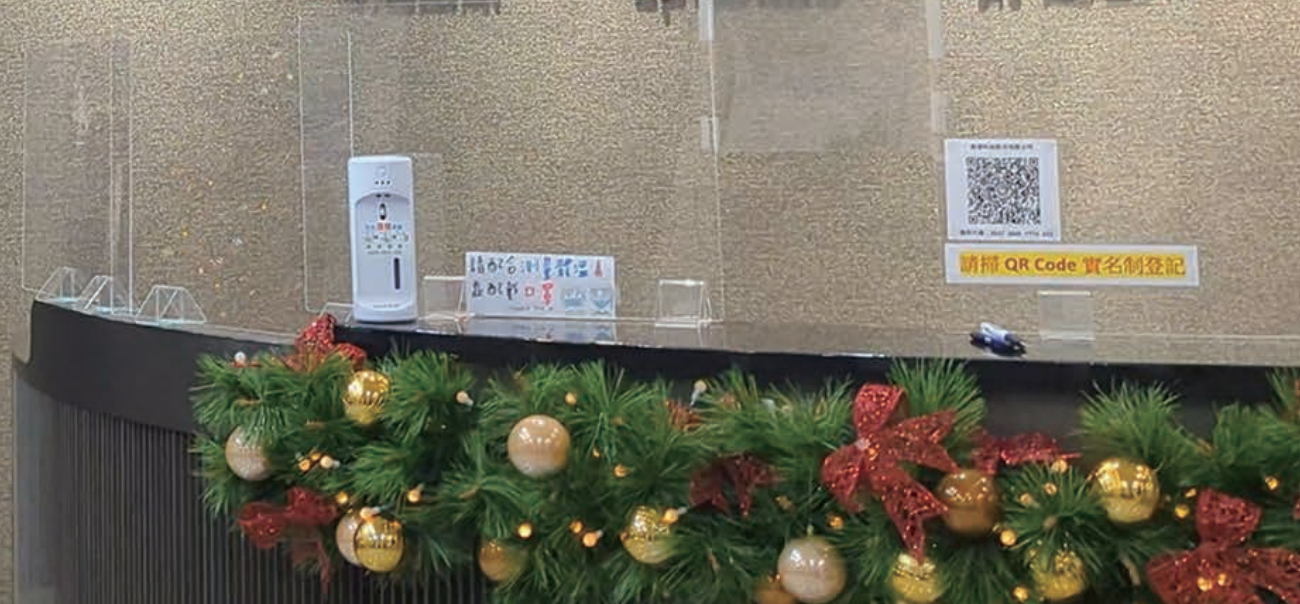
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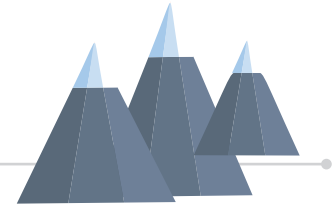
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# Honor and Recognition



SYSAGE Technology, an ICT solution provider, plans as a whole and integrates systematically in the setup of corporate networks, network system security, network management, data processing and analysis, and backup systems. We introduce various products to customers and develop professional application software that suit the needs of customers. We also provide related technical advisory and educational training programs. We are one of the few professional service providers of total solutions for corporate networks in the nation.

Products that SYSAGE resells include network and system software and hardware of world-famous companies such as Cisco, Oracle, and IBM. Meanwhile, we develop total solutions in different fields with the products we resell and proactively plan the overall network hardware framework, host system, network safety mechanism, database, and related corporate application software from customers' perspective

in order to improve their additional value. Unlike ordinary dealers, the application software integration center of SYSAGE is capable of and experienced in developing online application software so as to help corporations turn global, optimize their quality, and make their services more efficient.

Over the past years, SYSAGE has been widely recognized, including the rankings and recognition shown through surveys such as the "CommonWealth Top 2000 Businesses Survey" and the "CRIF - Top 5000 Businesses". In the survey of the computer system integration service sector of China Credit Information Service, in particular, SYSAGE has ranked first for six years in a row. The recognition is positive and inspiring for us. We will continue with the effort to improve our corporate competitive advantages and strengthen our market share so as to provide our customers and all stakeholders with better-quality services and contributions.



Manufacturer's recognition and historical awards



CommonWealth Top 2000 Survey (Latest Rankings)  
 • [Information Equipment Distribution and Service] 2020 Sixth  
 • [Service Sector] 2020 128th



CRIF Top 5000 Businesses (Latest Rankings)  
 • [Computer System Integration Service Sector] 2020 First (six years in a row)  
 • [Neihu Technology Party New Revenue Ranking] 2020 Twenty-third

# ESG Highlights and Accomplishments



## Governance



- ☆ Steady EPS growth over the past 5 years
- ☆ Optimization of the English website devoted to ESG
- ☆ Customer satisfaction scoring over 90% for the third year in a row
- ☆ 6%~20% of all listed companies in the 8th Stock Exchange Corporate Governance Evaluation
- ☆ The top 5% of small and medium-sized companies in the 8th Stock Exchange Corporate Governance Evaluation

- 2021 Release of the Sustainability Report prepared in compliance with the GRI Standards
- 2021 Sustainable Report qualified by third party
- 2021 Formation of the Risk Management Committee
- 2021 Preparation of the BCP

## Social



- ☆ AI-assisted talent selection to save 50% of time needed for recruitment
- ☆ Men-to-women ratio of nearly 1:1

- 2021 Addition of 30 benefits for employees and optimization of environment
- 2021 First employee satisfaction survey
- 2021 One employee conference and 3 labor-management meetings
- 2021 Twelve executive training workshops
- 2021 Reinforced occupational safety educational training
- 2021 Addition of AED inside the Company
- 2021 Donation of 106 bags of blood from employees
- 2021 Donation of gift certificates for Children's Day charity sale of Stepping Stone, a total of NTD 25,000
- 2021 Sponsor the BenQ Culture and Education Foundation to handle charitable activities of NTD 2 million



## Environment



- ☆ RBA Supply Chain Audit 200/200 Medal
- ☆ Fulfillment of paper-less hiring for the recruitment process applying AI

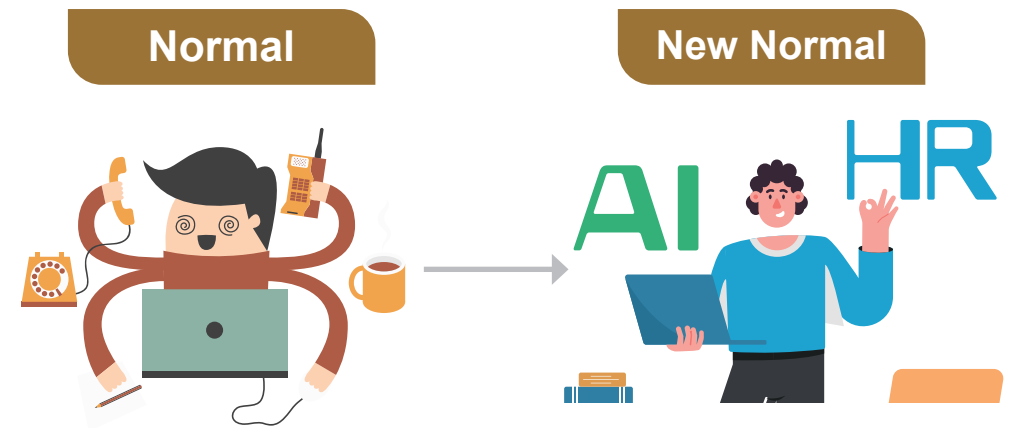
- 2021 CDP from D to C-
- 2021 Addition of 3 routine energy conservation and carbon reduction measures
- 2021 Enhanced anti-pandemic practice with the office to be disinfected on a weekly basis
- 2021 Colleague joining the local rice sponsorship campaign of the BenQ Foundation, a total of 23 people





# AI and ESG Wave: What Does SYSAGE Do

Faced with the transformation in the global business operation model, corporate management needs to catch up with time, too. Digitalization, intelligence, automation, and AI application are now global corporate management trends. SYSAGE Technology, a dealer and distributor of international heavyweights, needs to advance and improve itself constantly. We are proactive in making machine learning products and AI tools that we resell a part of daily management processes and procedures. Brand new total solutions were created in 2021, such as the HR digital solution. In the future, we will gradually reach out to other fields of operation with our robotics and AI tools to expedite business digital transformations. We believe that it will not only improve the efficiency demonstrated by colleagues at work but also help fulfillment of ESG on multiple fronts, such as constant innovation, operational continuity, energy conservation and carbon reduction. SYSAGE hopes to combine more diversified practices and scenarios at work with assistance of AI and overcome possible barriers encountered during digital transformation while continuing to land the application of AI.

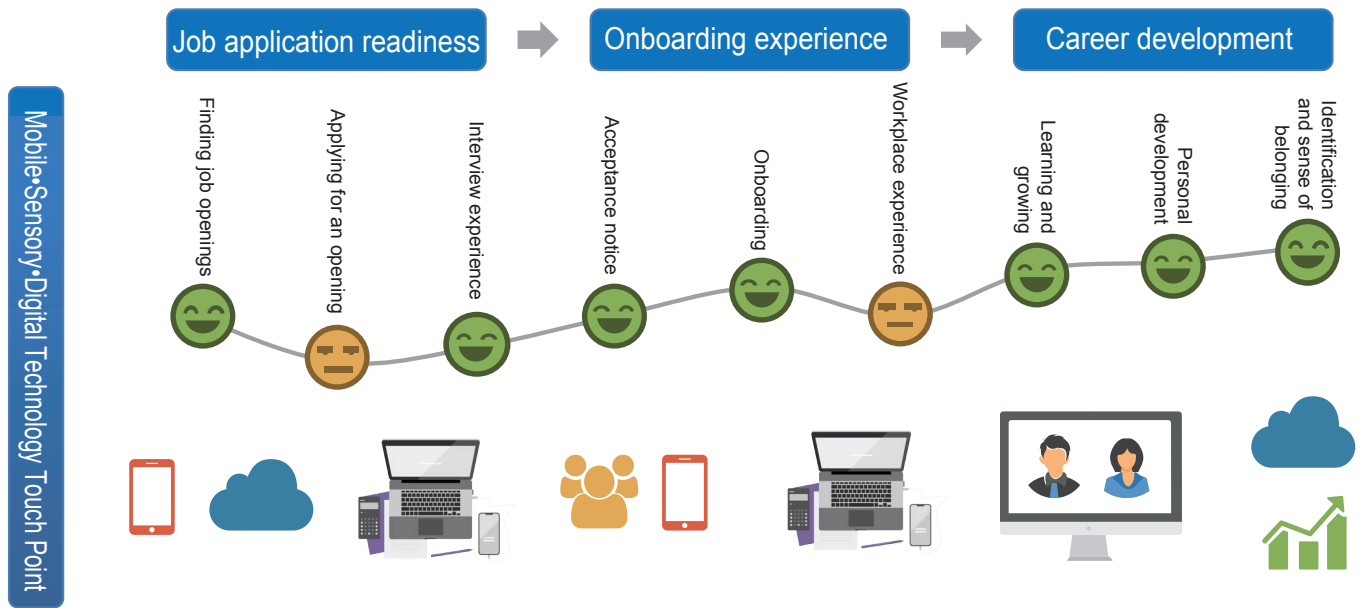


# ESG Innovations

## AI-assisted talent selection to save 50% of operational time

In 2020, COVID-19 broke out and swept across the globe, and until mid-2021, the world was still combating the virus. In response to the changes in work style as a result of the pandemic, working remotely and in shifts, as well as the hybrid model as a compromise, have accelerated the digital transformation of many companies.

The survey by Willis Towers Watson (WTW), a world-leading advisory company, shows that employee experience has become more important in the post-pandemic era, and 92% of respondents, 42% up from the previous survey, emphasized more on employee experience. According to Benjamin Chou, Talent & Rewards Consulting VP of WTW, it is necessary for companies to think outside the box. While flexible working will become a new normal and even a new corporate competitive strength, how to help company officers to lead the reform in the aid of technology will be the key to future success for solution providers.



SYSAGE Technology, a leader in ICT solutions, has made impressive achievements in applying the most sought-after AI technology to talent recruitment. According to SYSAGE CHRO Shou-Yo Yang, it usually took two days for companies to screen applicant CVs in the past; now, with AI, it takes only 10 minutes. This means that an applicant may receive an interview notice

within 10 minutes after submitting their CV. It is so efficient because the human resources unit has digitized the description of all jobs and the data of past employees and constructed different models. Then, model screening is implemented through AI's data learning ability. Take SYSAGE for example, it has created over 300 models and selected the best one for verification. It has also

constructed the talent models of competitors for comparative study. Through constant system optimization, AI can select talent more accurately. Then, an online interview process follows. During the level 3 lockdown, SYSAGE conducted over 100 online interviews, saving 50% of time compared to the past. In the past it took two days to screen CVs before arranging interviews.

By integrating AI talent selection and online interviews, everything can be done within 48 hours, including accurate talent selection, interview completion, and offer confirmation. For applicants (potential future employees), this is even more of a highly-efficient, smooth, and beautiful job application experience.



## ESG Innovations



### **SYSAGE Strengthens Cloud Application Ecosystems through Technological Innovation**

At the general shareholders meeting this year, SYSAGE Chairperson Michael Lee told the shareholders, seeing the escalating cloud demand in the post-pandemic era, SYSAGE will jump out of the box as a traditional reseller and actively integrate powerful cloud and ground resources to combine with the overall application ecosystem to boost future growth capacity in response to this new economic wave.

Chairperson Lee added, following the expansion of the cloud economy, key tasks will be migrated to the cloud to relieve the pressure on ground IT infrastructure expansion, and companies will accelerate the development of innovative AIoT applications with cloud resources and expand the service territory worldwide. SYSAGE will jump out of the box of traditional resellers and actively integrate powerful cloud and on-premises resources to connect with the overall application ecosystem to boost future growth capacity in response to this new economic wave. Besides strengthening the deployment of public and private clouds, SYSAGE will further combine the synergy of such leading cloud platforms as AWS, Google, IBM, and Oracle to fulfill all customer demands for cloud services, cloud-ground integration, or cloud application development.

While the demand for digital transformation is escalating in all industries, SYSAGE will constantly extend operations and deepen technical services through a product development strategy with four foci: cloud service, AI data analysis, microservice integration, and information security. The Company will also emphasize the deployment of related products and services and establish in-depth linkage to the domain know-how of different industries. At the end of this April, the Company invested in the high-tech fund Taiwan Capital Buffalo Fund V to reach more startups at home and abroad to stay close to the latest industrial and technological development trends in order to find business opportunities and become the distributor of required products 5–10 years in advance. In the future, SYSAGE will continue with lean distribution deployment and investment management to prepare the hardware–software integration tools for digital transformation most needed for cloud computing, digitization, internationalization, and mobilization in the future.

# 01

## Sustainability Strategy





# SDGs and Sustainability Strategy

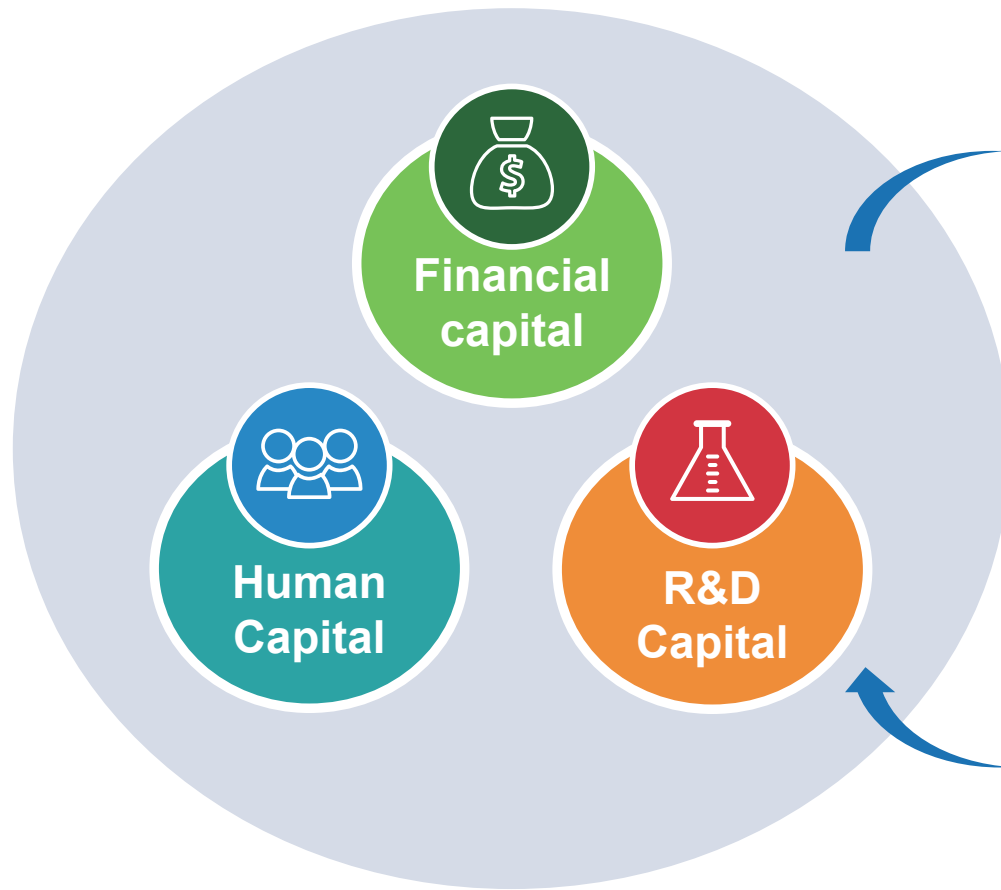
SYSAGE Technology answers to the UN SDGs and connects with international ESG dynamics while consolidating ESG as part of its corporate governance, information security, employee development, human right protection, environmental protection, and charity events on the basis of its core business and proactively addresses the expectations of respective stakeholders and the general public.

As a world-known dealer, SYSAGE steadily pursuits support and trust from its customers and manufacturers. With the constant expansion in the application of technology products, we will continue to provide higher quality products and technical services. We will screen and obtain dealership of outstanding international brands, optimize our solutions, add professionalism and attainments to our service representatives, and constantly enhance various corporate ESG deeds to assure our customers and to make SYSAGE one of the most trust-worthy brand dealers.

On the four sustainability visions, namely, accountable governance, smart future, digital talent, and green operation, we are reinforcing corporate governance, advancing smart solutions, and continuing with talent nurturing to have digital professionals ready to meet future demand in society. While securing sustainable corporate operations, we are hoping to also contribute to society and to prosper and become better together with society.



## Investment in three major types of assets



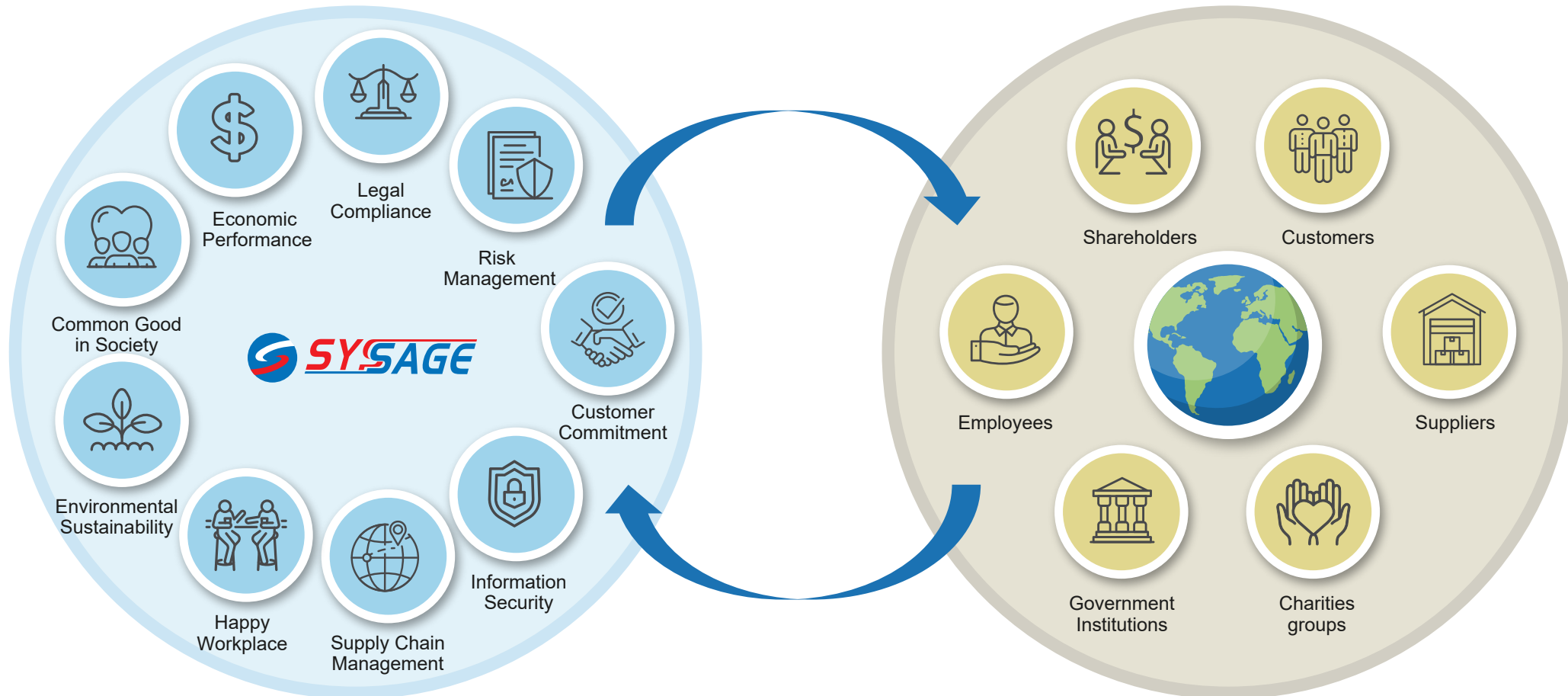
## Connect with 11 SDGs





## Create six major ESG values

## Respond to six major stakeholders





# Involvement in International Initiatives



The UN SDGs are combined in the Report for the first time; among them, SYSAGE sees eye to eye in 11



The Report follows the GRI Standards to reflect the international trend. The UN Global Compact, SASB Standards, and ISO 26000 Social Responsibility Guidance Standard are introduced in the Report this year for the first time to improve the communicative nature of information herein.



Climate-related information is disclosed in compliance with the CDP. The supply chain follows the RBA Standards; human rights and environmental management are enforced.



The company is Taiwan Cloud Internet of Things Member of Industry Association








# SYSAGE Five Major Cornerstones of ESG



# SYSAGE Five-year ESG development goals

Year Domain	2021	2022	2023	2024	2025	Sustainable development
<b>Governance</b>	<ul style="list-style-type: none"> <li>Release of the Sustainability Report prepared in compliance with the GRI Standards</li> <li>ESG-exclusive English website section</li> <li>Formation of Risk Management Committee</li> <li>Preparation of the BCP</li> </ul> <p>✓ Fulfillment rate 100%</p>	<ul style="list-style-type: none"> <li>Inclusion of internationally accepted frameworks in the Sustainability Report (SASB, UN GLOBAL COMPACT, and ISO 26000)</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining the top 5% of small and medium-sized companies in the corporate governance assessment</li> <li>Optimization of website ESG section</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining the top 5% of small and medium-sized companies in the corporate governance assessment</li> </ul>	<ul style="list-style-type: none"> <li>Disclosure of climate-related risks and financial information in compliance with the TCFD</li> </ul>	
<b>Society</b>	<ul style="list-style-type: none"> <li>Creation of HR screen-train-retain digital solution</li> <li>Addition of 30 employee benefits</li> </ul> <p>✓ Fulfillment rate 100%</p>	<ul style="list-style-type: none"> <li>Introduction of ISO 45001 Occupational health and safety management system</li> <li>Employee shareholding trust</li> </ul>	<ul style="list-style-type: none"> <li>Optimization of HR digital solution</li> </ul>	<ul style="list-style-type: none"> <li>Increase ESG social involvement</li> </ul>	<ul style="list-style-type: none"> <li>Optimization of the compensation and remuneration framework and long-term incentives</li> </ul>	
<b>Environment</b>	<ul style="list-style-type: none"> <li>Addition of 3 energy conservation and carbon reduction measures</li> <li>Enhanced communication of daily environmental protection efforts</li> </ul> <p>✓ Fulfillment rate 100%</p>	<ul style="list-style-type: none"> <li>Paper-less operational procedure (Hiring, signature-based approval management)</li> </ul>	<ul style="list-style-type: none"> <li>Introduction of ISO 14064 Organizational GHG Management System</li> <li>Improvement in CDP score to C</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in per-capita electricity consumption by 1%</li> <li>Reduction in per-capita water consumption by 1%</li> <li>Reduction in per-capita waste generated by 1% (With 2020 as the base year)</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in CDP score to B-</li> </ul>	

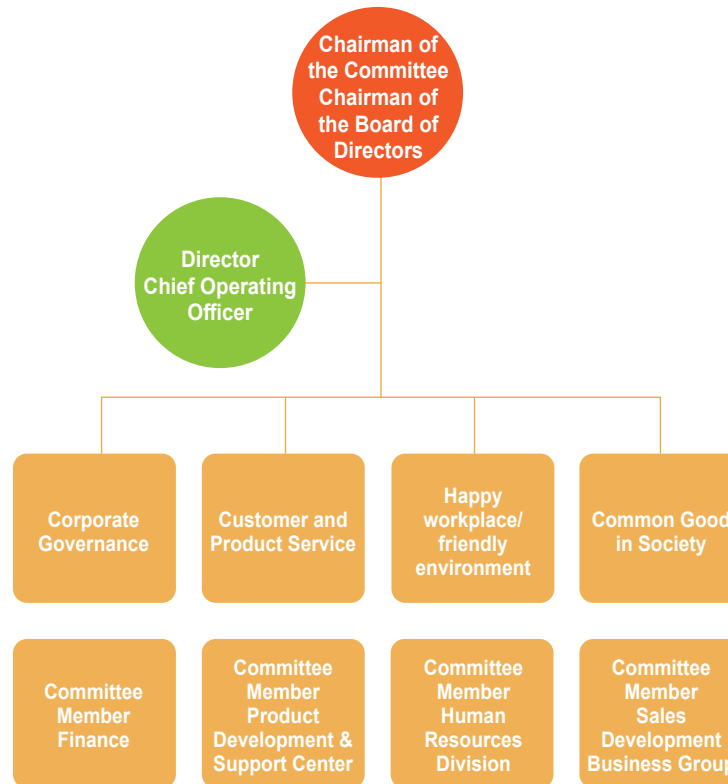
# ESG Management Framework

## ESG Policy

Based on the laws and regulations of the competent authorities, international global ESG trends, and the requirements of customer and supplier social and environmental responsibilities, we have established the “Corporate Social Responsibility Best Practice Principles” to be followed in policy promotion and implementation. To enforce corporate social responsibilities and improve the quality of information disclosure, SYSAGE manages and discloses sustainability issues by the nine major topics, namely, economic performance, legal compliance, risk management, customer commitment, information security, happy workplace, friendly environment, responsible supply chain, and common good in society.

## ESG Committee

The ESG Committee of SYSAGE is the unit to promote CSRs. The Chairman of the Board of Directors serves as the chairman of the committee while the Chief Operating Officer is the director. Under the Committee are several working groups that function in compliance with The "Sustainable Development Best Practice Principles" approved by the Board of Directors. Each working group gathers related issues within its scope of responsibility and includes important issues in the implementation plan and routine operations after assessment and analysis. Then, the Committee will present a report to the Board of Directors in Q1 each year.



## ESG Development Chronicle



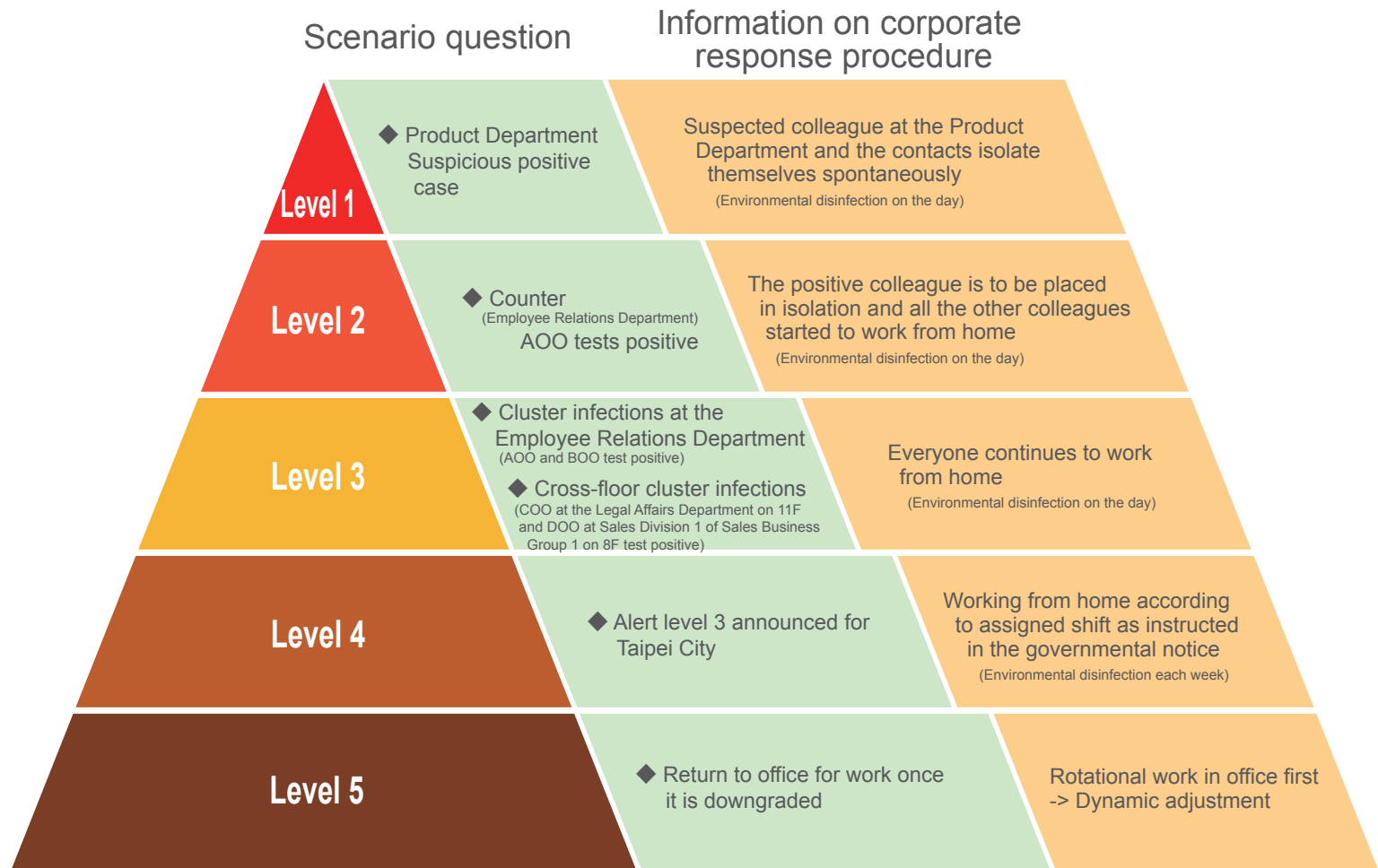


# Business Continuity Planning (BCP) - Response to COVID-19

The COVID-19 pandemic swept through the world with constantly increasing numbers of confirmed diagnoses, which deeply impacted corporate operations.

To realize sustainable operation and fulfill business continuity management (BCM), SYSAGE Technology set its BCP to cope with the pandemic in Taiwan. It simulates corporate management policies and countermeasures in different scenarios and all were actually operated and rehearsed among the Company's staff. Possible responses, reactions, and solutions to be activated under the following circumstances, for example, are provided to keep important operations and services going at respective departments and to evaluate impacts on the throughput and adjust the auxiliary measures accordingly.

The BCP helps SYSAGE get ready so that in the face of the pandemic, we can normalize corporate operations and staff operations within the shortest period of time possible.





# 02

## Sustainability Topics and Stakeholders





# Evaluation of Material Sustainability Topics

SYSAGE Technology, to realize corporate sustainable operation, by accountable governance, friendly environment, and reinforced information disclosure, developed its sustainability strategy among widely debated issues and screened material sustainability topics for SYSAGE to hopefully fulfill corporate sustainable development goals together with stakeholders. SYSAGE adopted the "AA 1000 Accountability Principles Standard" and meets the four major principles, namely, inclusivity, materiality, responsiveness, and impact so that we can effectively identify and respond to sustainability topics and related information.

## 01 Identifying important stakeholders

Sysage adheres to two principles of accountability: the spirit of inclusivity and responsiveness, and identifies six main stakeholder groups according to industry characteristics: employees, customers, investors, suppliers, government agencies and public welfare groups

## 02 Collecting and identifying sustainability topics

The ESG Committee of SYSAGE refers to respective applicable sustainability initiatives and standards, including SDGs, GRI, SASB, RBA, and CDP reflective of the ESG developmental status for the current stage and, based on feedback from practical experience, collects and identifies sustainability topics of interest for our stakeholders. A total of 24 sustainability topics were screened and were discussed and communicated during the reporting period.

## 03 Evaluating the impacts of material topics on SYSAGE

In order to further evaluate the impact and impact of major sustainable themes on Sysage's operations, and measure the extent of its impact. We based on two major principles of accountability: Materiality and Impact, quantify each sustainable theme, examines its impact and influence on Sysage, and sets management goals for control, review the target every year, and then disclose the results of the management target.

\* This is the longitudinal axis of the materiality sustainability matrix

## 04 Investigating the level of attention paid by stakeholders to respective topics

SYSAGE investigates the level of attention primary stakeholders pay to respective sustainability topics on a yearly basis in order to decide the management strength and depth required. Through online questionnaire, stakeholders were invited to score the 24 sustainability topics in order to know the importance of each topic to the stakeholders.

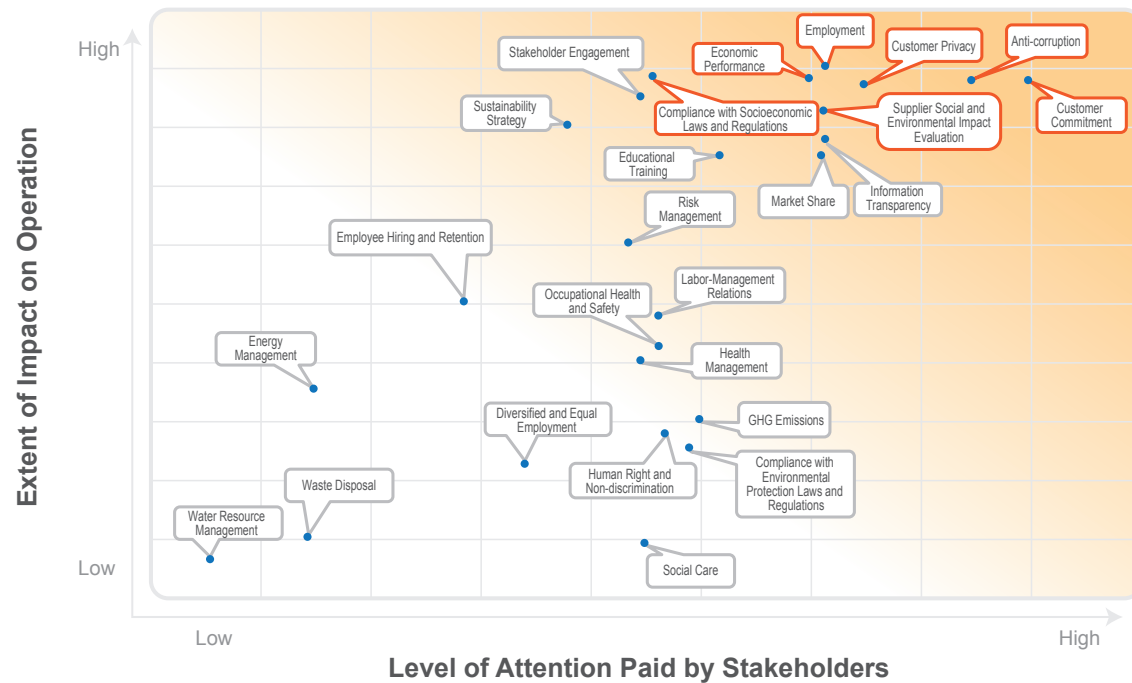
\* This is the horizontal axis of the materiality sustainability matrix

## 05 Generating annual material sustainability topics matrix

In order for stakeholders to know the annual material sustainability topics of SYSAGE Technology and the scope of their impacts as well as extended substantial contents, SYSAGE identified 7 annual material sustainability topics according to the horizontal score and longitudinal score of each topic and disclosed and described each topic thoroughly in order to engage stakeholders effectively.

# Matrix of Material Sustainability Topics

The ESG Committee of SYSAGE Technology sorted out a total of 24 sustainability topics according to the five major steps mentioned above. We first considered sustainability topics that are important to corporate operations and concern stakeholders at the same time. Once they were discussed by the ESG Committee, 7 material sustainability topics of the Company were identified, namely, customer commitment, economic performance, anti-corruption, customer privacy, labor-management relation, compliance with socioeconomic laws and regulations, and supplier social and environmental impact assessment. Refer to the analysis results of the material sustainability topics matrix below for details.



In the listing of 24 sustainability topics of the Company, those highlighted in yellow were the 7 material sustainability topics of the Company during the reporting period.

Corporate Governance	Employee and Society	Environmental Protection	Responsible Supply Chain
Customer Commitment	Employment	Energy Management	Supplier Social and Environmental Impact Evaluation
Economic Performance	Occupational Safety and Health	Water Resource Management	
Sustainability Strategy	Labor-Management Relations	GHG Emissions	
Market Share	Educational Training	Compliance with Environmental Protection Laws and Regulations	
Anti-corruption	Diversified and Equal Employment	Waste Disposal	
Risk Management	Human Right and Non-discrimination		
Stakeholder Engagement	Compliance with Socioeconomic Laws and Regulations		
Information Transparency	Health Management		
	Social Care		
	Customer Privacy		



# Communication with Stakeholders

Stakeholders	Custom Topics of Interest/ GRI Sustainability Topics	Significance of Stakeholders to SYSAGE	Communication and Interaction Channel	Frequency
Shareholders	Customer Commitment Economic Performance	Maintaining the rights and interests of shareholders has always been important to SYSAGE. Besides proactively informing shareholders of the status of operations and finances, we are also committed to maximizing the rights and interests of shareholders.	<ul style="list-style-type: none"> <li>Operational and financial status briefing</li> <li>Corporate website</li> <li>Shareholders' meeting</li> <li>Investor conference</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Periodic</li> <li>Annually</li> <li>Quarterly</li> </ul>
Employees	Employment Economic Performance	Employees are our long-term capital and the cornerstone of innovation. Improper management and training of and communication with employees will result in employee turnover, affecting corporate competitiveness.	<ul style="list-style-type: none"> <li>Educational training</li> <li>Newcomer training</li> <li>Email and telephone</li> <li>HR mailbox</li> <li>Sales meeting</li> <li>Performance communication system</li> <li>Employee Welfare Committee meeting</li> <li>Labor-management meeting</li> <li>Case interview</li> <li>Health checkup</li> </ul>	<ul style="list-style-type: none"> <li>Periodic</li> <li>Periodic</li> <li>Periodic</li> <li>Periodic</li> <li>Periodic</li> <li>Quarterly</li> <li>Monthly</li> <li>Quarterly</li> <li>Periodic</li> <li>Once every two years</li> </ul>
Customers	Customer Commitment Anti-corruption Compliance with Socioeconomic Laws and Regulations Customer Privacy Supplier Social and Environmental Impact Evaluation	We are devoted to improving customer satisfaction and understanding what customers need better in order to help address their problems.	<ul style="list-style-type: none"> <li>Customer service hotline</li> <li>Product repair hotline</li> <li>Support email on the corporate website</li> <li>Telephone/email</li> <li>Keynote report</li> </ul>	<ul style="list-style-type: none"> <li>Periodic</li> <li>Periodic</li> <li>Periodic</li> <li>Periodic</li> <li>Periodic (subject to customer schedule)</li> </ul>
Suppliers	Anti-corruption Compliance with Socioeconomic Laws and Regulations Supplier Social and Environmental Impact Evaluation	SYSAGE is responsible for creating a supply chain together with suppliers that protects the environment, human rights, safety, health, and sustainable development.	<ul style="list-style-type: none"> <li>Audit of RBA Code of Conduct</li> <li>Telephone</li> <li>Email</li> </ul>	<ul style="list-style-type: none"> <li>Periodic</li> <li>Periodic</li> <li>Periodic</li> </ul>
Government Institutions	Anti-corruption Compliance with Socioeconomic Laws and Regulations	Complying with the regulations set by the government is the minimum requirement for corporate operation. SYSAGE has a control system in place and ensures that operations are carried out in compliance with applicable requirements through audits.	<ul style="list-style-type: none"> <li>Random inspection</li> <li>Visit</li> <li>Official letter</li> <li>Labor inspection</li> </ul>	<ul style="list-style-type: none"> <li>Periodic</li> <li>Periodic</li> <li>Periodic</li> <li>Periodic</li> </ul>
Charities groups	Economic Performance	By teaming up with employees, based on our core competitiveness, and coordinating with various local care programs and voluntary employee activities, we substantially repay society.	<ul style="list-style-type: none"> <li>Telephone/email</li> </ul>	<ul style="list-style-type: none"> <li>Periodic</li> </ul>





# Evaluation of Significance and Impacts of Material Sustainability Topics on SYSAGE

- Direct impact: Refers to the direct impact of the major sustainable theme on the boundary.
- Indirect impact: means that the major sustainability theme indirectly contributes to the impact on the boundary, or is related to the boundary because of a commercial relationship

Domain	Custom Topics/ GRI Sustainability Topics	Information on the significance to and impacts on SYSAGE	Chapters/ sections of Report	Inside the organization			Outside the organization					
				SYSAGE Technology	Subsidiaries	Employees	Customers	Manufacturers	Suppliers	Investors	Government Institutions	Charities groups
Governance	Customer Commitment	Customer satisfaction is the primary goal of the corporate policy. Decreased customer satisfaction is likely to affect corporate reputation and customer loyalty. As such, ensuring shipping quality and customer satisfaction in business partnerships is our commitment to customers.	Customer Commitment	●	●	●	●	○	○	●	○	○
Governance	Economic Performance	Direct impacts on shareholders and all employees with investments in the Company	About SYSAGE Technology	●	●	●	●	●	●	●	○	○
Governance/ Society	Anti-corruption Compliance with Socioeconomic Laws and Regulations	SYSAGE is devoted to avoiding losses suffered by the Company due to unethical conditions and also possible illegal acts such as lobbying and bribery that may jeopardize the corporate governance mechanism and worsen the overall operating environment, etc.	Compliance and Risk Management	●	●	●	●	●	●	●	○	○
Governance	Customer Privacy	We deeply understand the importance of privacy and are thus committed to ensuring, respecting, and protecting customer privacy and secrets. Unless with specific authorization or as required by law, SYSAGE will not disclose or use the privacy and data if customers for any purpose.	Information Security	●	●	○	●	●	●	●	○	○
Social	Employment	To boost sound labor–management relations between the Company and employees, there are unfettered communication channels inside SYSAGE to help employees know news of the Company in real-time and employees are encouraged to give advice on corporate operations and developments for decision-makers' reference.	Happy Workplace	●	●	●	○	○	○	○	○	○
Supply Chain	Supplier Social and Environmental Impact Evaluation	SYSAGE follows the RBA social and environmental responsibility management system and strictly abides by environmental protection laws and regulations in Taiwan to reduce impacts of the supply chain on the environment.	Responsible Supply Chain Friendly Environment	●	●	○	●	●	●	●	○	○

## Management Approach and Performance Evaluation of Material Sustainability Topics

Domain	Custom Topics/GRI Sustainability Topics	Management Approach	Responsible Unit	Evaluation Mechanism	2021 Performance Outcome	2022 Performance Goal
Governance	Customer Commitment	SYSAGE values brand management and conducts distributor satisfaction survey each year in order to boost communication and exchange with customers.	Sales Development Center Product Development & Support Center Marketing and Public Relations Department	Distributor Satisfaction Survey is conducted to help SYSAGE know what to improve in customer service.	<ul style="list-style-type: none"> <li>Customer satisfaction up to 94.4%</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction above 90%</li> </ul>
Governance	Economic Performance	The dividend policy is defined in the Articles of Incorporation as required by law and the developments and operating costs are controlled through the operational strategy and financial planning to ensure optimal economic interests for employees and shareholders.	Finance	The Company's Annual Report, financial statements, and revenues are disclosed periodically and audited and attested by CPAs and attention is paid to the corporate governance evaluation results to constantly improve scores on all fronts.	<ul style="list-style-type: none"> <li>The top 5% of small and medium-sized companies in the corporate governance assessment</li> <li>Growth in ESP for five years in a row.</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining the top 5% of small and medium-sized companies in the corporate governance assessment</li> <li>Continuous growths in Group revenue and EPS.</li> </ul>
Governance/ Society	Anti-corruption Compliance with Socioeconomic Laws and Regulations	The Ethical Corporate Management Best Practice Principles and the Employee Code of Ethics and Conduct are proactively enforced through management measures in three aspects, namely, detection, corrective action, and prevention and regulatory identification is done periodically to reduce the risk of violating laws.	Audit Office Legal Affairs Department	Improvements to be made continue to be evaluated through transaction contract reviews, optimization of the internal audit system, and educational training, among others.	<ul style="list-style-type: none"> <li>Internal audits of all operating locations of SYSAGE and its subsidiaries and no major corruption risks were found during the reporting period.</li> <li>Supplier integrity communication Periodic.</li> </ul>	<ul style="list-style-type: none"> <li>Zero tolerance of violations of the Ethical Corporate Management Best Practice Principles and the Employee Code of Ethics and Conduct.</li> </ul>
Governance	Customer Privacy	SYSAGE has the Information Security Management Group in place and the Information Technology Department is responsible for giving guidance and planning. Respective operating units cooperate in implementation in order to verify the validity of information security and management operations.	Information Technology Department Legal Affairs Department	The Information Security Risk Management Group performs risk assessments and provides information security educational trainings periodically.	<ul style="list-style-type: none"> <li>No violations of customer privacy and information security during the reporting period.</li> </ul>	<ul style="list-style-type: none"> <li>Control over internal data safety; no major information security events have occurred.</li> </ul>
Social	Employment	Contracts and work rules are used for management purpose and existing systems continue to be optimized so as to create a harmonious workplace.	Human Resources Department	Various communication meetings and employee satisfaction survey are available to help find out employees' needs and hear their voices and to accordingly evaluate and optimize the workplace.	<ul style="list-style-type: none"> <li>No complaints filed by any employee during the reporting period.</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in the score on each domain of employee satisfaction.</li> </ul>
Supply Chain	Supplier Chain Social and Environmental Impact Evaluation	SYSAGE Technology has the RBA Management Group in place to carry out periodic supplier audits and surveys that help identify environmental and social risks and suppliers are asked to constantly seek improvements to meet RBA requirements.	Human Resources Department Supply Chain Management Department	Internal and external supplier environmental and social evaluations and ratings are done periodically in compliance with RBA requirements and improvements are made constantly.	<ul style="list-style-type: none"> <li>New supplier review mechanism approved; no major environmental and social issues were found among the suppliers rated during the reporting period.</li> </ul>	<ul style="list-style-type: none"> <li>Completion of SAQ self-evaluation and supplier environmental and social VAP audits.</li> <li>Completion of communications to suppliers on CSR requirements with their signatures obtained.</li> </ul>

# 03

## About SYSAGE Technology

### Value and Action

SYSAGE realizes corporate governance according to strict standards in order to normalize the functions of the Board of Directors and strengthen the management system and proactively protects the harmonious relations between investors and related stakeholders while they march towards common goals that allow sustainable corporate developments.

**8** DECENT WORK AND  
ECONOMIC GROWTH



**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



**16** PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS



**17** PARTNERSHIPS  
FOR THE GOALS





# Company Profile

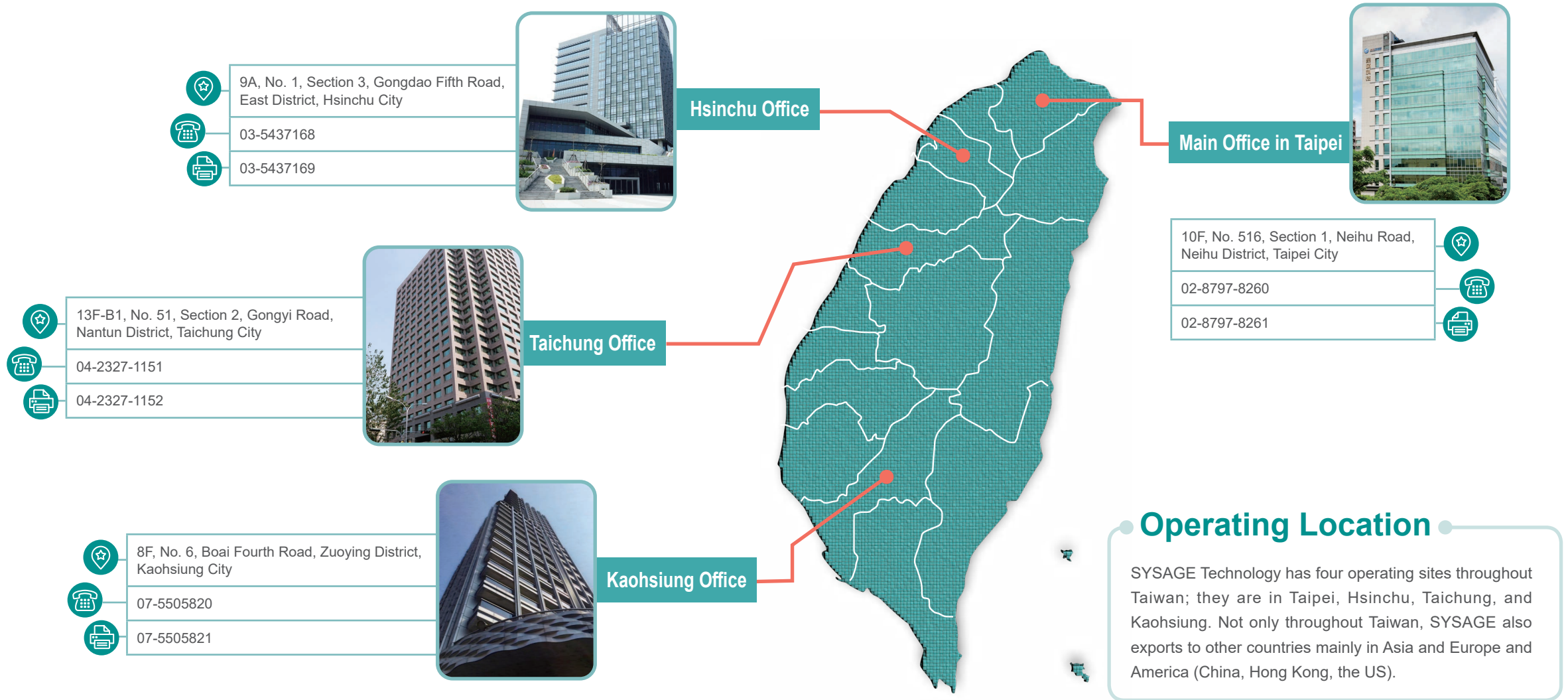


## Business Vision

SYSAGE Technology was founded in 1998 and looked upon itself as an ICT solution provider that offers first-rate products and professional services to its distribution partners and corporate users and to become one of the best integrated service providers in the industry.

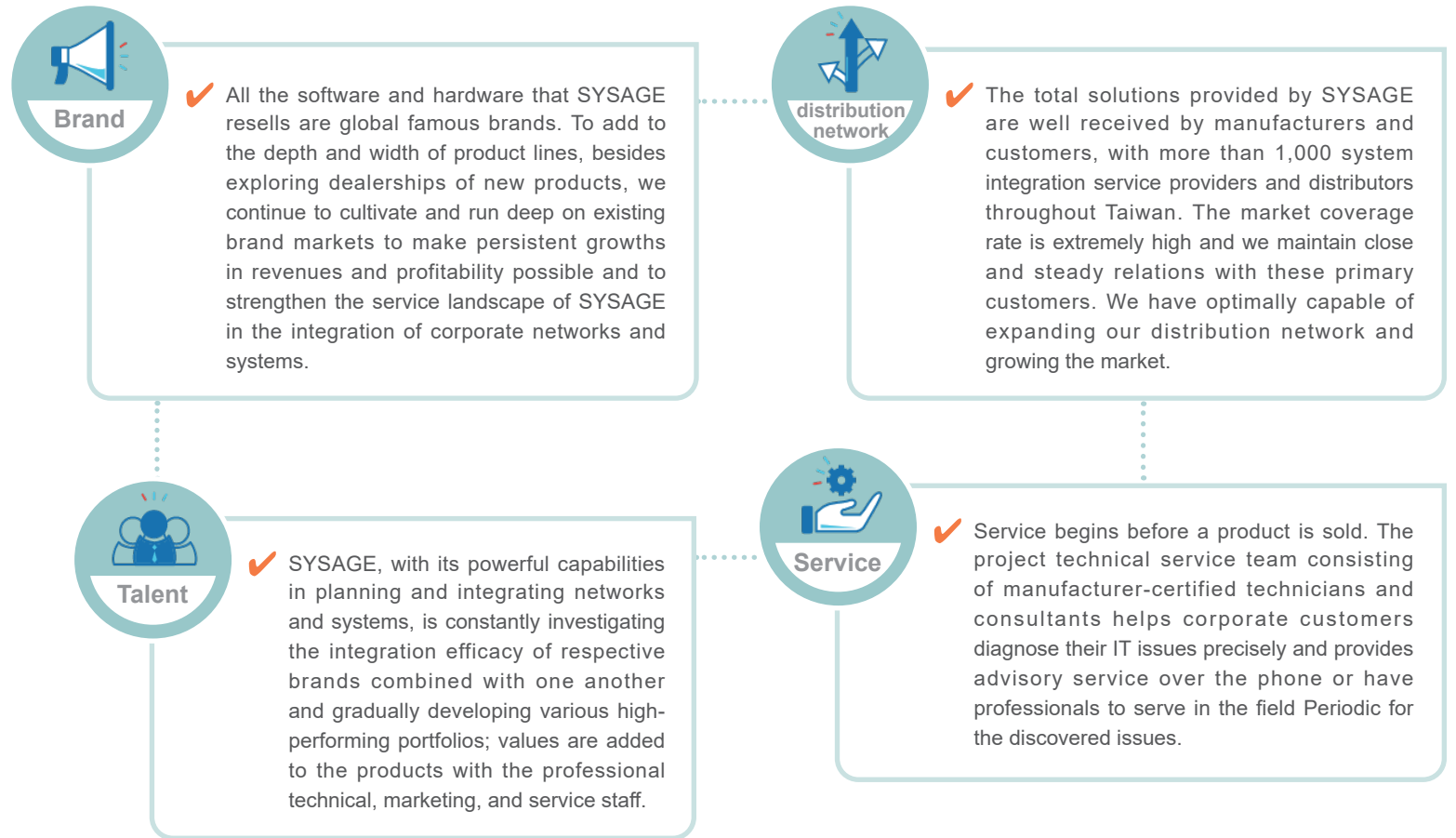
Since it was established, SYSAGE has been focusing on providing total solutions featuring integration of corporate networks and systems and with an emphasis on system planning, integration and configuration, and advisory service of a project in order to meet corporate customers needs for timely and convenient one-stop purchases and accordingly help them realize globalization, optimized quality, and efficient service that make them competitive in sector they belong.

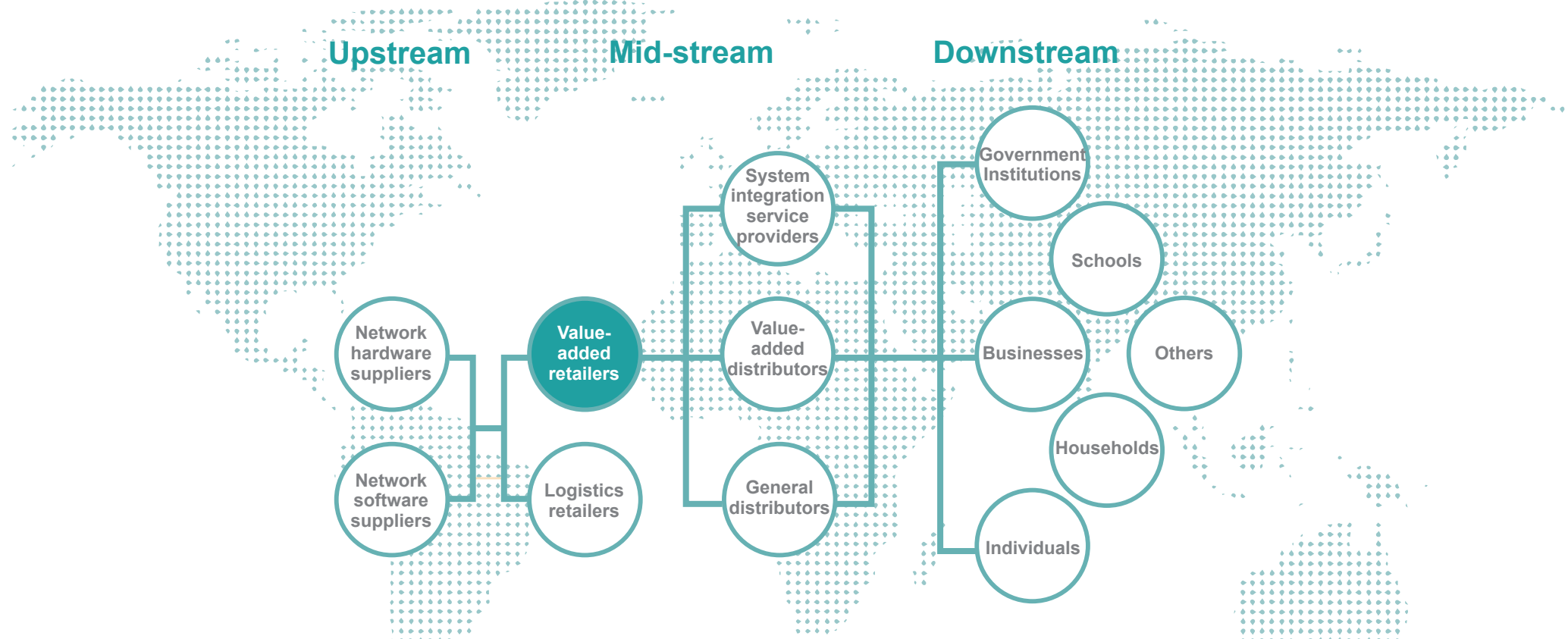




# Operational Strategy: “leading brands, value-added service, cloud-ground connection, and digital transformation”

SYSAGE Technology owns software and hardware of international well-known brands, technical support personnel certified by the manufacturers, intense and wide-ranging marketing networks, and capable and robust technical advisory and maintenance services. “Brand, talent, distribution network, and service” are the four important pillars supporting SYSAGE Technology’s operations and developments. We help corporate customers effectively enhance the operating efficacy of their information technology equipment on reasonable budget to significantly improve their IT composition and lay solid groundwork for corporate developments in the future so that they can cope with ever-fierce and daunting competition.





**Business Model**

SYSAGE Technology and its subsidiaries distribute and resell products from more than 50 world-famous IT brands, including Cisco, Citrix, Dell, IBM, Juniper, Oracle, Pure Storage, Red Hat, Veeam, and VMware and are leaders on the information technology service market of Taiwan given their coverage and also the advanced knowledge they have of respective technical solutions. SYSAGE Technology is familiar with the manufacturer ecosystem and operational pattern and provides the most professional advisory service as a project partner and is capable of offering distributors with one-stop service and integrating cross-brand products. Secondly, SYSAGE has a demo center that is not meant only for installing testing machines but is also capable of demonstrating application results to fully support proof of concept (POC) before sales. The demo center is available in Taipei, Hsinchu, and Kaohsiung Office. The scale is unforeseen among counterparts.

**Product Positioning**

SYSAGE Technology and its subsidiaries are mid-stream value-added dealers that deal mainly with various types of telecommunication and Internet software and hardware equipment, work stations and servers, and tool-integrated application software, among others. Being capable of integrating products they resell, they provide total solutions including professional advisory and technical services to downstream distributors, who will further sell the total solutions to end users.

The upstream of the industry consists mainly of various network software and hardware, host systems, and application software suppliers while the downstream features system integration service providers, distributors, and end users for the sale of IT-related products. The upstream manufacturers in the IT sector now are mainly focused on the R&D and manufacturing of IT-related products. Retailers in the mid-stream prioritize promotion and creation of marketing networks. Downstream practitioners provide end users with transport, installation, service, and technical support services.





## Future Prospect

Besides continuing to work on the existing market of Taiwan and providing customers with more diversified solutions, SYSAGE Technology will also gradually reach out to overseas markets to not only apply the successful Taiwan experience to these overseas markets but also make SYSAGE a regional value-added service provider for more possible opportunities to work with internationally famous brands and for reinforced partnerships on existing undertaken brands. With this plan, SYSAGE Technology acquired and merged with ADVANCEDTEK INTERNATIONAL CORP., a specialist in ERP introduction and maintenance in 2021 and also Corex in South Africa, which is also a dealer of information and communication products. We will continue to work toward the goal of uplifting the width and depth of services we provide.





# Company History and Chronicle

## Before 2000

- April 1998 Hsinchu office established upon approval by the Ministry of Economic Affairs, with a paid-in capital size of NTD 34.3 million.
- May 1998 Obtained distribution dealership for network products of Cisco.
- July 1998 Taichung office established.
- January 1999 Kaohsiung office established.
- January 1999 Obtained distribution dealership for workstation products of Dell.
- September 1999 Obtained distribution dealership for databases of Oracle.

## 2001-2010

- August 2001 Officially available for trading at Taipei Exchange (Ticker Symbol: 6112)
- June 2002 Purchased 8 to 11 floors of office buildings at No. 512, 514, and 516, Section 1, Neihu Road, Neihu District to meet the needs for integrating marketing, R&D, testing and warehousing.
- July 2003 Obtained exclusive dealership for Citrix corporate information application access platforms.
- August 2003 Transferred from Taipei Exchange to Taiwan Stock Exchange (from being traded over the counter to being listed)
- April 2007 Officially became Oracle-authorized educational training center (OAEC)
- August 2007 Obtained EMC dealership for Taiwan.
- August 2008 Obtained distribution dealership of IBM Cognos.
- December 2008 Obtained distribution dealership of HDS.
- February 2009 Obtained distribution dealership of Informatica.
- March 2009 Obtained distribution dealership of Novell.
- October 2009 Obtained Falconstor dealership for Taiwan.
- July 2010 Obtained VMware dealership for Taiwan.

## 2011-2020

- January 2013 Obtained SafeNet dealership for Taiwan.
- July 2013 Obtained Red Hat dealership for Taiwan.
- November 2013 Obtained Quantum dealership for Taiwan.
- March 2014 Officially obtained the dealership of the CPS Systems security control audit system.
- January 2015 Officially obtained the dealership of Eaton products.
- January 2016 Became an authorized corporate distributor of Apple.
- February 2016 Became the authorized distributor of the global corporate management software supplier SAP.
- May 2016 Became the authorized distributor of the Germany data center precision air-conditioning supplier STULZ.
- April 2017 Became a member of Dell's "DIGI-CLOUD Alliance"
- May 2018 Obtained Akamai dealership for Taiwan.
- September 2019 Joined the Qisda Group.
- January 2020 Obtained apigee dealership.
- February 2020 Obtained SecurityScorecard dealership.
- March 2020 Obtained datto dealership.
- May 2020 Obtained UiPath dealership.
- June 2020 Obtained Hubspot dealership.
- October 2020 Obtained SYNERGIES dealership.

## 2021 to now

- March 2021 Qisda Corporation acquired 16.37% of SYSAGE Technology's shares to bring the total shareholding ratio to 51.41%.

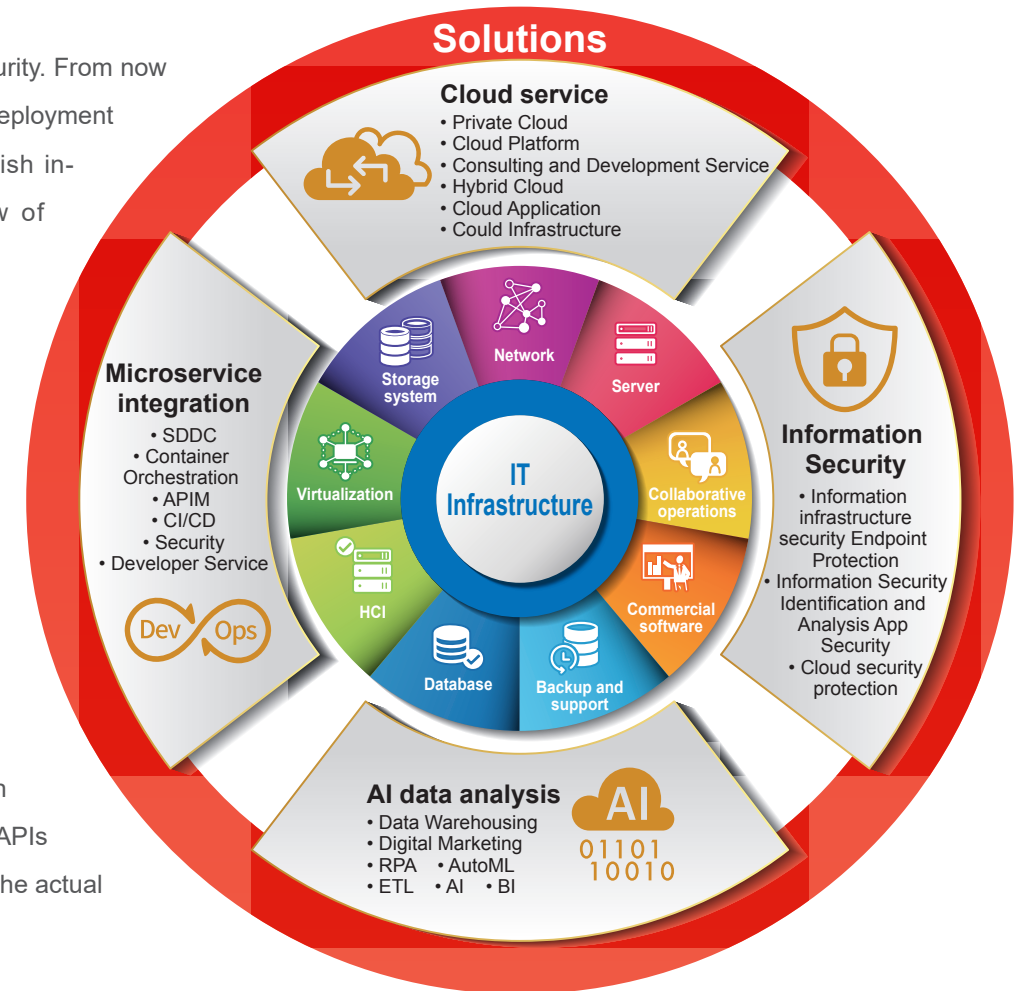
## Products and Services: For Major Solutions

The Group mainly resells, distributes, and trades information and communication products. Serving as the bridge to the cloud network world through brand retailing, integration, and configuration, we provide customers with ICT solutions that allow corporate and private users to form more effective ICT cloud application environments.

Given the digital tidal wave that has taken shape over the years, SYSAGE Technology feels that it is no longer sufficient for businesses to gather the momentum needed for them to innovate and transform with only powerful host/storage systems, network equipment, or databases, among other IT infrastructures; cloud adoption, big data, artificial intelligence (AI), DevOps (Development Operations), and micro-service, among other more diversified technology solutions are needed in addition to information security protection. After having come to understand the market demands and gotten familiar with the focus of the promotions of leading foreign manufacturers, SYSAGE established a product development strategy featuring four categories of solutions: cloud services, AI data analysis,

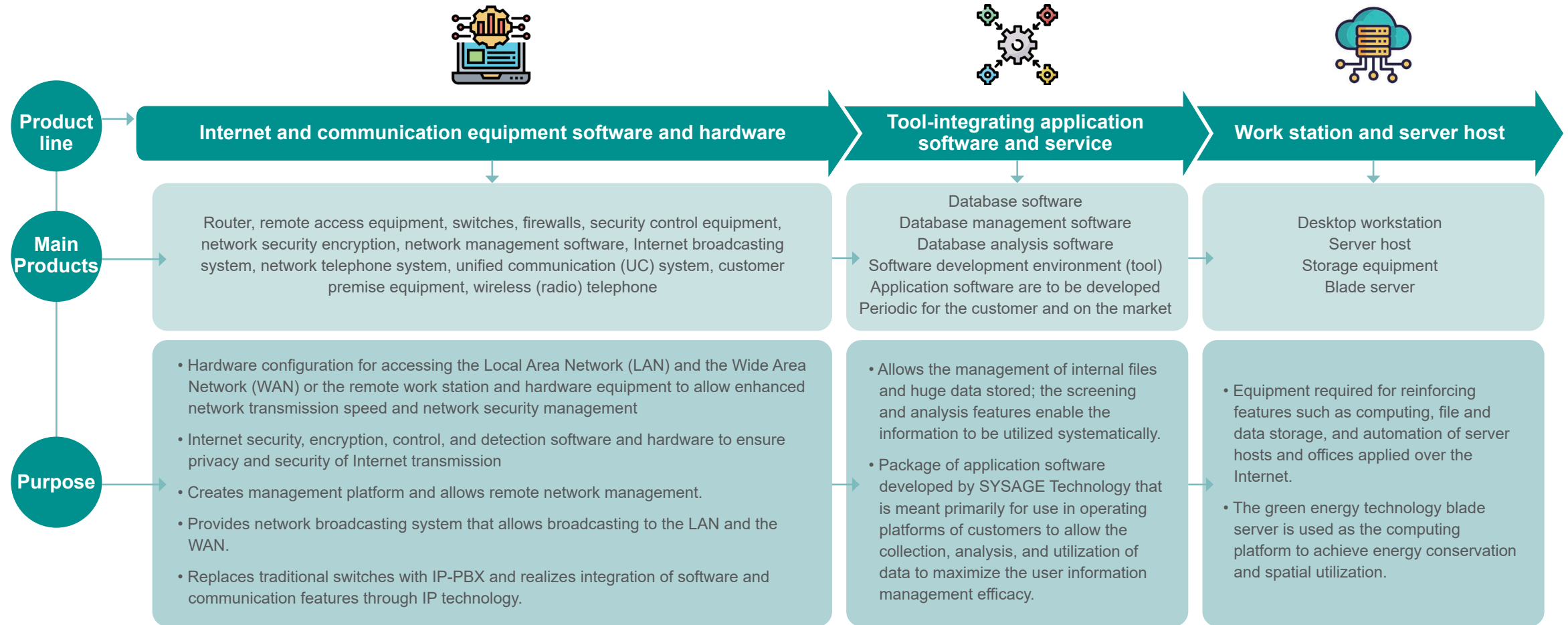
microservices integration, and information security. From now on, SYSAGE will focus on strengthening the deployment of related products and services and establish in-depth linkage with the domain know-how of individual industries.

SYSAGE also has the one and only software R&D center in dealership sector. Customized applications for the cloud, AI, and microservices are developed according to the actual needs of customers and converted into actual solutions to help enterprises solve their operational pain points. Furthermore, there is an increasing need to integrate IT infrastructure products like firewall, network, and storage products with emerging elements such as web services and APIs (Application Programming Interfaces) to meet the actual needs in the field.






# Main Products and Purposes




# Overview of brand applications

**Cloud service**




- Red Hat
- Akamai
- aws
- IBM
- ORACLE
- vmware
- ProphetStor
- PURESTORAGE

**AI data analysis**




- aws
- PURESTORAGE
- DataRobot
- SYNERGIES Intelligent Systems
- DELL Technologies
- UiPath
- vmware

**Microservice integration**
















- apigee
- JUNIPER NETWORKS
- Check Point SOFTWARE TECHNOLOGIES LTD.
- Red Hat
- CISCO
- veeAM
- citrix
- vmware

**Information Security**



- Akamai Experience the Edge
- CISCO
- Check Point SOFTWARE TECHNOLOGIES LTD.
- SecurityScorecard
- McAfee Together is power.
- SYNOPTSYS
- vmware
- SONICWALL
- MICRO FOCUS
- citrix
- SecurID An RSA Business

Server	Infrastructure network	Storage system	Backup and support	Virtualization	Hyper-converged infrastructure (HCI)	Database	Commercial software	Protocol integration	Remote access	Endpoint integration application	IT management and performance monitoring	Application platform
 DELL Technologies IBM	 CISCO citrix JUNIPER NETWORKS NOKIA riverbed COMMSCOPE RUCKUS vmware	 DATACORE DELL Technologies HITACHI Inspire the Next IBM PURESTORAGE Quantum SEAGATE	 COMMVAULT datto DELL Technologies HITACHI Inspire the Next MICRO FOCUS PURESTORAGE SIOS veeAM	 citrix DELL Technologies vmware	 CISCO DELL Technologies vmware	 Dbvisit THE SMART ALTERNATIVE MICRO FOCUS ORACLE PURESTORAGE Quest TmaxSoft	 MICRO FOCUS CISCO citrix CRESTRON ] pexip [	 CISCO citrix SHURE	 Akamai Experience the Edge Check Point SOFTWARE TECHNOLOGIES LTD. CISCO citrix Pulse Secure SONICWALL vmware SecurID An RSA Business	 citrix vmware	 MICRO FOCUS Red Hat riverbed veeAM	 Red Hat vmware



# Economic Performance

Unit: NTD thousand

## SYSAGE set records in profits of 2021, with earnings per share after tax of NTD 3.07.

SYSAGE Technology, an ICT solution provider, is a beneficiary of the power corporate digital transformation and the constantly advanced digital technologies and their applications in all walks of life. SYSAGE continues to explore support for its existing cloud platforms and also proactively provides customers with brand new cloud-ground integrated application services now. The consolidated operating gross profit rate of SYSAGE continued to climb in 2021 and arrived at 13%, with earnings per share of NTD 3.07, which is also a record high. The Board of Directors has approved the distribution of 2021 earnings, too. Cash dividends worth NTD 2.5 will be distributed. The distribution rate is 81%. The General Shareholders' Meeting is scheduled for May 26.

The consolidated revenue of SYSAGE was NTD 11.953 billion; the consolidated operating gross profit was NTD 487 million; the consolidated net profit before tax was NTD 710 million; and the net profit for the current term that belongs to the owner of the parent company was NTD 578 million, a growth of 5.2% from the preceding year. The earnings per share (EPS) came to NTD 3.07, an increase of NTD 0.16 from the preceding year, where the EPS was NTD 2.91.

An overview of the operational status in 2021 shows a consolidated revenue of NTD 11.953 billion, which was the result of affected order-taking and shipments of the Company given the extended impacts of the COVID-19 pandemic and the traffic backlog, shortage in materials and workforce, delayed deliveries, customers being conservative or postponing their demand, etc. Nevertheless, the

constantly increase in digital transformation investments in all walks in life enabled SYSAGE to continue exploring support for existing cloud platforms and we are also proactively providing customers with brand new cloud-ground integration of related application services now. For the time being, cloud services are reaching out of the cloud framework to retail, education, and marketing to satisfy cross-disciplinary needs on the market. Through the top-down tunnel-type ground-to-cloud complete service chain, technical services continue to gain momentum to focus precisely on corporate demand. The business expansion strategy has been proven to be successful so far, not only in terms of boosting transformation benefits for customers but also in the reflected annual profits.

Since cloud will become popular in the future, to proactively cope with the tendency, SYSAGE will invest resources in multiple aspects such as talent development, platform creation, and product integration to hopefully provide the vast distribution partners and corporate users with total solutions and service capabilities and to provide shareholders and customers with values and interests through the most forward-looking industrial deployment.

The operational achievements of SYSAGE over the past three years are provided in the table below and details are disclosed under Financial Overview of the Company's Annual Report. In addition, for the Consolidated Company and the Company only that are included in the Company's Consolidated Financial Statements, refer to the information disclosed in the Company's 2021 Financial Statements.

Item/Year	2019	2020	2021
Operating income	12,306,999	14,279,184	11,952,834
Operating cost	11,056,110	12,554,834	10,401,819
Operating gross profit	1,250,889	1,724,350	1,551,015
Operating expenditure	783,600	1,053,425	1,064,252
Operating gains	467,289	670,925	486,763
Non-operating income/ expenditure	50,175	46,834	219,681
Net profit before tax	517,464	717,759	706,444
Income tax	102,633	153,627	108,309
Net profit after tax	414,831	564,132	598,135
Attributable to the owner of the parent company	379,456	549,017	577,591
Net equity loss prior to joint control	-	(11,967)	-
Non-controlling interest	35,375	27,082	20,544
EPS	2.58	2.91	3.07
Total assets	7,873,279	8,563,991	8,431,724
Liabilities	3,266,222	3,935,276	3,973,066
Equities	4,607,057	4,628,715	4,458,658
Total	7,873,279	8,563,991	8,431,724

Note: COREX(PY)LTD 1/4/2021 became a 100% subsidiary and jointly controlled the business combination to restate the financial figures of 2021. They are compiled by SYSAGE Technology according to the International Financial Reporting Standards (IFRSs) and have been attested by CPAs. Related data came from the annual financial statements. For detailed financial information, go to: Market Observation Post System <http://mops.twse.com.tw> (Ticker Symbol: 6112) SYSAGE Technology Website: <https://www.sysage.com.tw/>



## Allocation of Economic Values of Stakeholders

SYSAGE Technology and its subsidiaries have operating locations in Taiwan and in South Africa. Each of them follows the local tax requirements and files taxes periodically. SYSAGE Technology has the Risk Management Committee in place to enable the management to effectively control and weigh related risks and to quickly evaluate and respond and make corresponding decisions after comprehensive considerations for enhanced operational resilience.

### Distribution of economic value of the parent company of SYSAGE in Taiwan

Unit: NTD thousand

Item/Year	2019	2020	2021
Taiwan parent company revenue (a)	10,286,217	14,279,184	11,952,834
Operating cost (b)	9,287,756	9,753,493	8,259,037
Employee salaries and benefits	415,165	490,882	520,641
Cash dividend	278,085	565,072	470,894
Interest paid	11,442	6,168	8,926
Payments to government (Income tax)	106,147	92,008	97,417
Community investment	NA	NA	NA
<b>Retained economic value = a-b</b>			
Retained economic value	998,461	1,318,446	1,178,691

## Expected Sales Volume and Rationale and Important Production and Distribution Policies

1. SYSAGE resells mainly network and system software and hardware and most of them are project-based sales and value-added services. Products are highly differential and vary in unit price. It is relatively difficult to estimate the sales volume of each product. Given the constant increase in the demand for information and communication software and hardware on the market as a whole, SYSAGE expects that the sales volume this year will continue to climb compared to that in 2020.
2. Consolidate and deepen the “leading brands and cloud-ground connection” strategy and business development: traditional dealership business and cloud business are taken care of concurrently with the promotion of products in six major fields, namely, network, system, information security, application software, database, and cloud. We also maintain good relationships with important customers to maximize the efficacy of products that we resell. The diversification and complete choices of products help distributors with digital transformation, too.
3. Continue to develop SYSAGE cloud information software service platforms for the next stage that include more production lines in the platform. In 2021, efforts continued in the expansion of Microsoft Azure, Citrix, Cisco Webex, and AWS product lines, among others.

### Overview of Imports/Exports

Unit: NTD thousand; piece, set

Sales volume/ value Main product	Year		2021			
			Import		Export	
	Volume	Value	Volume	Value		
Data computing and application	863,907	5,142,547	82,368	263,345		
Information and communication infrastructure	583,341	3,437,930	191,374	330,238		
Digital integration	31,963	1,607,206	2,220	36,018		
Cloud application, software, and service	50,920	954,278	63	9,454		
Other products	12	13	511,911	171,805		
<b>Total</b>	<b>1,530,143</b>	<b>11,141,974</b>	<b>787,936</b>	<b>810,860</b>		

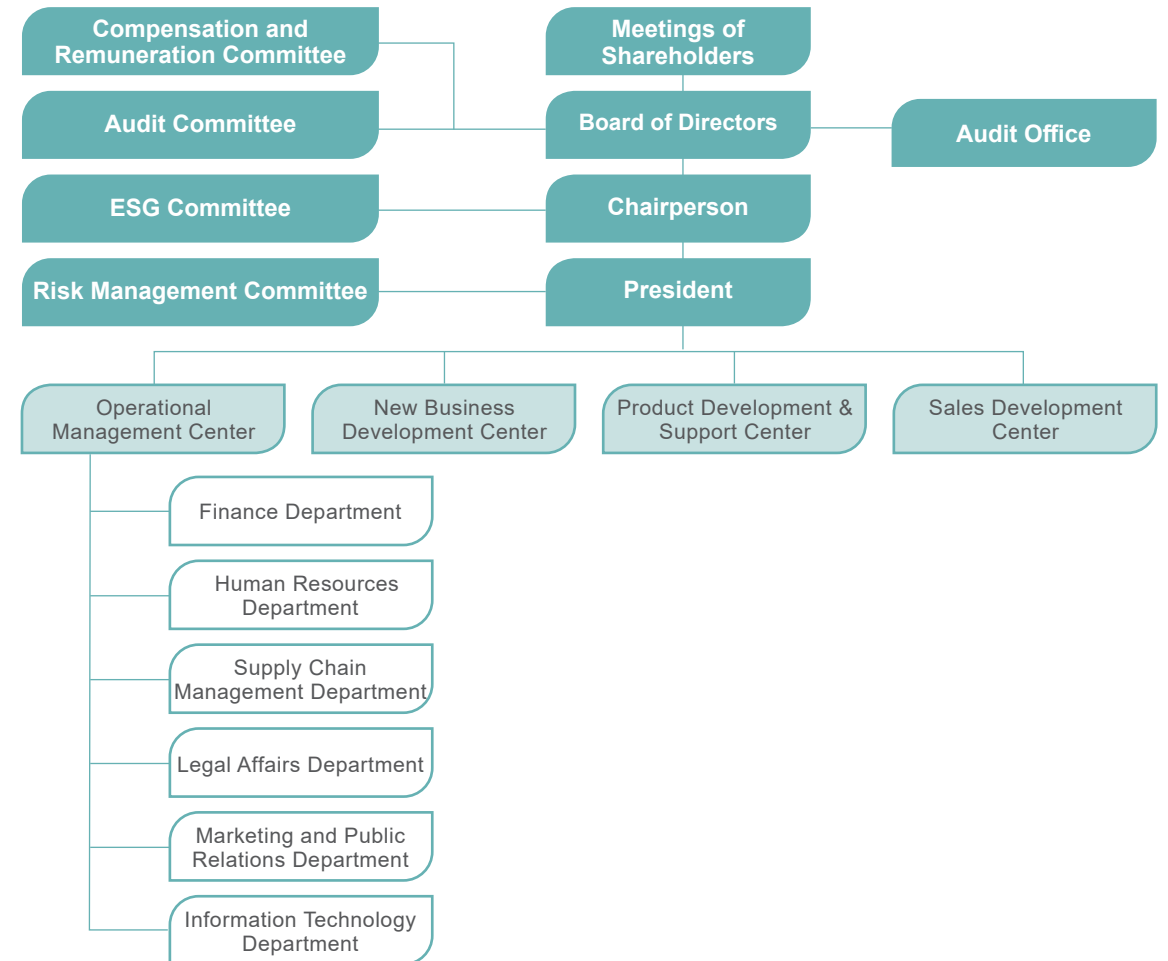
# Corporate Governance

## Composition of the Board of Directors

SYSAGE Technology defines its corporate governance framework and practice in compliance with the Company Act, the Securities and Exchange Act, and other applicable laws of the Republic of China. Under the Board of Directors are two statutory functional committees, the Audit Committee and the Compensation and Remuneration Committee. Both are formed by independent directors. All the Board directors (including independent directors) are elected among shareholders. In order to fulfill corporate social responsibilities/sustainable development and enforce corporate risk management, there are two other non-statutory functional committees under the Board of Directors, the ESG Committee (refer to Chapter 01 for details) and the Risk Management Committee (Refer to Chapter 04 for details).

Shareholders' rights have been highly valued by SYSAGE for years. Electronic voting is adopted for the General Shareholders' Meeting and proposals brought forth during the meeting are put to a vote one by one in order to increase the attendance of shareholders in the meeting and to ensure that shareholders may exercise their rights during the meeting according to law. During the meeting, the Company's operational status and financial standing are presented to the shareholders and questions from shareholders are answered, too.

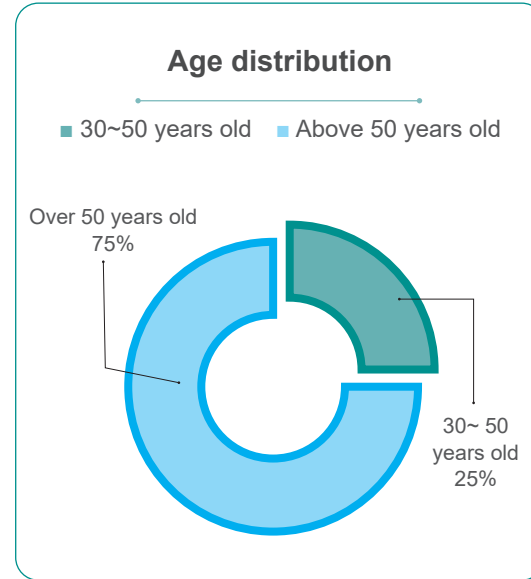
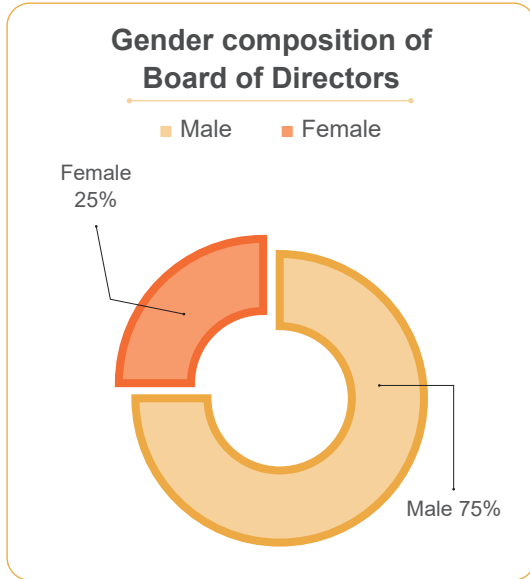
Besides a management consisting of well-experienced professional managers, members of SYSAGE's Board of Directors must possess the knowledge, skills, and attainments required for them to fulfill their duties. SYSAGE is devoted to maximizing its shareholders' equity, too.



## Diversified Composition of the Board of Directors

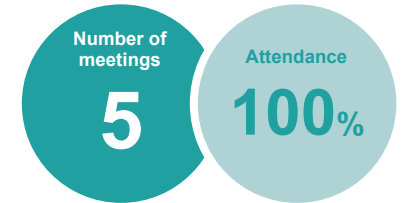
SYSAGE Technology currently has eight directors, including 3 independent directors, to serve a term in office of 3 years. Diversification is emphasized in the composition of the Board of Directors. Based on the professional background and work field, those with experience in operation and management, leadership and decision-making, industrial experience (finance and banking, international market, IT, accounting practice), professional skills (information technology, accounting, law) are elected to be the directors in honor of the diversification policy set by the Company for the composition of the Board of Directors. Elected directors perform duties in compliance with applicable laws and regulations and the Articles of Incorporation to protect the rights of the Company and its shareholders and carefully evaluate and make decisions regarding the Company's operational strategy and policy to boost corporate performance and to protect the rights of shareholders.

Position	Name (Note)	Gender	Education	Major experience	Business administration		Industrial experience				Professional skills		
					Operation and management	Leadership and decision-making	Finance and banking	International market	Information technology	Accounting practice	Information technology	Accounting	Law
Chairperson	Qisda Corporation Corporate representative: Chang-Hung Lee	Male	Ph.D, Graduate Institute of Electrical Engineering, National Taiwan University	President, Smart Solution Business Group, Qisda Corporation Chairman, Ace Pillar Co., Ltd. Chairman, AEWIN Technologies Co., Ltd. Vice Chairman, Partner Tech Corp.	✓	✓		✓	✓		✓		
Directors	Qisda Corporation Corporate representative: Chiu-Chin Hung	Female	California State University Fullerton MBA	Chief Financial Officer, Qisda Corporation Assistant Financial Manager, Qisda Corporation Chief Financial Officer, Daxon Technology Inc.	✓	✓	✓	✓		✓		✓	
Directors	Qisda Corporation Corporate representative: Shu-Er Kuo	Female	Master of Economics, University of Nottingham	President, Sales Development Center, SYSAGE Technology Co., Ltd. Chairman, Global Intelligence Network Co., Ltd. Director, Epic Cloud Co., Ltd.	✓	✓		✓	✓		✓		
Directors	Qisda Corporation Corporate representative: Wen-Hsing Tseng	Male	Master, Graduate Institute of Mechanical Engineering, National Taiwan University	Senior Director, Innovative Strategy Planning Department, Qisda Corporation	✓	✓		✓	✓		✓		
Directors	Qisda Corporation Corporate representative: Dun-Kai Yang	Male	Juris Doctor, Suffolk University Law School	Chief Legal Officer, Qisda Corporation Chief Operating Officer, SYSAGE Technology Co., Ltd.	✓	✓		✓	✓		✓		✓
Independent Director	Wen-Tsong Wang	Male	Master of Advanced Business Administration, National Tsing Hua University Bachelor of Accounting, Feng Chia University	CPA, Hui-Ming Accounting Firm CPA, Biing-Cherng CPAs	✓	✓	✓			✓		✓	
Independent Director	Chin-Lai Wang	Male	Ph.D of Business Administration, National Chengchi University	President, Ernst & Young Chairman, EY Management Services Inc.	✓	✓	✓			✓		✓	
Independent Director	Shan-Gui Lai	Male	PhD of Business Administration, National Taipei University Master of Business Administration, Indiana University of Pennsylvania	Chairman, Topco Scientific Co., Ltd. Chairman, Headquarters of ICSB (International Council for Small Business) Chairman, CSBC Corporation, Taiwan Director-General, Small and Medium Enterprise Administration, Ministry of Economic Affairs (MOEA) Vice Director, Department of Commerce, MOEA	✓	✓	✓	✓	✓		✓		



## Board of Directors Performance Evaluation

As is required by Article 26-3 Paragraph 8 of the Securities and Exchange Act, SYSAGE Technology has defined its “Rules of Procedure for Board of Directors Meetings”, which are to be followed for applicable matters. The Board of Directors meets at least once a quarter. Board directors, for maximized shareholder equity, fulfill their duties as good-will managers truthfully and exercise their functions, perform operational evaluations, and make important decisions in a highly self-disciplined and cautious way. The “Board of Directors Performance Evaluation Guidelines” were approved in 2019 where it is said that the performance of the Board of Directors and its members shall be evaluated at least once a year. The Board of Directors evaluation was completed at the end of 2021 and the findings were released during the Board of Directors meeting in February 2022. The fulfillment rate was 100% and the overall rating was “excellent”. It shows that the overall operating efficiency of the Board of Directors is optimal. In 2023, the first external evaluation of performance will be done for the Board of Directors to further enforce corporate governance.

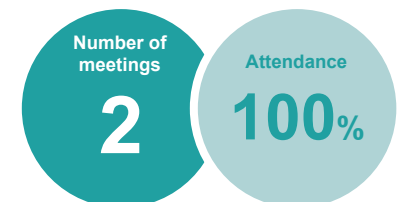


## Continuing Education for Board of Directors

SYSAGE arranges continuing education on ethical corporate management, risk management, environmental and social issues for the members of its Board of Directors and management each year in order to boost the knowledge expected of the highest governance units. For the continuing education completed by them, refer to the chapter about corporate governance in the Company's Annual Report.

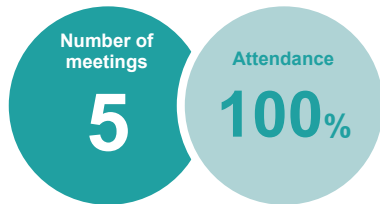
## Compensation and Remuneration Committee

In 2011, the Board of Directors decided to set up the Compensation and Remuneration Committee beneath it. The Committee aims to reinforce corporate governance, assist the Board of Directors, and evaluate the performance of Board directors, supervisors, and managers as well as the overall compensation/remuneration and welfare policies. Currently, the Compensation and Remuneration Committee consists of three members in total, that is, the three independent directors and impartial representatives with professional work experience. They periodically review the Company's compensation and remuneration system so that it is fair internally and competitive externally and inspires and attracts talent and satisfies the developmental needs of employees. Correlation between the policies and criteria for payment of remuneration/procedures for combining and defining the remuneration and the operational performance and future risks of SYSAGE. Policies and procedures of the Company's Compensation and Remuneration Committee are available in the section for corporation governance on the Company's website.



## Audit Committee

SYSAGE Technology set up independent directors and the Audit Committee according to the Securities and Exchange Act and based on the resolution reached in the shareholders' meeting in 2019. The Board of Directors prepared the "Audit Committee Organic Rules". The Audit Committee mainly plays the role of a supervisor and reviews operations of the Company and the Board of Directors carefully. The Audit Committee meets at least once a quarter. During the meeting and a communication session, CPAs, internal auditors, legal affairs and financial and accounting representatives are invited to give a presentation to the members and answer questions about the most recent financial statements audited, internal audit results, major lawsuits, and financial overview, among others so that the members can help investors ensure the credibility of corporate governance and information transparency of the Company to protect the rights of shareholders. Policies and procedures of the Audit Committee are available under Important Articles of Incorporation on the website of SYSAGE.

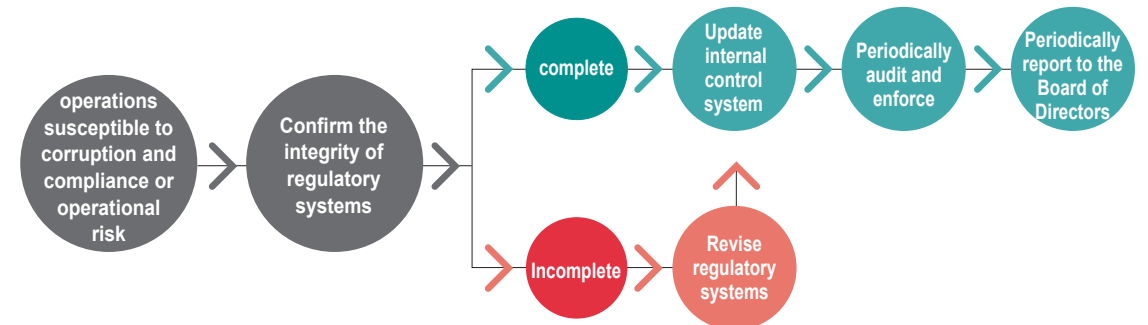


## Compensation and Remuneration Committee and Audit Committee member

Position	Name	Main Education / Experience
Convener	Wen-Tsong Wang	Omitted: Refer to Composition of the Board of Directors.
Committee Member	Chin-Lai Wang	
Committee Member	Shan-Gui Lai	

## Internal Audit Mechanism

signs suitable internal control mechanisms against operating procedures susceptible to corruption or compliance or operational risk. The Human Resources Department is responsible for identifying corruption risk and providing educational training while the Audit Unit is in charge of verifying enforcement and creation of related mechanisms. No major corruption risks and incidents were found in 2021. The Audit Unit performs routine audits according to the Annual Audit Plan each year, discovers possible deficiencies with the internal control system, and gives advice on how to correct them. After each audit, the Audit Unit will prepare the Audit Report and submit it to the Chairman and the Audit Officer is to report the implementation status and the outcome periodically in a Board of Directors meeting. In addition, the Audit Unit shall urge respective parties to perform internal control and self-inspections and create a self-supervisory mechanism for the Company. Findings from the self-inspections will be the basis for the Board of Directors and the Chairman to issue the Internal Control Declaration.



## Management over Avoidance of Conflicting Interests

The Chairman of the Board of Directors, according to Article 208 Paragraph 3 of the Company, is Mr. Chang-Hung Lee; the Chairman also serves as the President of SYSAGE. While a proposal is being discussed and put to a vote in a Board of Directors meeting, directors who are stakeholders to the said proposal, which is hence likely to harm the Company's interest, shall be excused according to Article 206 Paragraph 2 and Article 178 of the Company Act and not take part in the discussion or voting and if necessary, the Chairman may have another director to act as the chair of the meeting. Any recusal upon conflicting interests in the Board of Directors meetings throughout the year shall be disclosed as required by law under Corporate Governance of SYSAGE's Annual Report.

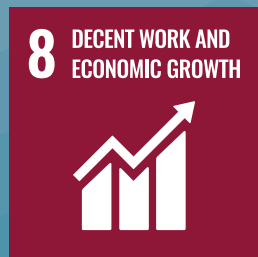


# 04

## Compliance and Risk Management

### Value and Action

SYSAGE Technology has prepared respective regulations and measures on corporate governance in honor of the principles of ethical corporate management and business integrity and strictly follows legal and business or moral ethics in protecting the trust it wins from customers and stakeholders and to fulfill the purpose of sustainable operation.



# Compliance

## Ethical Corporate Management

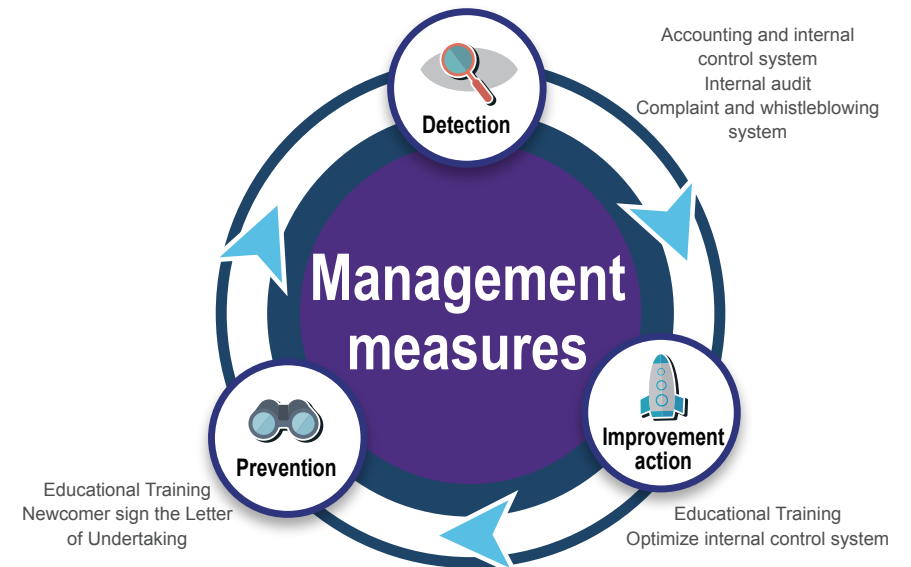
Ethical corporate management is the very fundamental social responsibility of a business. To make the corporate mission of SYSAGE, that is, “treat customers, suppliers, creditors, shareholders, employees, and the general public ethically”, part of the core corporate culture, SYSAGE has defined the “Ethical Code of Conduct for Directors and Managers” and the “Ethical Corporate Management Best Practice Principles”; they will help with corporate operation and long-term developments. SYSAGE is devoted to avoiding losses suffered by the Company due to unethical conditions and the resultant low moral levels and distrust from customers and business partners and also possible illegal acts such as lobbying and bribery that may jeopardize the corporate governance mechanism and worsen the overall operating environment, etc.

## Substantial management measures

The Ethical Corporate Management Best Practice Principles and the Employee Code of Ethics and Conduct are proactively enforced through management measures in three aspects, namely, detection, corrective action, and prevention. SYSAGE informs employees and the Board of Directors periodically each year of applicable laws and regulations and report to the Board of Directors the actual implementation status. Members of the Board of Directors were 100% involved in communications on issues concerning ethical corporate management in 2021.

## Professional Ethics of Employees

SYSAGE has the “Employee Code of Ethics and Conduct ” in place; all employees shall honor the essence of law and order while fulfilling their duties and should avoid using the Company’s properties, information, or take advantage of their duties at work to make profits for themselves or for a third party. Meanwhile, they may not seek profit for themselves or others by requesting, promising, delivering, or accepting any form of gifts, treatments, kickbacks, bribes, or other undue or improper advantages. Each newcomer must sign the “Letter of Undertaking” and shall strictly adhere to the principle of integrity and credit and be aware of the ethical criteria and behavioral regulations that should be followed while performing duties.





## Compliance



- In order to ensure that the operations of SYSAGE are compliant with regulatory requirements in respective countries, we pay attention to domestic and international policies and regulatory requirements that may impact the Company's operations and finance on a regular basis and notify respective departments of the latest regulatory requirements to ensure that they are precisely enforced and followed.
- Related policies and regulations are defined to meet different regulatory requirements, such as the Fair Trade Act and those on environmental protection, preparation of financial reports, internal control, insider trading, anti-harassment, anti-discrimination, anti-corruption, personal data protection, intellectual property right, and information security protection, etc.

## Personal Data Protection



- When collecting, processing, or using personal data, SYSAGE will proceed in accordance with the Personal Data Protection Act, the Enforcement Rules of the Personal Data Protection Act, and the related laws and regulations stipulated for personal data protection by the competent authorities.
- If the collection, processing, and utilization of personal data are outsourced to a third party, SYSAGE shall obtain consent from customers in advance and the requirements under Article 8 of the Enforcement Rules of Personal Data Protection Act shall be followed to adequately supervise the said third party.

## Anti-corruption



- Define the professional ethics policy for employees to follow and provide educational training and communication events to ensure that employees and suppliers honor professional ethics.
- Demand that control self assessment (CSA) be done for the management and that internal audits be conducted within the Company's internal control system and that the implementation status is disclosed in the Annual Report.
- Give access to file a complaint about violation of professional ethics and audit and control the various operating procedures in daily business activities that may be at risk of corruption.

## Supply Chain Compliance



- SYSAGE is also devoted to the principles of international human right conventions such as the RBA Standards and the Universal Declaration of Human Rights and the essence of social responsibilities, tries to maintain corporate governance properly, and strictly abides by business integrity regulations. Its organization, management, and operation meet the requirements of applicable governmental and international laws and regulations and we are constantly seeking improvements and progress and we educate our employees to help them understand and support the Company while the latter fulfills its corporate social responsibilities. With profits, we also make substantial contributions to society so that the supply chain works in a way better reflective of expectations in society.



## Educational Training

SYSAGE Technology holds educational trainings Periodic each year to boost employees' professional ethics and competencies, including internal online courses, external trainings, and legal knowledge workshops. It is hoped that by implementing the "Employee Code of Ethics and Conduct", it helps fulfill corporate social responsibilities. Training on Employee Code of Conduct 100%.

### Internal online courses

**Target audience:** All employees

Boost legal awareness among employees and improve the basic legal attainments of employees so that they know the law and follow it and abide by applicable regulatory requirements while fulfilling their duties at work to minimize possible operational risks and impacts.

### External training

**Target audience:** Legal staff

Legal staff of the Company attend necessary external training programs to help them fulfill their duties at work, get to know the latest policies, laws, and what they involve, and pass down necessary information to internal management units so that regulatory requirements may be followed.

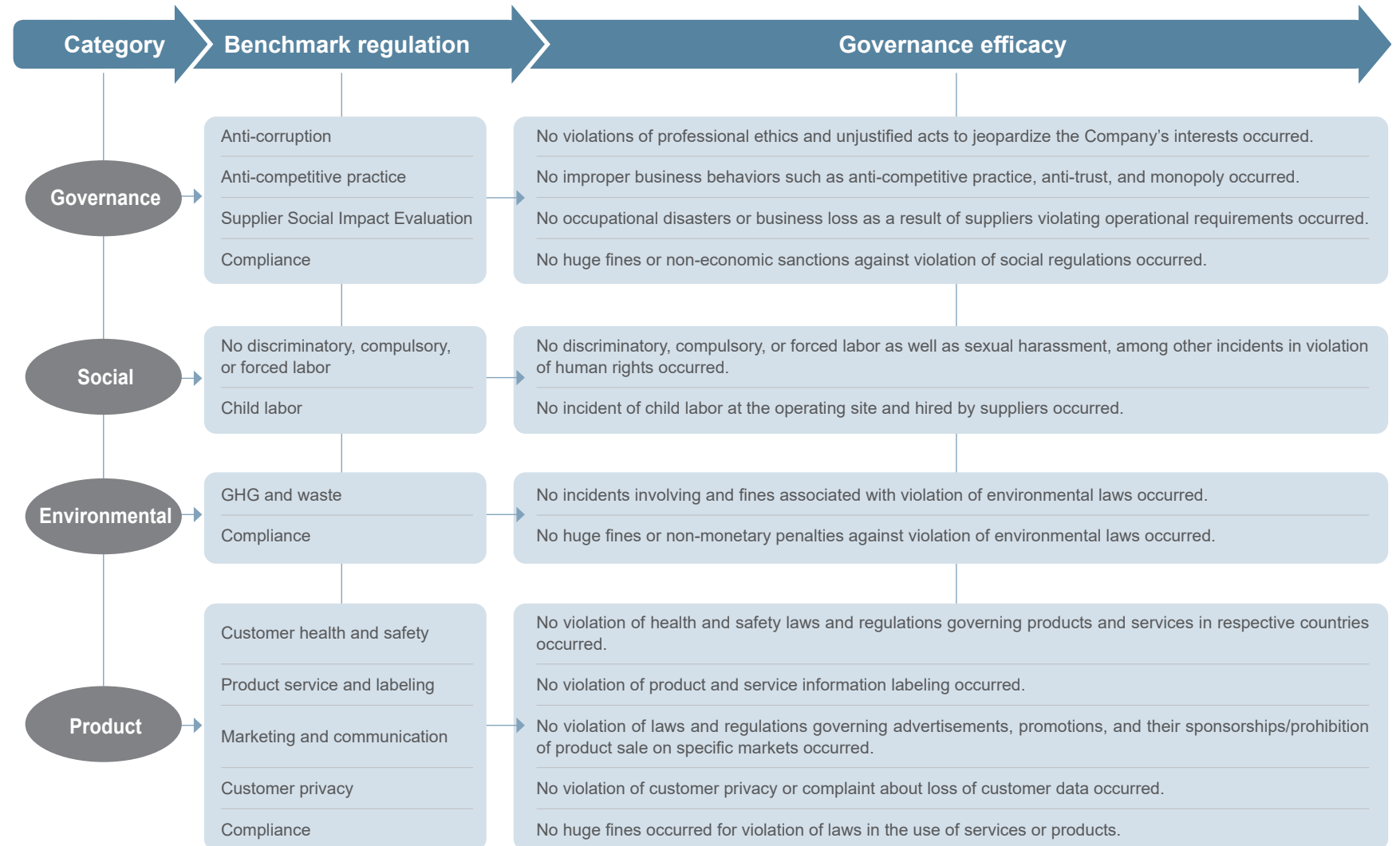
### Workshop

**Target audience:** Management or specific employees Periodic.

Workshops are organized to allow sharing of legal knowledge among the management and specific employees to meet related operational demand.

# Compliance

Compliance during the reporting period is given below:





## Compliance Reinforcement

In 2020, the pandemic swept through the world, triggering the value by businesses over information and communication-related infrastructures and having urged them to realize the importance of making corporate information and communication transformation happen as soon as possible. It affected the business that SYSAGE Technology resells positively.

While the information and communication sector booms and brings about various business opportunities, loopholes come along, too. The recent news about manufacturer sales representatives colluding with partners to falsify business demand in exchange for performance bonus and cases of products having discounts provided by the manufacturer are just a couple of such examples. They signify the importance of compliance in business operation. SYSAGE, as a dealer of many large manufacturers' products, has been working to reinforce compliance requirements, too.

To accomplish the goal, SYSAGE has Dun-Kai Yang, the former Chief Legal Officer of Qisda Corporation, to serve as the Chief Operating Officer taking advantage of his legal expertise and many years of experience working in the legal field and, to meet respective regulatory requirements and the requirements of the manufacturers, we have been adjusting various systems that help reinforce compliance and make SYSAGE one of the most assuring partners of global leading information and communication brands.

### Investor Relations Window

Spokesperson: Chief Operating Officer Dun-Kai Yang Acting  
 Spokesperson: Chief Financial Officer Hung-Hsiang Lin

Email: [public@sysage.com.tw](mailto:public@sysage.com.tw) Telephone: (02) 87978260

**Communication/  
 complaint-filing  
 channel**

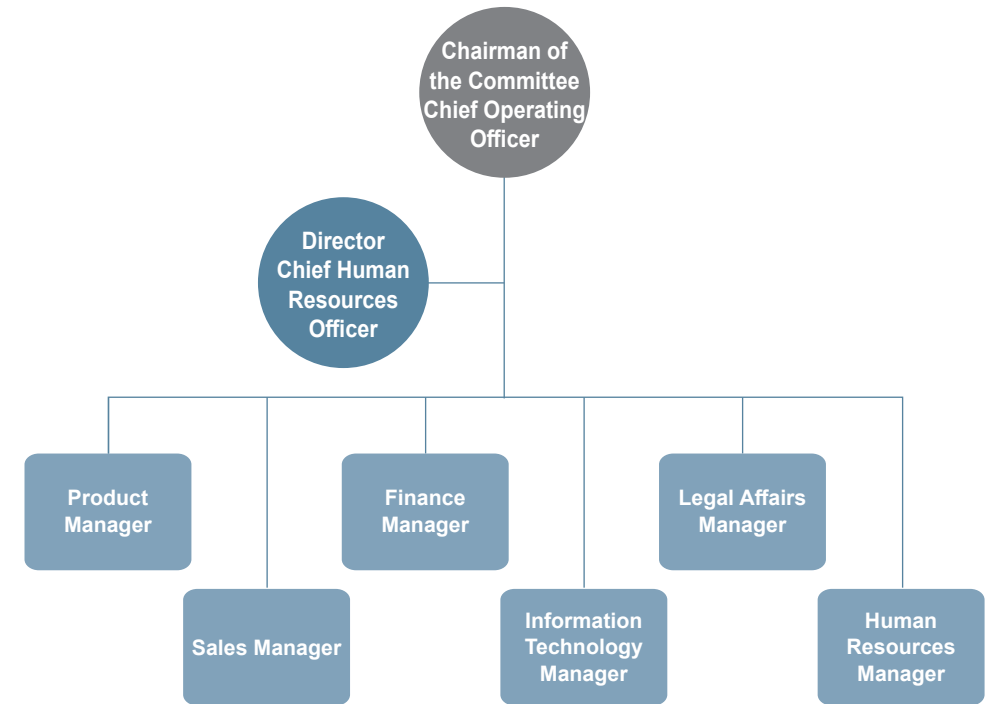


# Risk Management

## Risk Management Committee

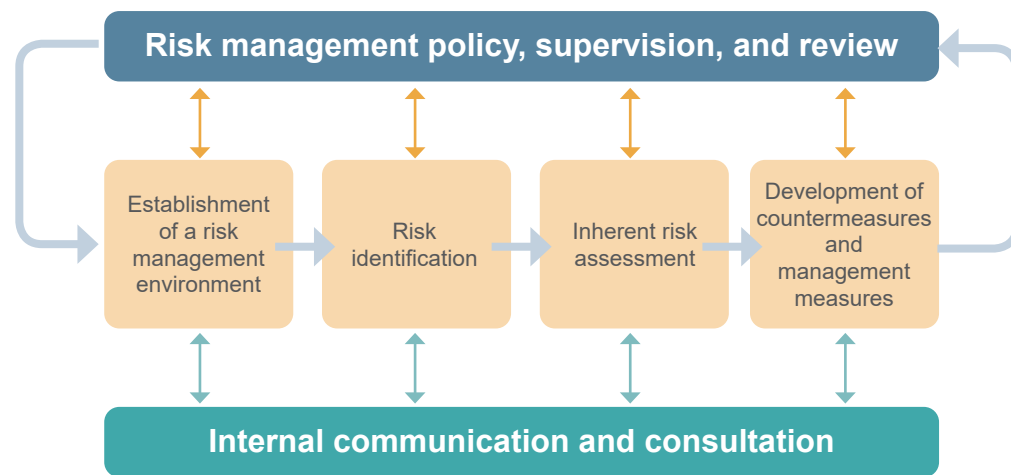
SYSAGE Technology started to take part in the sustainability and risk control monthly meetings held by the Risk Management Organization of the parent company Qisda Corporation since 2020 to pay close attention to possible risks facing the Group. We officially established the Risk Management Committee (RMC) in August 2021 as a proactive risk management mechanism to facilitate related units to promptly address risk events through a set of risk management procedures to lower or avoid the impact of risk events and enhance the risk awareness of employees in order to ensure SYSAGE's sustainable operations.

We manage risk through the RMC which, after internal meetings, classifies risks into six categories: business risk, product and technical service risk, financial risk, information security risk, legal compliance risk, and human resource risk. These six risk categories cover a total of 21 potential risks, which will serve as the framework for the annual risk assessment and information disclosure in the future. The operational status and nature of operation of SYSAGE's Risk Management Committee will be reported to the Board of Directors in the first quarter of 2022, including risk categorization, potential risks, their impacts on corporate gains and losses and response strategies and risk control measures adopted.



## Risk Management Process

Through the risk management process, we identify and assess all inherent risks and develop corresponding countermeasures and management measures to lower or avoid any potential impact caused by risk events.



- 1 **Establish a risk management environment:** Sysage establishes a risk management committee to actively understand and supervise various risks that may be faced by the current business scope.
- 2 **Carry out risk identification:** The Sysage Risk Management Committee sets risk assessment standards, and then each department identifies various risks in its business according to the risk assessment standards.
- 3 **Evaluate all potential risks:** The risk management committee evaluates all potential risks identified, according to their risk impact level, possible occurrence probability and risk tolerance, to evaluate the risk treatment level.
- 4 **Develop coping strategies and measures:** After identifying and evaluating all potential risks, develop and implement risk treatment strategies and specific management measures.
- 5 **Supervision and review:** The risk management committee is responsible for the supervision of risk management, and the board of directors of Sysage confirms the effectiveness of the implementation of the risk management policy by reviewing the risk management report.
- 6 **Internal and external communication and negotiation:** Sysage establishes an effective communication channel in the risk management system, so that internal and external risk-related information can be identified and grasped in a timely manner.

## Risk Assessment Accomplishments

SYSAGE Technology analyzes the impacts and incidence rates of the 21 potential risks identified for the six major categories by respective internal units according to the internal “References of Criteria for Risk Impact Assessment” and “Risk Occurrence Likelihood”, and determines the current risk level to produce the risk radar map and the risk matrix.

### Risk Radar Map



### Risk matrix



- Critical Risk:** It is required to take action immediately.
- High Risk:** It is required to prepare countermeasures and to provide resources for the management.
- Medium Risk:** It is required to apply necessary monitoring and take action.
- Low Risk:** Tolerate and address following currently available steps.

## Potential Risks and Countermeasures

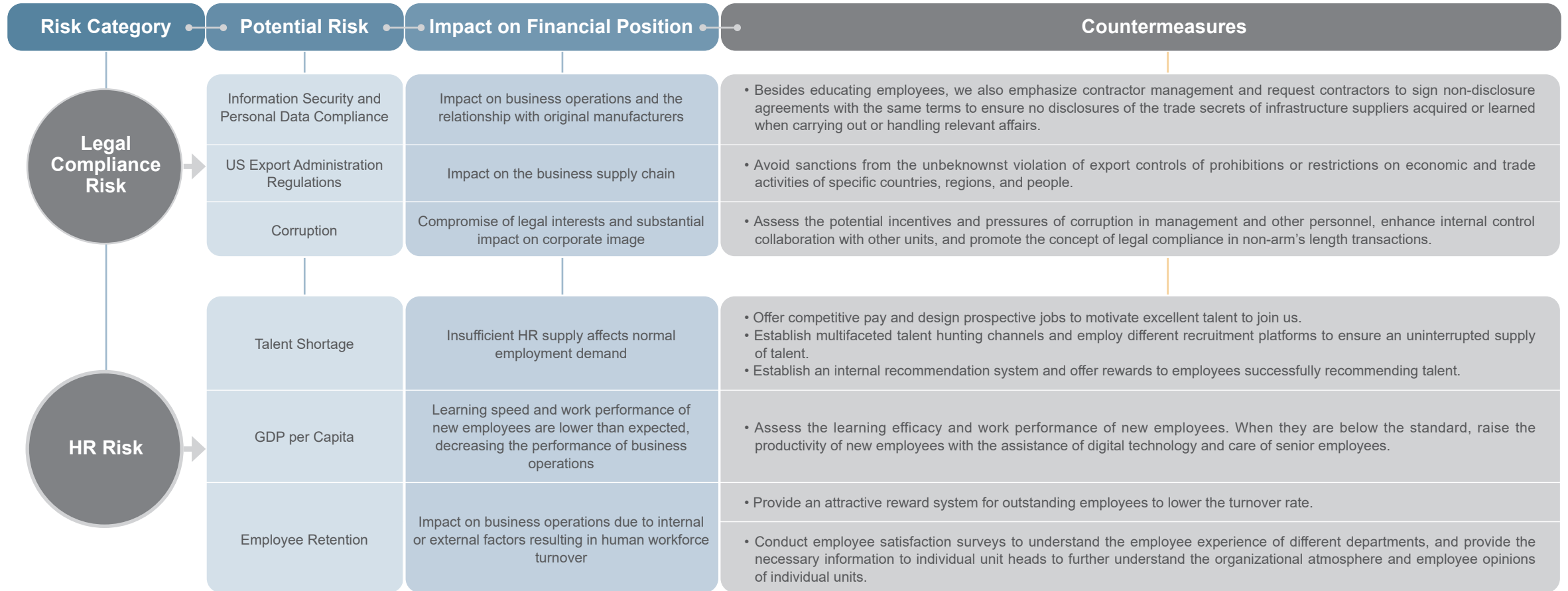
The Risk Management Committee of SYSAGE Technology compiles risk checkup items sorted out by respective units after discussions, including risk category, potential risks, impacts on corporate gains and losses, and response strategies as well as risk control measures adopted.

Risk Category	Potential Risk	Impact on Financial Position	Countermeasures
Sales Risk	Business Expertise	Failure to know what customers need or undesirable service attitude	<ul style="list-style-type: none"> <li>Improve quality of service provided by sales people through educational training and emphasize the benefits associated with products in meeting their demand.</li> </ul>
	Product and Service Prices	Higher product and service prices to result in unwillingness of customers to place purchase orders	<ul style="list-style-type: none"> <li>Adjust prices by modifying what is included in the service, the service level, or by switching to other equipment.</li> </ul>
	Manufacturer Preference	No good prices; the manufacturer prefers other types of business	<ul style="list-style-type: none"> <li>Precisely keep track of possible prices to win tenders and report it to the manufacturer and build optimal relations with the manufacturer.</li> </ul>
	Accomplishment of Marketing Activities	Undesirable accomplishment of marketing activities	<ul style="list-style-type: none"> <li>Analyze changes on the market and customer needs, deploy marketing channels, or ally with specialists in other fields to increase publicity of products.</li> </ul>
	Political Conditions and Delivery Delay	Delay in project progress or impossibility to deliver on time due to political or economic situations, the pandemic, and other external factors such as transport backlog.	<ul style="list-style-type: none"> <li>Customers or distributors must let the PM and unit head know in advance if they want “products that are not made in China”, understand the feasibility and operating procedures; do not take purchase orders easily in order to avoid delaying the lead time or losses to be borne.</li> <li>Switch to products that can meet the deadlines successfully or change the shipment schedule or the transport route; if delivery on time remains impossible, apologize to customers and make efforts to assure them.</li> </ul>
Products and Technical Services Risk	Dealership Stability	Impacted corporate revenue and market share	<ul style="list-style-type: none"> <li>Strictly follow integrity clauses of the Company, personal data protection and information security laws and regulations and ethical norms; continue to strengthen corporate governance, compliance, and risk control mechanisms.</li> <li>Strengthen connections and relationship development with the target customer groups and raise the collaboration intention of brand owners.</li> </ul>
	Engineer’s Technical Service	Immature skills or undesirable communication capabilities of engineers	<ul style="list-style-type: none"> <li>Improve professionalism and communication/presentation skills of engineers through educational training to positively impress customers.</li> </ul>
	Solutions	Undesirable solutions and inability to improve quality of integrated service	<ul style="list-style-type: none"> <li>Follow up with customers to get their ratings and feedback and combine careful solution planning with the marketing strategy in order to come up with perfect solutions.</li> </ul>
	Product Homogeneity	Overly high product homogeneity to hardly expose brand characteristics and values.	<ul style="list-style-type: none"> <li>Constantly innovate products and services and increase brand value to create higher profit for the company.</li> <li>Increase service value and create segregation with competitors to enhance market competitiveness.</li> </ul>





Risk Category	Potential Risk	Impact on Financial Position	Countermeasures
Financial Risk	Liquidity Risk	Affect business operations	<ul style="list-style-type: none"> <li>• SYSAGE Technology manages and maintains sufficient cash and cash equivalent in related positions to support operations and lower the impact of cash-flow fluctuation. Management supervises the status of bank credit utilization and ensures compliance with that SYSAGE Technology contract terms. The ultimate responsibility over liquidity risk management lies with the Board of Directors. SYSAGE Technology has established an appropriate framework for liquidity risk management to resell needs for raising short-, medium- and long-term loans and liquidity management.</li> <li>• Based on our credit policy, customer credit ratings are verified before transaction, and, where possible, security measures such as insurance and collaterals are applied to lower credit risk, and the status of overdue debts are tracked periodically.</li> <li>• Besides keeping track on the trends of the foreign exchange market, hedging is achieved with forward exchange contracts and periodic monitoring of exchange gains/losses to effectively lower the economic impact from fluctuation in the foreign exchange rate.</li> </ul>
	Credit Risk	Risk from customer receivables.	
	Exchange Rate Risk	Affect profit.	
Information Security Risk	Cybersecurity	Impact on business operations	<ul style="list-style-type: none"> <li>• A multi-circuit mechanism is used to prevent the impact from internet and intranet disconnection.</li> <li>• A monitoring platform has been established to monitor network traffic and the connection status to perform timely troubleshooting when there are network situations.</li> <li>• Firewalls have been set up to protect external connections, and protection is enhanced based on the analysis of abnormal firewall records.</li> <li>• The RSA mobile phone app is used to perform multi-factor authentication for logging into the intranet via VPN connection to ensure information security.</li> <li>• The backup mechanism equipped at the internal firewall automatically activates in case of hardware firewall failure to lower the impact on business operations.</li> </ul>
	Server Room Stability	Impact on business operations	
	System Backup	Impact on business operations	



# 05

## Customer Commitment

### Value and Action

Customer satisfaction and brand management are prioritized in SYSAGE Technology's policy. As such, we are devoted to improving brand reputation and customer loyalty. While doing business, we also ensure quality shipment and customer satisfaction. This is our commitment to customers.

**8** DECENT WORK AND  
ECONOMIC GROWTH



**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



**16** PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS



**17** PARTNERSHIPS  
FOR THE GOALS



# Customer Satisfaction Survey

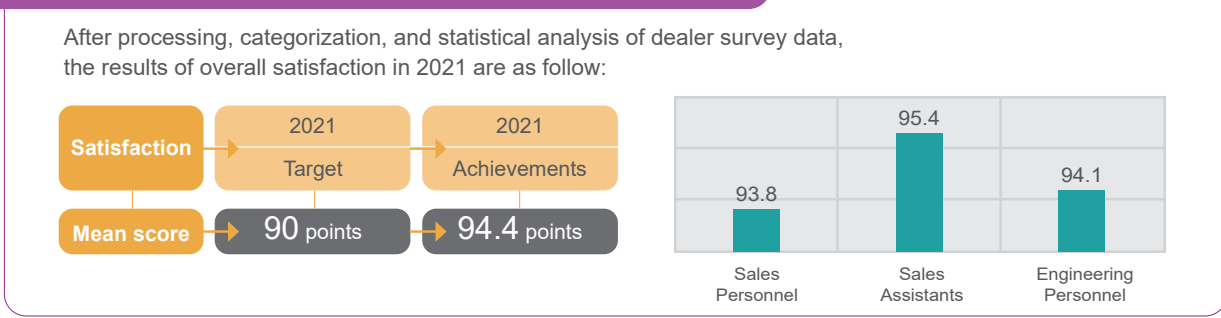
Adhering to its management philosophy of “leading brands and value-added services”, SYSAGE Technology introduces products using cutting-edge technologies to dealers and customers to meet the needs of customers and provides services of optimal quality. To provide faster and better services, we conduct the dealer satisfaction survey in order to make continual

improvements using the valuable recommendations from dealers. With dealers and customers as the target, we conduct an online survey every year by notifying the targets through email, as well as expressing gratitude for their long-term support and use of related products supplied by SYSAGE.

## The dealer satisfaction survey comprises three major sections and sub-sections:

- 1 **Sales Personnel** (Communication skill/expertise/problem-solving/service enthusiasm)
- 2 **Sales Assistants** (Presentation skill/expertise/problem-solving/service enthusiasm)
- 3 **Engineering Personnel** (Presentation skill/expertise/problem-solving/service enthusiasm)

## The dealer satisfaction survey comprises three major sections and sub-sections:

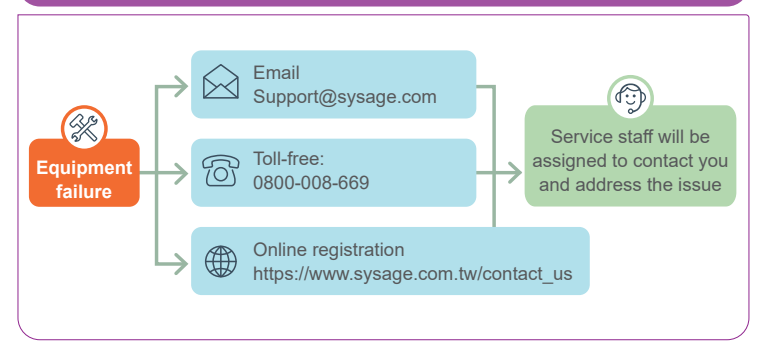


## Result tracking and evaluation/improvement mechanism

The satisfaction survey results of different dealers were forwarded to related departments to review and make improvements. The department head reviews the improvements and follows up the outcomes. Satisfaction indicators and respondent feedback are the two major components of the satisfaction survey, and the handling and follow-up actions are described as follows.

- 1 **90 points or more:** Sales personnel visit customers to thank them and receive internal rewards to encourage them to make further progress.
- 2 **Less than 90 points:** Sales personnel, sales supervisors, and engineering supervisors propose corrective action and visit distributors to listen to their recommendations, plan corrective actions, and follow up on corrections.

## Contact Information for Customer Service



# 06

## Information Security

### Value and Action

SYSAGE Technology knows clearly the importance of privacy protection and personal data security. As such, we have a sustainable operation plan for the information technology business in place and we follow applicable regulatory requirements in our operations. We also continue to improve our people's awareness of information security through internal educational training.

**16** PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS

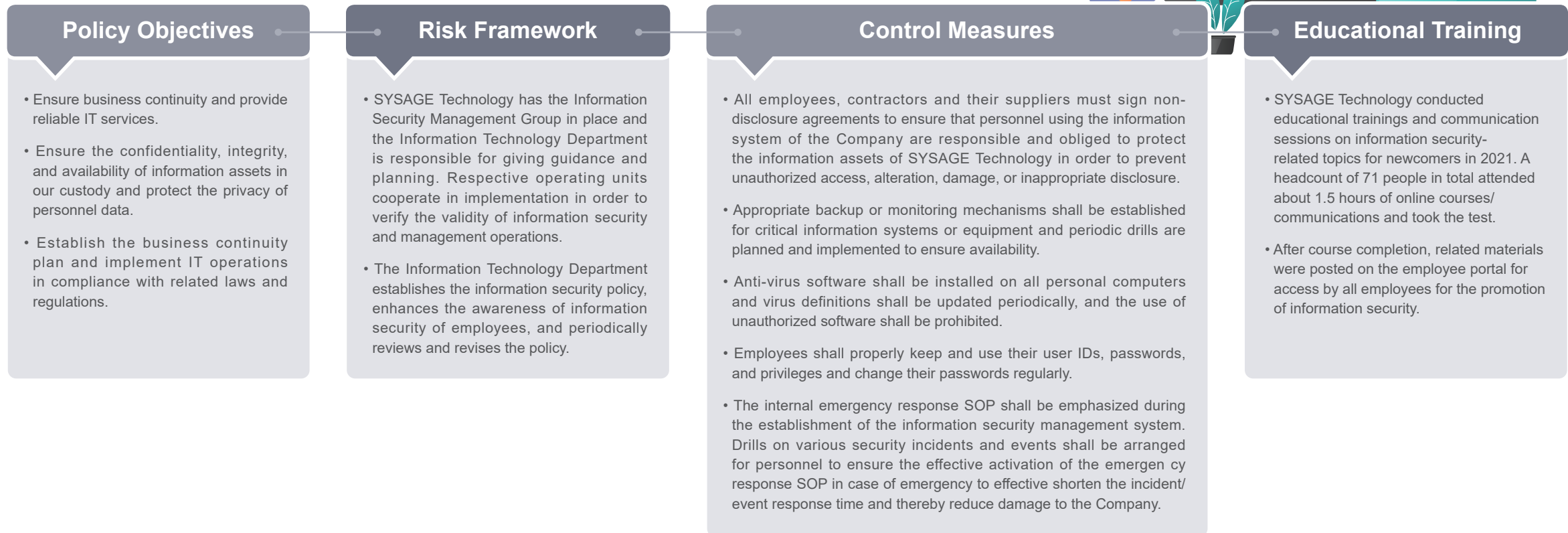






# Information Security Management

To ensure the confidentiality, integrity, availability, and legitimacy of information assets (hardware, software, data, documents, and personnel related to information processing), prevent willful or accidental internal or external threats in order to protect the privacy and maintain information security among employees, suppliers, and customers during business contacts.





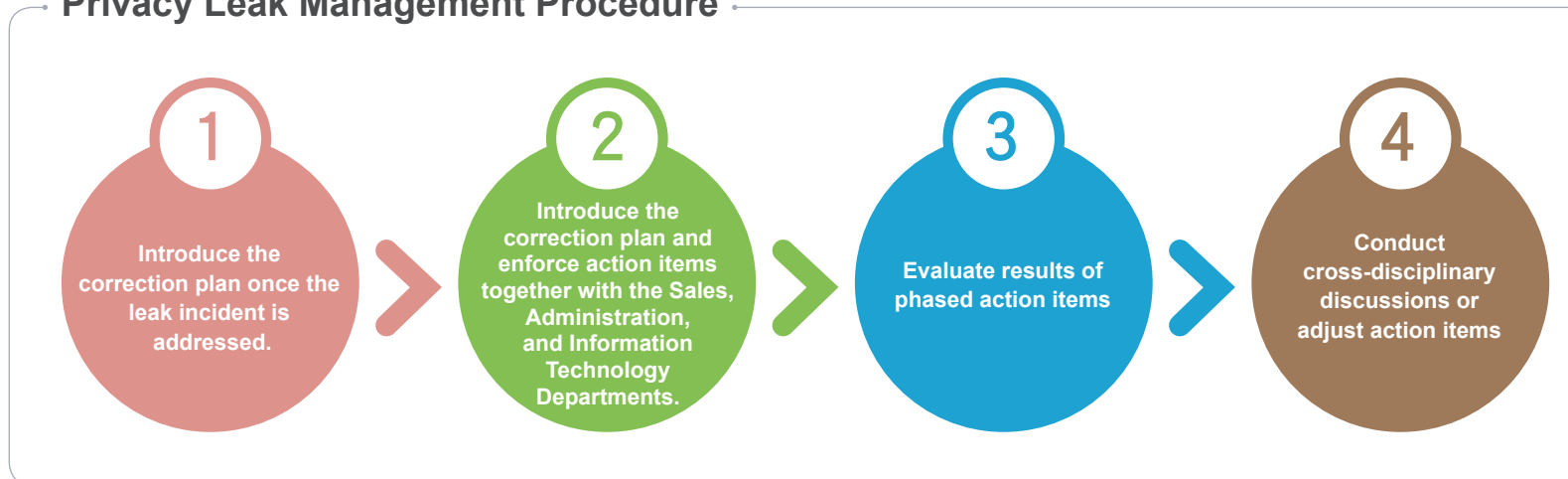
# Customer Privacy Protection

We deeply understand the importance of privacy and are thus committed to ensuring, respecting, and protecting customer privacy and trade secrets. Except for definite authorization or legal requests, we will not disclose or use the privacy or trade secrets off customers for any purpose. We have established the “Information and Communication Security Inspection Management Regulations”, built a secure and trusted IT environment, and equipped the IT environment with various information and communication security equipment such as firewalls and antivirus systems to ensure the security of corporate IT data, systems, equipment, and networks and thereby protect customer privacy data.

Additionally, we have established the “Employee Code of Ethics and Conduct”, which stipulates that employees shall carefully manage the matters or confidential information acknowledged from their duties and shall not disclose them to others or use them for purposes unrelated to work, except after the disclosure by the Company or for provision required to perform their duties. This obligation shall remain valid after the resignation of employees. To prevent employees from leaking confidential information for personal reasons, we request employees to sign the “Consent for Personal Data Use” to protect the rights and interests of customers and prevent customer data from exploitation by interested parties.

We implement strict protection and control over customer data. Internally, we enhance awareness education on the importance of protecting customer data and technical trade secrets and persistently make employees understand the importance of information security through internal email communication and newcomer educational training. Additionally, we protect confidential documents by means of privilege control. Except for the related operation staff, employees with lower relevance must acquire the permission of their immediate supervisor before accessing part of such documents. Every year we verify if there is customer complaint about data loss. If there is, we will conduct a full-scale review.

## Privacy Leak Management Procedure



# 07

## Happy Workplace

### Value and Action

SYSAGE Technology has defined corresponding solutions to help with the hiring and retention of talent to reflect trends in the industry and to accommodate corporate developments. We constantly enhance the attainments of our people, competitive advantages in the workplace, and explore career development opportunities and we encourage employees to present innovative or corrective plans to help the Company become a leader in digital convergence.



# Highlights of Annual Achievements in HR

SYSAGE Technology digitizes and automates operations relating to human resources (HR) by integrating the products of different brands that it resells. In 2021, we built the brand-new HR selection and retention digital solution that includes AI talent selection, ESG pioneers, cloud training, and advance talent retention, hoping to persistently optimize employee experience and reduce paper consumption for all employees to enjoy a smooth, low-carbon talent journey.

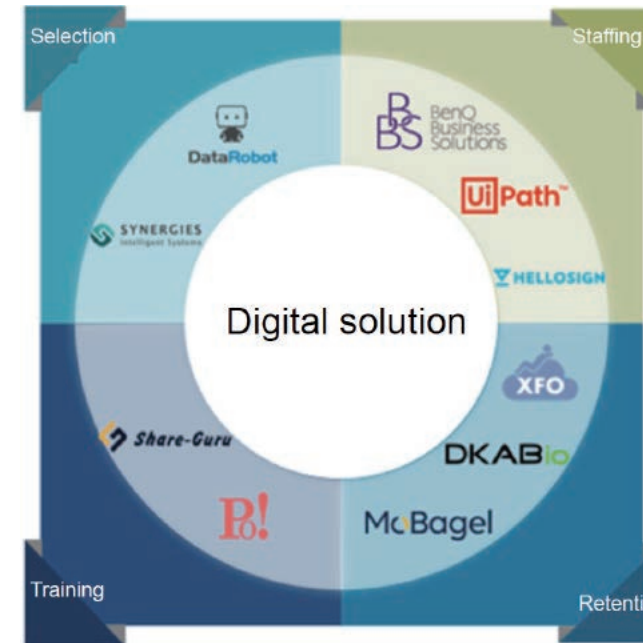


## AI Talent Selection

- Precise referral
- Rapid recruitment

## ESG Pioneer

- Business administration
- Process automation
- Paperless management



## Cloud Training

- AI precision learning
- Human resources trend analysis

## Advance Talent Retention Effort

- Employee satisfaction survey
- Health risk forecast
- Severance forecast



# Overview of Employee Composition

Employees are the most important cornerstone to corporate growth. In order to promote optimal labor-management relations, SYSAGE Technology is proactively creating a fair, healthy, and diversified workplace. As of the end of 2021, there are a total of 569 people working for the SYSAGE Group. Employees of SYSAGE are young and energetic. The gender ratio is quite close, too; it is nearly 1:1. Most of the employees hold university and graduate school diplomas.

SYSAGE provides job opportunities taking care of gender equality; there are female high-ranking and mid-ranking supervisors.

Distribution by age and gender (%)						
Age/Gender/ Company	SYSAGE Technology		Global Intelligence Network		Epic Cloud	
	Male	Female	Male	Female	Male	Female
Number of employees	247	244	34	22	19	3
Below 30 years old (%)	14.30%	14.70%	28.60%	14.30%	27.30%	9.10%
30 to 50 years old (%)	33.60%	33.00%	32.10%	25.00%	54.50%	4.50%
Over 50 years old (%)	2.40%	2.00%	0%	0%	4.60%	0%

Distribution of employees by the level of duty and gender (%)						
Level of duty/Gender/ Company	SYSAGE Technology		Global Intelligence Network		Epic Cloud	
	Male	Female	Male	Female	Male	Female
High-ranking supervisors	1.20%	1.00%	0.00%	1.80%	4.50%	0.00%
Mid-ranking supervisors	4.90%	3.50%	3.60%	7.10%	4.50%	0.00%
General staff	44.20%	45.20%	57.10%	30.40%	77.40%	13.60%

Description: 1. High-ranking supervisors: Department and above.  
2. Mid-ranking supervisors: Section/managerial  
3. General staff: Everyone else other than supervisors.

## Employees by the category they are hired for as shown in the contract (%)

Category/Gender/ Company	SYSAGE Technology		Global Intelligence Network		Epic Cloud	
	Male	Female	Male	Female	Male	Female
Number of employees	247	244	34	22	19	3
Full-time staff (%)	50.10%	48.50%	58.90%	39.30%	86.40%	13.60%
Full-time contractors (%)	0%	1.20%	1.80%	0%	0%	0%
Part-time interns (%)	0.20%	0%	0%	0%	0%	0%

## Distribution by education and gender (%)

Education/Gender/ Company	SYSAGE Technology		Global Intelligence Network		Epic Cloud	
	Male	Female	Male	Female	Male	Female
Post-graduate School	0.60%	0.00%	0.00%	0.00%	0.00%	0.00%
Graduate School	6.50%	2.90%	5.40%	1.80%	36.40%	4.50%
Undergraduate	42.20%	45.20%	55.30%	37.50%	50.00%	9.10%
Others	1.00%	1.60%	0.00%	0.00%	0.00%	0.00%

SYSAGE provides aboriginals, the disabled, or foreign employees with proper opportunities in order to create a diversified workplace. Currently we have 3 aboriginals, 4 disabled people, and 3 foreigners working for us.

## Distribution of employees by diversity (%)

Category/Location/ Gender	SYSAGE Technology		Global Intelligence Network		Epic Cloud	
	Male	Female	Male	Female	Male	Female
Minorities (%)	0.80%	1.00%	0%	0%	0%	0%
Foreigners (%)	0.60%	0.00%	0%	0%	0%	0%



# Talent Recruitment

It helps SYSAGE get ready early and stay competitive in the rapidly growing sector. SYSAGE Technology proactively recruits outstanding administration, business development, and engineering/technical service professionals. After we became part of the parent company, Qisda Corporation in 2019, we have provided more diversified talent development programs and abundant employee benefits and activities to attract potential outstanding talent on the market to join us.

## AI Talent Selection

A leading ICT solution provider, SYSAGE applied AI to its HR talent selection in 2021 taking advantage of its strength in technology; it significantly improved the efficiency of the recruiting process and employee experience.

As soon as a resume is received, AI begins the screening process and it take only 10 minutes for the job seeker to be notified of a possible interview; online interview, confirmation of compensation, and receiving an offer can all be done within two days. Unlike the old practice, where resumes were reviewed one by one, which would take up to two days already, AI talent selection works faster and more smoothly.

SYSAGE is able to create such an efficient talent selection system because of the digitalization and modeling of various talent data done by HR. Through machine-learning, AI screens and verifies models. We have sorted out the most suitable model among over 300 options. For improved precision of AI talent selection, SYSAGE creates talent models of counterparts and compares and contrasts them so that AI can constantly learn and optimize system efficacy.

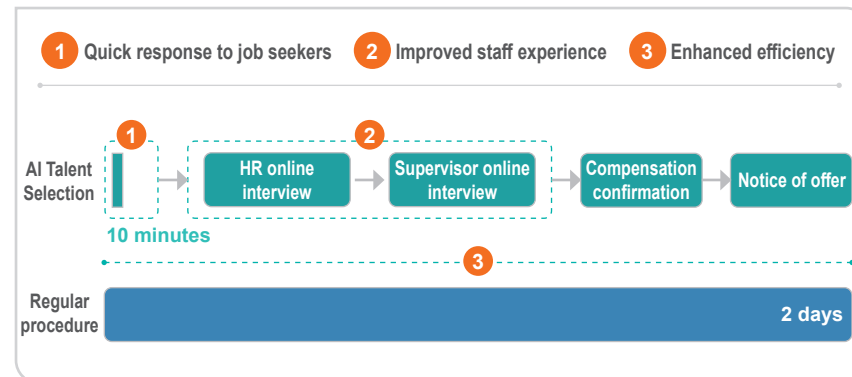
## ESG Pioneer: Process automation, paper-less automatic archiving of resumes

SYSAGE has been working for and devoted to automated and paperless corporate process management. We integrate multiple applications and automate the HR selection and retention process through the digitalized approach to management.

In the case of archiving resumes during recruitment, for example, systems adopted by recruitment platforms in the past were usually only equipped with the basic data management feature. To internalize applicant information, businesses often had to do it manually. The process automation tool of SYSAGE, however, enables automatic archiving of resumes, which is not only paper-less but also greatly improving the working efficiency of HR staff.

Distribution of newcomers by age and gender (%)

Age distribution	SYSAGE Technology		Global Intelligence Network		Epic Cloud	
	Male	Female	Male	Female	Male	Female
Number of newcomers	104	95	10	2	16	3
Below 30 years old (%)	19.60%	20.60%	33.30%	0%	10.50%	5.30%
30 to 50 years old (%)	31.70%	24.60%	50.00%	16.70%	73.70%	10.50%
Over 50 years old (%)	1.00%	2.50%	0%	0%	0%	0%





# Compensation and Remuneration

SYSAGE Technology has sound compensation and bonus systems in place. Employees are rewarded reasonably according to their education background, experience, expertise, seniority at work, and personal performance. To keep the compensation system competitive and fair, we also periodically review market compensation

survey findings and take into consideration the macroeconomic environment, salary level on the market, and personal performance as a whole to allow adjustment of salaries dynamically and to ensure that key internal talent and outstanding colleagues may be retained and external talent may be attracted effectively.

## Pension

The pension plan of the SYSAGE Group follows the “Labor Pension Act” enforced on July 1, 2005. For all official staff, the years served before then have been paid off as required by the Labor Standards Act.

To take care of the retirement life of employees and promote sound labor-management relationships, we have adopted the defined contribution plan in accordance with the Labor Pension Act to deposit the contribution into the employee’s special labor pension account at the Bureau of Labor Insurance each month. For employees making voluntary contributions, we will withhold the amount at the voluntary contribution rate from the employee’s monthly salary and deposit it into the employee’s special labor pension account at the Bureau of Labor Insurance.

### Salary and bonus paid over the past three years

Item/Year	2019	2020	2021
Salary and bonus (NTD million)	382.86	460.853	529.621

The starting salary is better than the statutory base rate for newcomers at each operating location of SYSAGE and does not vary because of gender, ethnicity, nationality, age, religion, political stance, marital status, or sexual orientation; compensation and benefits are equal and non-discriminatory.

### Standard salary of starters as compared to the minimum local requirement (%)

Item/Company/ Gender	SYSAGE Technology		Global Intelligence Network		Epic Cloud	
	Male	Female	Male	Female	Male	Female
As compared to the minimum requirement	1.18	1.18	1.18	1.18	1.18	1.18

\* Starters: primarily full-time (direct) employees.

SYSAGE had a total of 403 employees working full-time in non-managerial positions in 2021; the total amount of salaries paid came to NTD399,793,000. We share fruits with our people. Both the mean salary and median salary for full-time employees in non-managerial positions are growing each year.

### Mean and median annual salaries of full-time employees in non-managerial positions in the region of Taiwan

Item/Year/Company	SYSAGE Technology		
	2019	2020	2021
General staff (persons)(NTD thousand) (A)	327	371	403
Total full-time salary amount (NTD thousand)(B)	300,211	349,017	399,793
Mean salary (NTD thousand) (C=B/A)	918	941	992
Median salary (NTD thousand)	727	763	788

Description: 1. The median salary of full-time employees in non-managerial positions is disclosed as required by the changes made to the “Operating Guidelines for Compiling and Filing CSR Reports by Public Companies” that came into force in 2019 of the Taiwan Stock Exchange.

2. Annual salary: including the base salary and bonus for the whole year.



# Quality Benefit

For the hard work of employees, SYSAGE Technology offers multiple benefits, staff facilities, and staff activities that are better than regulatory criteria so that they can relax and let out stress while not working. The benefits are supported by the revenue and periodic contributions from employee salaries and include staff activities, corporate workshops, festival gift money, club subsidies, travel subsidies, wedding gift money, and intra-departmental luncheons, among others.

Benefit expenditure			
Item/Year	SYSAGE Technology	Global Intelligence Network	Epic Cloud
Benefit expenditure (NTD million)	472.3339	164.9885	0.420782



## Quality Welfare System

SYSAGE has a quality welfare system in place to help boost the welfare for and physical and mental wellness of the employees. Meanwhile, we have designed a personalized check-in and check-out system and number of leave days better than the regulatory requirement; it is our hope that employees strike a balance between work and life.

- Bonus and subsidy**  
 Prize (Bonus)  
 Festival gift money, gift box, domestic travel subsidies, luncheon
- Insurance**  
 Coverage for employees (Life insurance, accident insurance, and healthcare insurance)  
 Enrollment of lineal relatives in group insurance
- Employee activity**  
 Group contest  
 Year-end party
- Free food/entertaining facility**  
 Refreshment Station  
 Breakfast/Afternoon tea pop-up event  
 Coffee, beverage  
 Multi-purpose lounge  
 Various facilities
- Flexible working hours**  
 Off duty at 16:00 on Fridays  
 30-minute window for check-in/check-out
- Leave of absence**  
 Maternity leave, paternity leave, child care leave, family care leave, full-pay vaccination leave
- Healthcare**  
 Pregnancy package  
 Various types of health care (Refer to the chapter about health care for details)
- Listening to employees**  
 Employee satisfaction survey  
 Employee poll box

## Child Care Leave

SYSAGE offers child care leave, maternity leave, and paternity leave to allow employees to take care of both work and family and has a sound system for returning employees, including the arrangement during leave without pay and career assistance, etc.

Description	SYSAGE Technology		Global Intelligence Network		Epic Cloud	
	Male	Female	Male	Female	Male	Female
Number of employees qualified for child care leave (Those having applied for maternity leave and paternity leave)	7	5	1	3	0	0
Number of employees having actually applied for child care leave	0	3	0	1	0	0
Expected number of employees to be reinstated during the reporting period (A)	0	2	0	1	0	0
Number of employees having actually been reinstated for the year (B)	0	2	0	1	0	0
Number of employees having worked for a year following reinstatement from child care leave in the preceding year (C)	0	2	0	0	0	0
Number of employees reinstated from child care leave for the preceding year (D)	0	2	0	0	0	0
Reinstatement rate following child care leave (B/A)%*	0%	100%	0%	100%	0%	0%
Retention rate after child care leave (C= D)%**	0%	100%	0%	0%	0%	0%

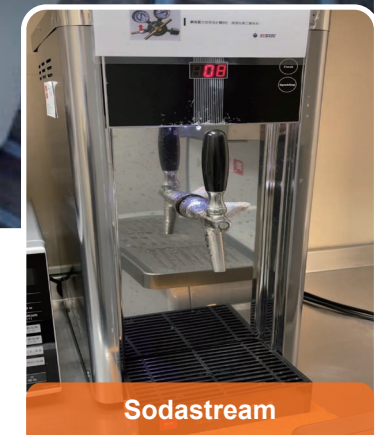
\* "Reinstatement rate" is calculated as number of employees actually reinstated during the reporting year/total number of employees expected to be and having been reinstated during the reporting year

\*\* "Retention rate" is calculated as number of employees having worked for a year following reinstatement from child care leave in the preceding reporting year/total number of employees expected to be reinstated during the preceding reporting year





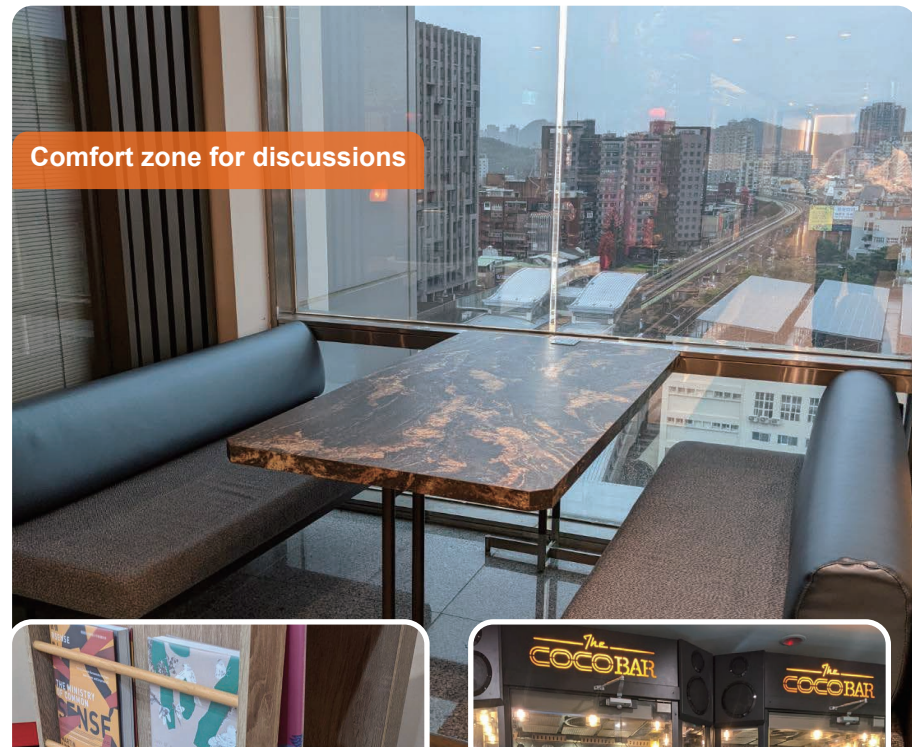
## Plenty of food and recreation



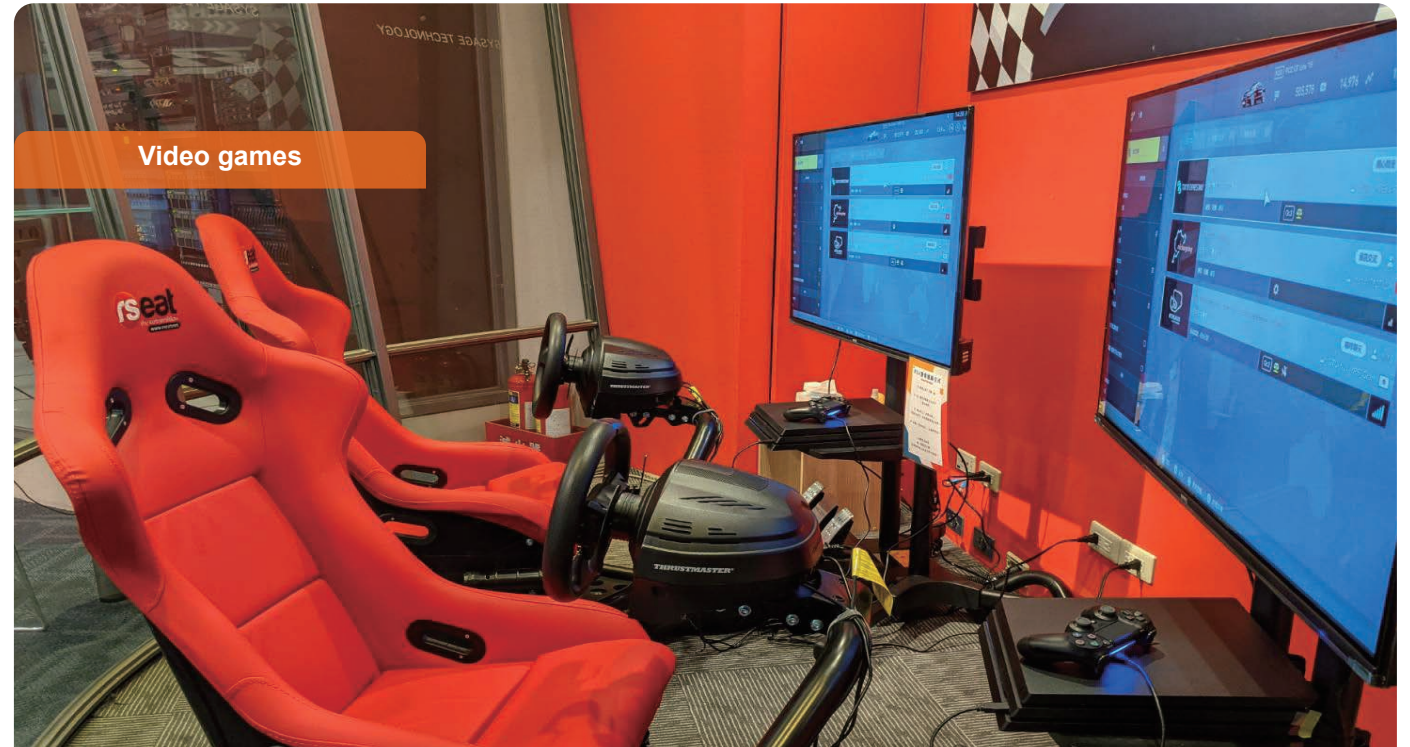




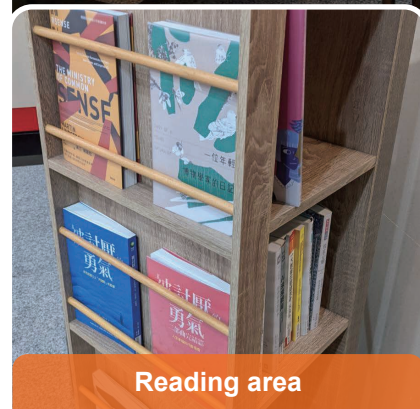
## Comfortable environment and entertainment



Comfort zone for discussions



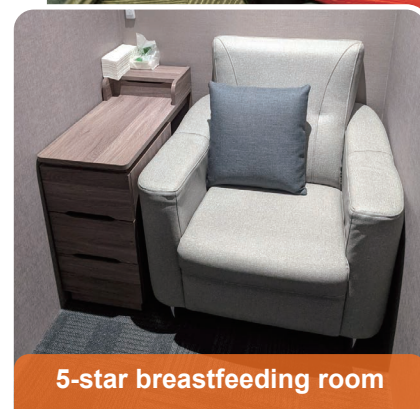
Video games



Reading area



Portable KTV



5-star breastfeeding room



Relaxing massage room



Managerial/employee chair





## Healthcare

SYSAGE Technology cares about the physical and mental health of its people. Besides checkups and various vaccinations, we offer other health services, including professional medical care, maternal care, disease-prevention measures, health promotion workshops, pressure-relieving programs, and blood donations, etc.



Health checkup			
Item/Company	SYSAGE Technology	Global Intelligence Network	Epic Cloud
Health checkup fulfillment rate	36.50%	23.60%	15%
Health checkup item	Blood routine, internal medicine/surgery routine (blood pressure, auscultation), liver function, X-ray, carotid artery, heart, abdomen ultrasound, etc.		
Items to be added reflective of the level of duty	Gastroscopy or lung CT		

Note: The company's health check-up time is 2021/09-2022/03. In order to be consistent with the reporting period of this report, the health check-up rate is only disclosed on 2021/09-2021/12

Vaccination			
Item/Company	SYSAGE Technology	Global Intelligence Network	Epic Cloud
COVID-19 vaccine first-dose fulfillment rate	91%		
COVID-19 vaccine second-dose fulfillment rate	71.20%		
Flu vaccination rate	29.80%	23.20%	25%

Note: Covid-19 vaccine is by self-inoculated colleagues, flu vaccination is provided by the company

Health service			
Item/Company	SYSAGE Technology	Global Intelligence Network	Epic Cloud
Health service	Health counseling, Four Major Health Programs, Including: ergonomic hazard prevention, maternal health care, illegal infringement and abnormal work load prevention		
Physician based on site	1	0	0
Full-time nurse	1	0	0

## Healthcare item

**Health checkup**

One free employee medical checkup every two years.

**Professional medical care**

Contract physician based on site  
Full-time nurse

**Maternity care**

Pregnancy package  
5-star breastfeeding room

**Disease-prevention measure**

Flu vaccination (once)  
Office disinfection  
Disease-prevention supplies  
Disease-prevention communication

**Health promotion workshop**

CPR+AED  
Fall and winter skin and oral care

**Pressure-relieving course**

Yoga  
Masseuse  
Massage chair

**Physical and mental health**

Physical fitness  
Blood donation  
(Once, with 106 bags of blood collected)

Note: Welfare programs for contracted employees and interns do not include free health checks, free flu vaccinations and good pregnancy packages





## Thoughtful care and disease prevention



Pregnancy package



Restroom air purification



Air purifier



Disease-prevention supplies



Heart-felt handy item



Disease-prevention spray



Washlet



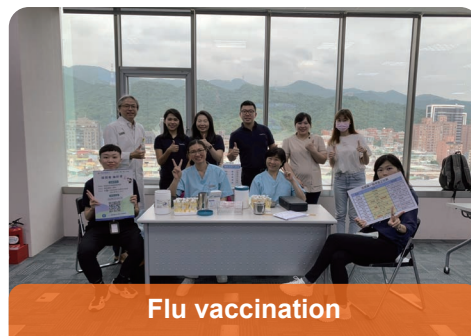
Weekly disinfection as disease-prevention measure



Wash basin tepid warm water



Temperature-taking



Flu vaccination



CPR training



Blood donation



Health talks





### Joyful diversified employee activities



Spring festival couplets composing event



Christmas gift exchange



Christmas light show



New Year greeting film-making



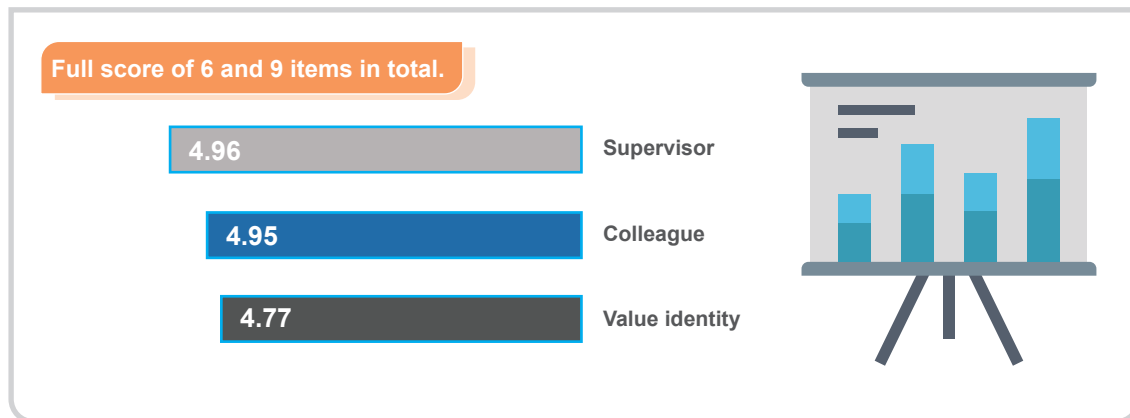
Afternoon tea pop-up event



## Employee satisfaction survey

SYSAGE Technology started the first employee satisfaction survey in 2021 to help understand how satisfied employees are in every part of their work. The Top 3 rankings during the reporting period were supervisors, colleagues, and value identity. Survey findings serve as reference for SYSAGE while the latter tries to improve its workplace and continues to boost their satisfaction with the workplace.

評分項目			
Supervisor	Compensation and Remuneration	Colleague	Career
Development	Company Culture	Engagement	Overall Satisfaction



## Communication through Meetings

Labor-management negotiations and employee conventions, among others, are available at SYSAGE. Important messages are communicated to colleagues in meetings and colleagues can also give SYSAGE Technology advice and feedback during such meetings to make virtuous bilateral opinions exchange happen and to enhance the overall consensus and coherence in the Company.

Corporation	Item	Frequency
SYSAGE Group	Labor-management negotiation	3 to 4 times a year
	Employee convention	Once a year

## Prevention and control of sexual harassment in workplace

In order to provide employees with a safe and assuring work environment, SYSAGE strictly prohibits sexual harassment in any form in the workplace. There are the phone number and email, among others, to file complaints about sexual harassment and the personal information of the complainant is protected. General equity is communicated to newcomers and current employees from time to time so that each employee gets to know gender equity correctly and know their related rights. No complaints about sexual harassment were received during the reporting period.

Corporation	Sexual harassment complaint-filing channel
SYSAGE Group	Telephone: (02) 8797-8260 extension 2120
	Email: simonyang@sysage.com.tw



# Talent Development

We value employee training and development. Therefore, we invest in sufficient resources for employees to receive comprehensive training. By providing our people with encompassing development resources, we hope to further enrich and smoothen learning and development of employees.

Newcomer training by Company			
Item/Company	SYSAGE Technology	Global Intelligence Network	Epic Cloud
Headcount of newcomers having completed general training	118	8	3
Total hours fulfilled by newcomers in general training	1635.5	116.5	71.5

Newcomer training by Company			
Item/Year	2019	2020	2021
Educational training expenditure (NTD)	1,312,162	2,274,380	2,258,328

Number of hours acquired on human right training	
SYSAGE Group	Hours
Management	240
General staff	1,219
Newcomers	1,081

Mean training hours per employee by gender and level of duty (hour)						
Title of duty/Gender/Company	SYSAGE Technology		Global Intelligence Network		Epic Cloud	
	Male	Female	Male	Female	Male	Female
High-ranking supervisors	33.9	37.5	0	36.5	22	0
Mid-ranking supervisors	42.3	41.5	44.2	36.8	29	0
General staff	14.3	14.7	18.2	14.1	15.3	23.5

Description: 1. High-ranking supervisors: Department and above.  
 2. Mid-ranking supervisors: Section/managerial  
 3. General staff: Everyone else other than supervisors.

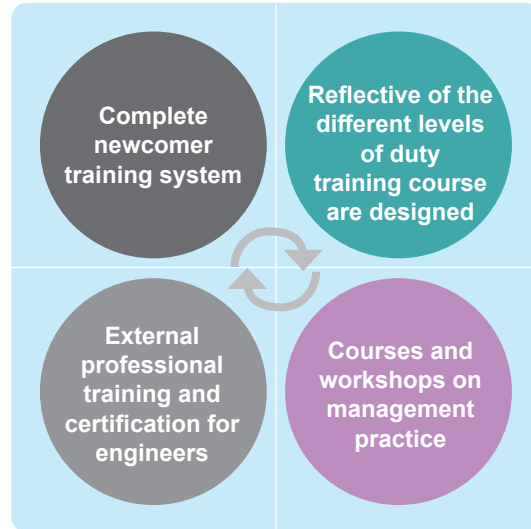






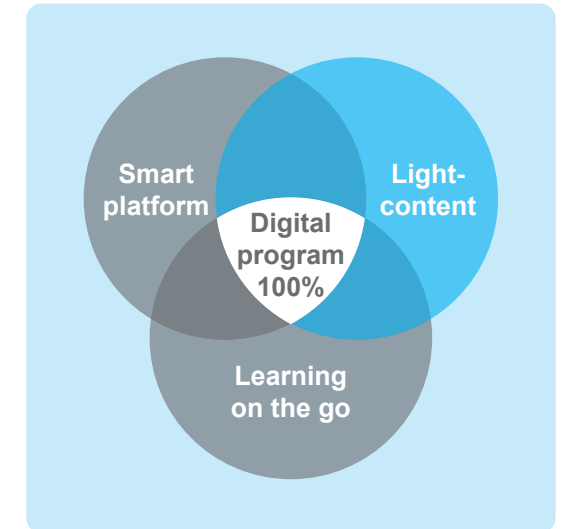
## Training course

Besides arranging a complete new employee training system and designing training courses for development of different competencies, we also organize management practice workshops for specific staff and develop training courses for engineers to build work-related skills. Additionally, employees can acquire new knowledge through external sources, including external training for professional licenses/certificates, sharing of industry information with external professionals, and talks on new knowledge in life and public interest.



## Cloud Training

SYSAGE takes advantage of the features of its products to turn the platform for employee educational training programs smart, lighten the contents, and enable learning on the go. The cloud training portal and the AI world cloud and auxiliary platform, for example, greatly improve the learning and working efficiency of employees and fulfill the diversified career development needs of many employees; employees can log onto the cloud training platform to learn online at any time.



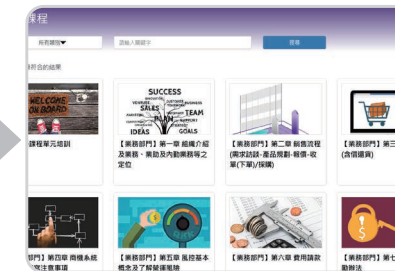
## Cloud training procedure



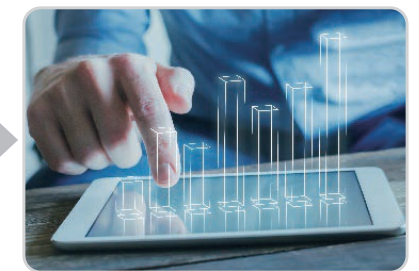
Online meeting



Real-time interaction



Course sharing



Digital learning

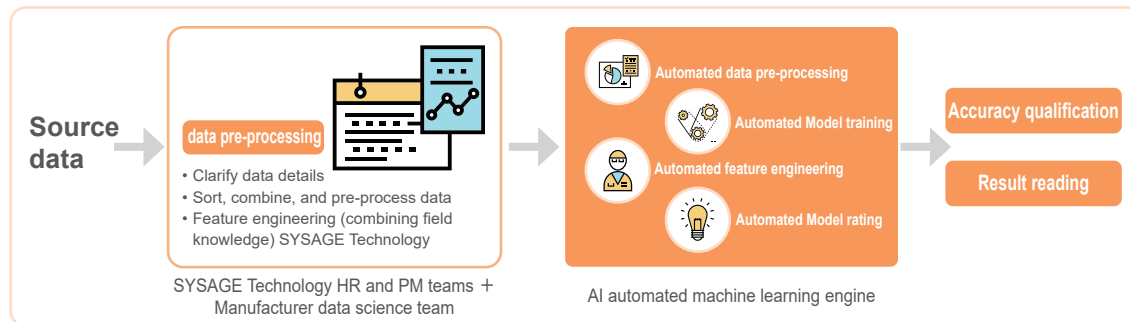
# Talent Retention

Distribution of severance by age and gender (%)

Age distribution	SYSAGE Technology		Global Intelligence Network		Epic Cloud	
	Male	Female	Male	Female	Male	Female
Number of employees having left the Company	44	71	6	8	4	2
Below 30 years old (%)	11%	17%	0%	14%	33%	17%
30 to 50 years old (%)	26%	43%	43%	36%	33%	17%
Over 50 years old (%)	1%	2%	0%	7%	0%	0%

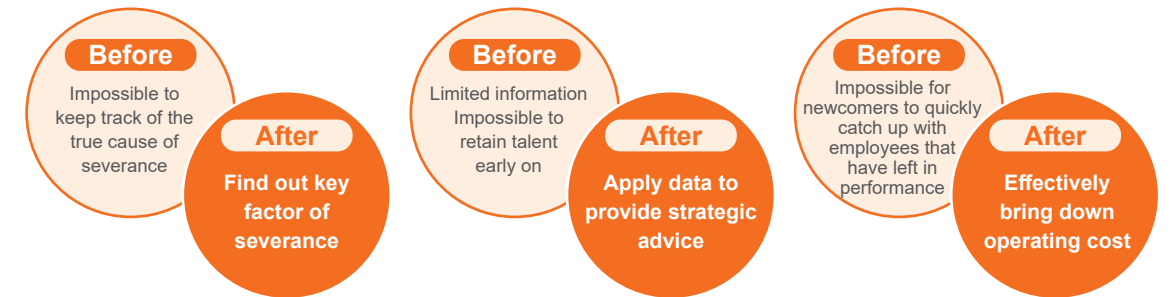
## Severance forecast

“Find the right people and keep them!” is important to the SYSAGE Group in talent management. We started to use big data and AI in 2021 for employee severance forecast and cause analysis. Whether employees are inclined to leave in the future or not is analyzed with big data and it helps the human resources unit to prepare early to retain outstanding employees highly inclined to leave and to increase their willingness to stay. Key factors that affect severance are collected, analyzed, and summarized by age group, performance, highest education, number of business trips, and number of leaves of absence, etc.

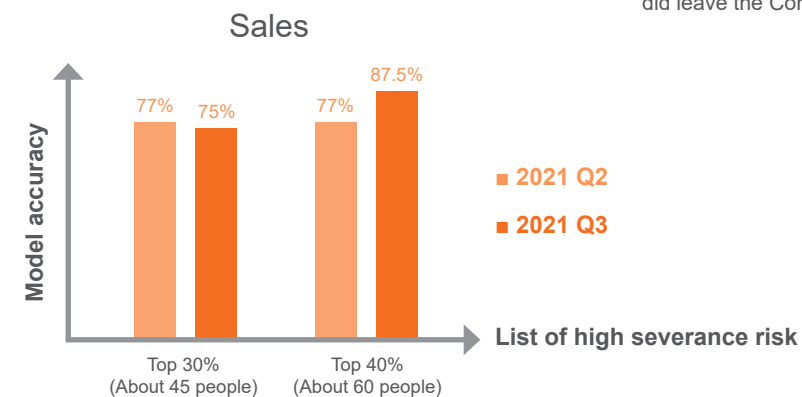


## Actual efficacy

Severance forecast is associated with the following three significant strengths in terms of corporate talent management, including the possibility to find out key factors that drive employees to leave, utilization of data to provide strategic advice on how to improve operational management and retain talent internally, and reduced administration cost and burden caused by finding replacements.



### Examples of actual application



Model accuracy is nearly 80% as proven through the list of sales representatives that did leave the Company in Q2 and Q3 2021.

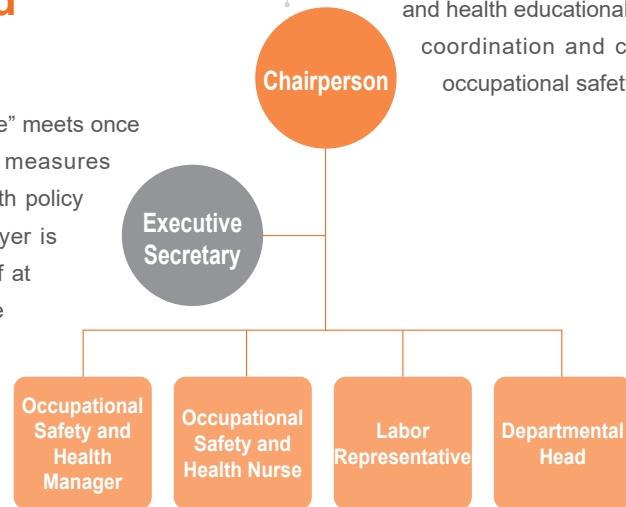
The most relevant variable for the severance of employees is the cumulative years in service, followed by current salary, age, and then prior salary adjustment range, bonus-salary ratio, and recent hours and frequency of leave of absence

# Occupational Safety and Health

To build a zero-accident safe workplace, SYSAGE Technology as a unit in place to take charge of occupational safety and health management by preparing, planning, supervising, and enforcing safety and health management matters and there is the Occupational Safety and Health Management Committee to make recommendations for and review and coordinate occupational safety and health policies. We also arrange educational trainings on occupational safety and health for both new and active employees.

## Occupational Safety and Health Committee

The “Occupational Safety and Health Committee” meets once every three months and advises on related measures under the annual occupational safety and health policy besides reviews and coordination. The employer is the Chairman of the Committee that consists of at least seven members to serve a term in office of two years. The Chairman appoints one member to be the Executive Secretary, who supervises and promotes occupational safety and health to ensure the safety and physical/mental health of employees.



## Occupational Safety and Health Plan and Its Implementation

SYSAGE has the “Occupational Safety and Health Management Office” that reports to the employer directly to take charge of the implementation. It prepared the Occupational Safety and Health Spontaneous Inspection Plan, the Occupational Safety and Health Code of Conduct, the Occupational Safety and Health Management Plan, and the Undertaking Management Plan. In 2018, the Maternal Health Protection Plan, the Ergonomic Hazard Plan, the Illegitimate Infringement Plan, and the Abnormal Workload Plan were added. The various occupational safety and health educational trainings provided and cross-departmental coordination and cooperation help promote awareness of occupational safety and health among our colleagues.

## Educational Training

For employees to understand the potential hazards in the work environment and to minimize the risks of occupational disasters and accidents, we arrange the “General Safety and Health Educational Training” for both new and active employees. To enhance the employee’s awareness, prevention, and management of workplace safety and health, we arrange staff CPR and AED training, first aid training, nursing staff educational training, and occupational safety and health management training, which were completed an 100 people during the reporting period, to maintain the safety of the workplace environment and employees.



CPR and AED training



Fire drills



## Workplace Safety

We hire qualified operational environment monitoring institutions certified by the Ministry of Labor (MOL) to examine the workplace and operational environment every six months. We also maintain the air-conditioning and lighting systems regularly to ensure that the workplace meet the safety, health, and indoor air quality standards. We further plan and establish risk assessment sheets for the work environment, job contents, and the equipment and tools and adopt related control measures to lower risk to reduce the damage and loss caused by occupational disasters.

### Workplace Environment Safety Protection Measures

Category	Target	Status	Assessment
Fire Safety Equipment	Prevent fires and emergency response measures	One escape sling is equipped on each of the 8th to 11th floors. Clear escape route indicators, fire extinguishers, fire compartmentation, and smoke barriers are installed in all workplaces. The sprinkler system is equipped on the 11th floor and up.	Implement fire safety inspection according to the Fire Services Act every year.
Waste Disposal	Implement waste sorting and disposal.	Each floor is equipped with a general waste sorting and disposal location. Legal waste disposal contractors are hired to dispose bulk waste.	Promote waste disposal measures, and hire professional contractors to incinerate confidential documents in accordance with the law. Hire legal waste disposal contractors.
Workplace lighting, ventilation, and health	Appropriate lighting and ventilation	Workplaces are well and evenly lighted at an appropriate lighting ratio. Avoid irritating lighting. Regulate air freshness and temperature with the central air conditioning system and equip high-performance air purifiers according to the surface area.	Establish OH&S Rules according to the Occupational Safety and Health Act.
Warehousing and materials handling	Avoid hazard factors and prevent accidents.	Replace labor with machinery as much as possible. Handle objects over 40 kg in weight with carts or tools. Use and periodically maintain hydraulic stackers and pallet trucks.	Establish OH&S Rules according to the Occupational Safety and Health Act.
Workplace insurance	Arrange fire insurance and public liability insurance	SYSAGE's own property and leased property.	Renew every year.

## Occupational safety achievement and disaster statistics

SYSAGE tallies the number of people hurt due to occupational hazards each month. If an occupational accident occurs, besides conducting investigations and analysis with labor representative and maintaining related records, we also implement engineering control or administrative improvement.

### Occupational disasters over the past three years

	2019	2020	2021
Work-related injuries	0	1	3
Work-related fatalities	0	0	0
Disabling injury frequency rate	0	0	0
Disabling injury severity rate	0	0	0
Traffic accidents on the way to work or home	0	1	3

Note 1: There were 4 traffic accidents within 5 years; all the employees affected suffered temporary total disability.

Note 2: Commuting accidents did not happen in the workplace and hence were not included in the disability frequency and severity statistics.

# 08

## Responsible Supply Chain

### Value and Action

SYSAGE Technology is committed to including sustainability issues such as environment, labor, human right, and social impact as part of its supplier screening process and engaging suppliers in sustainable operation through communication and encouragement to make a substantial difference in the supply chain.



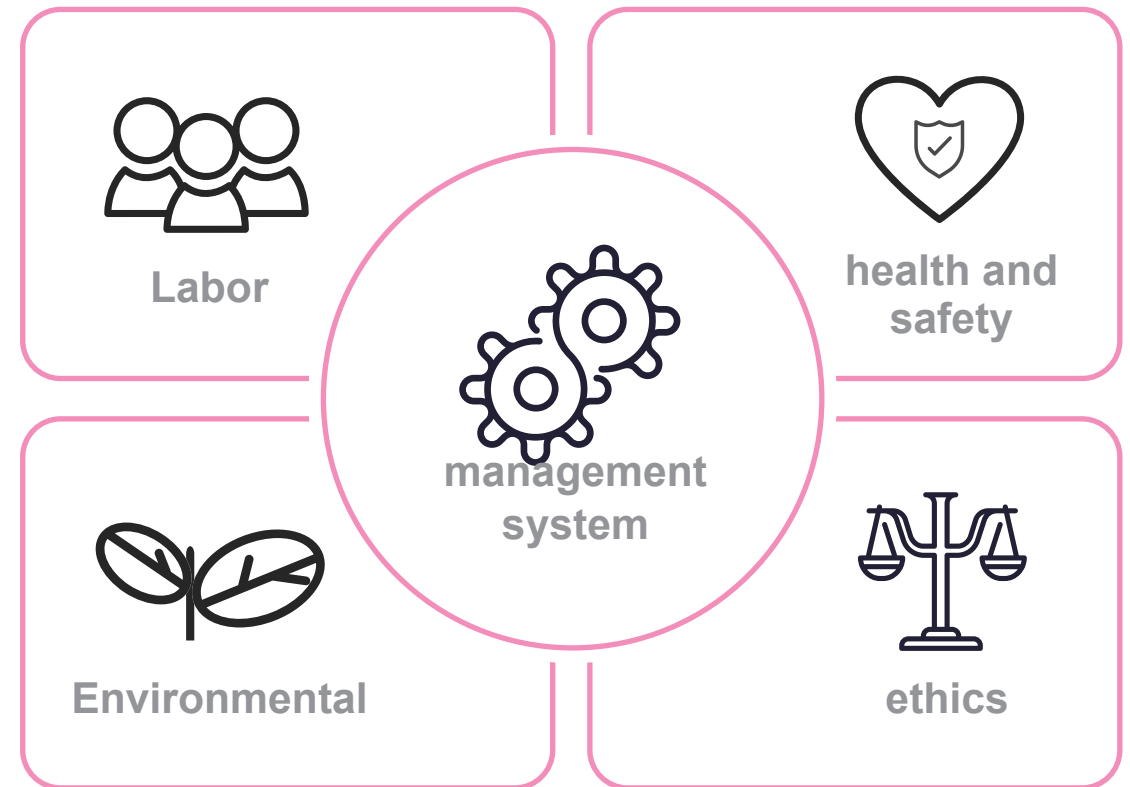


## RBA Supply Chain Management

We are in the IT service sector and resells network and system software and hardware of world-famous big brands to provide customers with total ICT solutions in different fields. Currently, we have about 300 collaborative suppliers. The domestic-to-overseas procurement ratio by amount involved is 40:60. We purchase product based on accountability and maintain proactive communication with suppliers to understand the rights and interests and work environments of their employees in order to demonstrate our positive influence in the supply chain.

In 2014, we established the management approach according to the Code of Conduct (CoC) published by Electronic Industry

Citizenship Coalition (EICC) to practice the CSR requirements in the CoC together with original manufacturers and suppliers. Since the EICC reorganized as the Responsible Business Alliance (RBA) in 2017, 70% of the top 10 suppliers of the Company have become RBA members. Since then, we have also expanded promotion to suppliers according to five sections (Labor, Health and Safety, Environment, Ethics, and Management Systems) of the new CoC published by RBA to ensure no obstruction of the freedom of association of workers, no use of child labor or forced labor. Apart from responding to international trends, we have also enhanced the CSR, environmental, and OH&S performance of the supply chain.







# Supplier Selection and Communication

For first-time suppliers, the procurement, product, and financial departments will assess their basic qualifications, including company basic data, financial status, product quality, service and supply capacity, procurement-related contracts or other supplier documents. We already asked in 2021 new suppliers, 52 in total, to submit the Supplier Letter of Undertaking to fulfill the CSR requirement of the RBA CoC, accounting for 52 of all new suppliers for the year.

After becoming a qualified supplier, regular evaluation is still required. Every year, the top ten main suppliers are evaluated according to each aspect, and the evaluation level of each supplier is listed. The result will be an important basis for the procurement strategy.

## Communication Contents

 <p><b>Supplier Audit</b></p>	 <p><b>Price Inquiry</b></p>
 <p><b>Procurement</b></p>	 <p><b>Outsourcing</b></p>

## Substantial management measures

Through brand selection and promotion, we ask suppliers to follow the Responsible Business Alliance Code of Conduct and makes sustainability part of their daily supply chain management.

### CoC-based Supplier Screening

- When recruiting new suppliers, applicants are required to sign the supplier undertaking to express their intention to follow the RBA CoC to ensure that working conditions in the electronics industry, or industries in which electronics are a key component, and its supply chains are safe, that workers are treated with respect, and that business operations are environmentally responsible and conducted ethically.

### Supplier Communication

- Through different forms of promotion and communication, besides effectively enhancing environmental protection and OH&S performance, we also request suppliers to comply with the RBA CoC and other international regulations covering labor human rights, OH&S, employee health, climate change, legal risk, professional ethics, and ethical corporate management.

### Supplier Risk Assessment

- For existing qualified suppliers, we also carefully conduct supplier risk assessment. By regularly and irregularly investigating the operation and financial status of suppliers and paying attention to high-risk groups, we can avoid any situation such as unwarranted closures affecting shipments or causing disputes. In addition, major risk investigations are also carried out on suppliers. For example, during special periods such as the peak of the new influenza, labor shortages, etc., relevant understandings will also be carried out on suppliers in relevant regions, or appropriate response methods will be communicated to suppliers to avoid causing operational hazards.

### Protection of intellectual property rights

- We do not distribute controversial products or products infringing copyrights. We also sign NDAs with suppliers as necessary.

## Education and Promotion

Besides the requirement to complete the RBA educational training program for newcomers, the RBA task force communicates the applicable regulations that are updated and provides clarifications to employees internally Periodic. All employees of the SYSAGE Group are included to increase the awareness of employees about the overall supply chain ethics and their knowledge of practical risks.

# Green Supply Chain

## Green Procurement

It is our aim to establish a supply chain featuring environmental protection, CSR, labor human rights, OH&S, and sustainable development.

With respect to the CSR aspect in the RBA CoC, we constantly advise suppliers to purchase metals from responsible smelters and avoid using conflict minerals to not indirectly cause labor exploitation, child labor abuse, and ecological damage.

We constantly request suppliers to not supply products listed in the “Prohibited and Restricted Substances for Environmental Management” to comply with the corporate social and environmental responsibility.

As a reseller, we do not engage in actual product manufacturing. Besides ensuring that the products we purchase do not contain hazardous substances, we also constantly promote related concepts to suppliers in the procurement process to ensure the adoption of the concepts of recycling/remanufacturing/reusing in product design and packaging.

## Environmental Impact from Transportation and Operations

We have no transportation fleet and thus cause no significant impact from transportation. We constantly implement energy conservation and carbon reduction measures and lower fuel oil consumption with technology to reduce CO2 emissions. For example, we plan the shortest transportation route to lower fuel oil consumption, combine goods to reduce transportation frequency, minimize packaging sizes to increase transportation volume, and reduce vehicle use frequency to reduce emissions.

## Supplier Environmental Certification

All products that SYSAGE resells are environmentally certified, including certifications according to international standards such as the Organization for Standardization (ISO), WEEE, RoHS, REACH, and US ENERGY STAR, among others.

## Product Electromagnetic Inspection

All of the primary products that SYSAGE resells are tested by the Bureau of Standards, Metrology and Inspection (BSMI), Ministry of Economic Affairs to ensure the safety of products and to prevent low-quality products from entering the domestic market, thereby protecting the safety of consumers.

Major Suppliers	Have the products been tested according to the BSMI standards?
Cisco	Approved according the MOEA BSMI standards
Dell EMC	Approved according the MOEA BSMI standards
IBM	Approved according the MOEA BSMI standards
Hitachi Data Systems	Approved according the MOEA BSMI standards
Oracle	Approved according the MOEA BSMI standards

Major Suppliers	Certification Item
Cisco	- ISO 27001 - ISO 9001 - TL 9000 - ISO 14001
Dell EMC	- ISO 9001 - ISO 14001 - ISO 5001 - WEEE - RoHS - ENERGY STAR certified
IBM	- Responsible Business Alliance (RBA) - ISO 9001 - ISO 14001 & ISO 50001 - ISO 20000 - ISO 22301 - ISO 27001 - ISO 27017 - ISO 27018 - ISO 45001 - WEEE - ENERGY STAR certified
Oracle	- RoHS - WEEE

# 09

## Friendly Environment

### Value and Action

In response to global climate change and to go with the global carbon reduction agenda, SYSAGE Technology performs GHG inventory checks each year and sets substantial reduction goals and corrective actions to help realize a sustainable environment.

12 RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



13 CLIMATE  
ACTION



## Electricity and Water Consumption and Total Weight of General Industrial Waste

In response to the green, sustainable development initiative and trend, and in cooperation with the country’s overall environmental protection and greenhouse gases (GHG) reduction policies, In 2016, we began to perform inventory checks of internal GHG emissions, water consumption, and the total weight of waste generated in order to understand the actual condition of energy use and emissions. We also set reduction targets and improvement measures to facilitate the Company’s long-term management and follow-up of environmental issues. We have set the energy conservation target at 1% each year of the per capita electricity consumption. In the future, we will further set the carbon reduction path with reference to the Science Based Targets initiative (SBTi). The reduction targets for per capita water consumption and the total weight of waste are also 1% each year.

The table below shows the electricity consumption, water consumption, and the total weight of general industrial waste:

Item	Year	2021
Electricity Consumption (kWh)		1,983,439
Tap Water Consumption (m3)		4,819
Total Weight of General Industrial Waste (t)		4.050

Notes:

1. Only the information off Taipei and Kaohsiung was disclosed, because Hsinchu and Taichung are leased properties.
2. As a reseller of IT products of big brands, water is not a material environmental issue for SYSAGE.
3. 100% of the water used throughout the Company is tap water.
4. As the general industrial waste generated by the office is centrally destroyed by the building management committee, it is not possible to measure its actual weight. The data disclosed in the table below is based on the weight of the confidential data destroyed by the Company.

The per-capita electricity and water consumption and waste generated are shown in the table below:

Item	Year	2021
Electricity Consumption (kWh)		3,486.830
Tap Water Consumption (m3)		8.469
Total Weight of General Industrial Waste (t)		0.007

**Use of electricity**  
Annual decrease 1%



**Use of water**  
Annual decrease 1%



**Total waste**  
Annual decrease 1%





# GHG Inventory Check

During the reporting period, the total GHG emissions of SYSAGE Technology came to around 998.198 tCO2e and main sources of emissions included CO2 generated for the externally purchased electricity needed to support corporate operation and the GHG from the gasoline used during internal operational activities.



## GHG Emissions

Emissions (metric tons CO2e)

Category	2021	Remarks
Direct GHG emissions (Scope 1)	2.512	Company cars
Indirect GHG emissions (Scope 2)	995.686	Electricity

Notes:

1. GHG emissions come from the energy consumption within the organization as inventoried by the Company, including office electricity consumption and company car fuel (petroleum) consumption; office electricity consumption is the main source of energy consumption.
2. The conversion for Scope 1 and Scope 2 GHG emissions is subject to the Emission Factors for Greenhouse Gas Inventories (V. 6.0.4) announced by the Environmental Protection Administration, and the global warming potential (GWP) is based on the value disclosed in the Fourth Assessment Report (AR4) published by the United Nations Intergovernmental Panel on Climate Change (IPCC) in 2007.

## Internal Energy Consumption Table Unit: GJ

Category	2021
Outsourced Electricity	7,140.380
Gasoline	37.404
<b>Total</b>	<b>7,177.784</b>

## GHG Emission Proportion by Gas

Category/Year	2021			
<b>Gases</b>	CO2	CH4	N2O	HFCs
<b>Emissions</b>	998.198	0.023	0.086	0.0000
<b>Percentage of Total Emissions</b>	99.99%	0.00%	0.01%	0.00%

# Energy Conservation and Carbon Reduction Measures

As an information service provider, offices are the main sources of environmental impact and electricity and company cars are the major sources of energy consumption of our business activities. However, we constantly implement office environmental protection through the following four carbon reduction measures to achieve the goals of internal energy conservation and carbon reduction: digital solutions, energy conservation measures, management at the source, and awareness education.



- Enforce paperless HR recruitment and hiring process
- Use e-forms and the e-approval process to reduce paper consumption.

## Digital solution

- Use energy-efficient lighting fixtures for fire equipment, evacuation, and emergency exit signs.
- Replace traditional T8 fluorescent lamps with LED lamps.

## Management at the Source

- Use eco-friendly and energy-efficient water foundations to reduce electricity consumption.
- Hold virtual meetings to reduce energy consumption from personnel transportation.
- Replace sensor taps (faucets) and automatic sensor urinal valves in lavatories to reduce water consumption.

- Set office air conditioner temperature to 25–26 °C and periodically maintain air conditioning equipment to ensure high-efficiency operation to save energy.

## Energy Conservation Measures

- Encourage employees to take the stairs to promote health and reduce elevator occupation rate at rush hours.
- Turn off office lighting at the lunch break (12:00–13:15) every day.

## Awareness Education

- Enhance awareness education of turning off unnecessary power sources and computer peripherals.
- Encourage employees to reuse used paper for non-confidential documents.

# Substantial Risks and Opportunities Associated with Climate Change

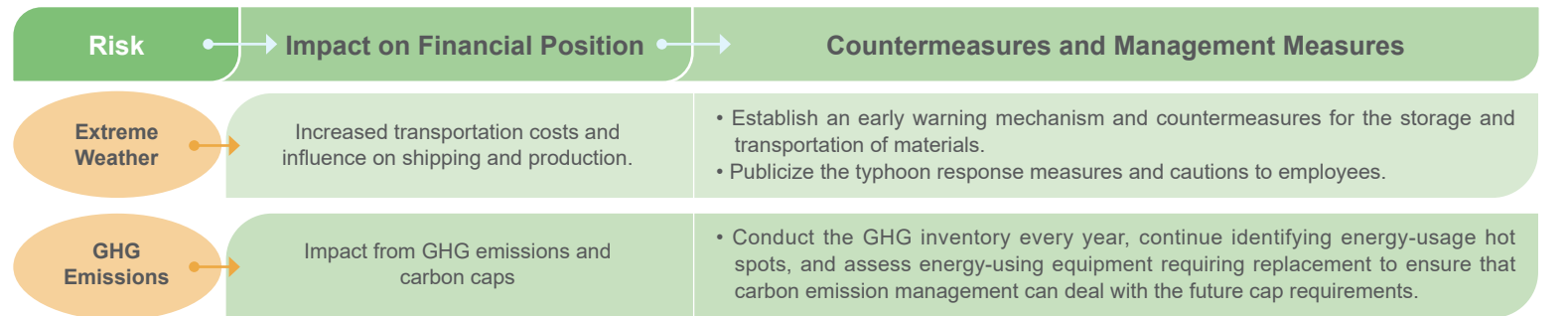
We regularly study and gather information related to environmental protection within the Company through the ESG Committee. Besides identifying the risks and opportunities brought by climate change, we also establish corresponding strategies and management measures for possible hazards and development opportunities.

## CDP Questionnaire

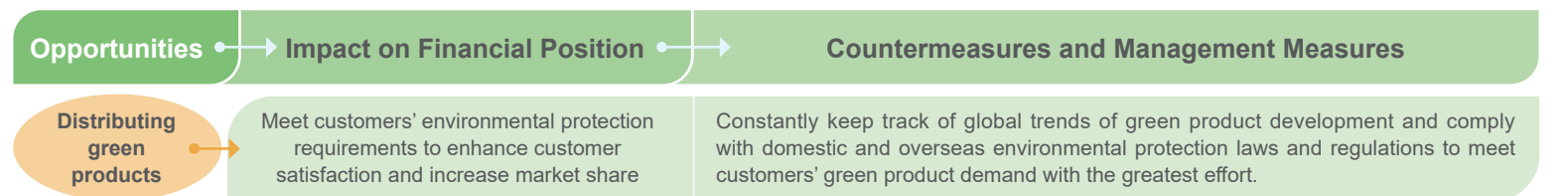
We joined the Carbon Disclosure Project (CDP) questionnaire starting in 2018 to include climate change and other issues in the measuring and management of business operations to facilitate the realization of a green supply chain. 2021 Years from D to C-.

Company/ Item	Score		
	Climate Change	Forest	Water safety
SYSAGE Technology	C-	N/A	N/A

**Risk** → We are headquartered in Taipei City, with physical risks as a result of climate change including torrential rain and extreme temperature changes (extreme heat or extreme cold). Our suppliers and customers experience climate change risks of different degrees, with physical risks focusing on transportation and delivery.



**Opportunities** → In recognition of customers' rising demand for energy-efficient and eco-friendly products, we actively introduce energy-efficient and eco-friendly products and promote compliance with the requirements of global ecolabels to meet customers' demands and thereby increase market share at the same time.



# 10

## Common Good in Society

### Value and Action

SYSAGE Technology invests corporate resources to improve the lives of minorities and to protect the ecology. It is our hope that our colleagues and their families proactively take part in the corporate benevolence. We believe that everyone can be the starting point of a virtuous cycle.



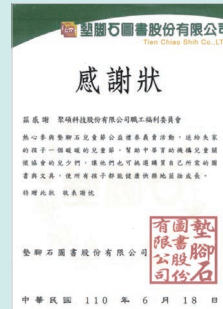


## Charity Donations



### Donation of gift certificates for Children’s Day charity sale of Stepping Stone

The SYSAGE Group cares about the learning and development of children and teenagers and took part in the “Children’s Day Charity Gift Certificate Sale” jointly organized by Stepping Stone Library Co., Ltd. and the Chinese Childrenhome & Shelter Association in 2021 to provide children and teenagers with a heartfelt Children’s Day and to help the children and teenagers supported by the Chinese Childrenhome & Shelter Association so that they can choose and buy the books and stationery needed in school. We hope that children receive necessary resources along their learning path and grow healthy and strong successfully.



### Sponsor the BenQ Cultural and Educational Foundation to organize public welfare activities

Sysage Group donated NTD 2 million to support the core values of the BenQ Cultural and Educational Foundation, reduce the digital gap between urban and rural areas, enhance original cultural concepts, and handle various affairs such as friendship with the earth, caring for society and humanistic cultivation, thereby increasing the company's corporate society responsibility.

## Employee Involvement



### Colleague joining the local rice sponsorship campaign of BenQ Foundation

The BenQ Foundation, devoted to the belief in being “a friend to motherland” has been sponsoring “environmentally-friendly cultivation” for years to show its support of first-line farmers in protecting the motherland and the poison-free quality rice grown through natural farming. The SYSAGE Group sees eye to eye in the protection of water and soil resources, the ecology, biodiversity, and environmentally-friendly agriculture. Therefore, we joined the Foundation to be “a friend to motherland” and sponsored the effort; our people and their families get to enjoy the quality rice grown on the land of Taiwan. During the reporting period, a total of 23 employees of the SYSAGE Group enrolled in the rice sponsorship program.







## Global Reporting Initiative (GRI) Standards Reference Table

### General Disclosures

Topic	GRI Disclosure	Description	Chapters/ sections of Report	Page No.	Remarks
Organizational Overview	102-1	Name of the Organization	About SYSAGE Technology	27	
	102-2	Activities, Brands, Products, and/or Services	About SYSAGE Technology	27	
	102-3	Locations of headquarters	About SYSAGE Technology	27	
	102-4	Location of operations	About SYSAGE Technology	27	
	102-5	Ownership and legal form	About SYSAGE Technology	27	
	102-6	Markets served	About SYSAGE Technology	27	
	102-7	Scale of the organization	About SYSAGE Technology	27	
	102-8	By the type of employment, employment contract, gender, and location	Information on employees and other workers		
	102-9	Supply chain	Responsible Supply Chain	77	
	102-10	Significant changes to the organization and its supply chain	N/A	2	Please refer to the annual report for details of changes in the Company's subsidiaries
	102-11	Precautionary Principle or approach	Compliance risk management	43	
	102-12	External initiatives (External CSR Principle)	Sustainability Strategy	N/A	The company does not sign external CSR principles or initiatives
	102-13	Membership of associations	Sustainability Strategy About SYSAGE Technology	13	The company is a member of Taiwan Cloud Internet of Things Industry Association
Strategic	102-14	Statement from senior decision-maker	Message from the Chairman and President Sustainability Strategy	4	
Integrity and ethics	102-16	Values, principles, standards, and norms of behavior	Compliance and Risk Management	43	
Governance	102-18	Governance structure, including the highest governing committee. Committee responsible for economic, environmental, and social issues	About SYSAGE Technology	28	



## Global Reporting Initiative (GRI) Standards Reference Table

### General Disclosures

Topic	GRI Disclosure	Description	Chapters/ sections of Report	Page No.	Remarks
Communication with Stakeholders	102-40	List of stakeholder groups	Sustainability Topics and Stakeholders	12	
	102-41	Collective bargaining agreements	N/A	N/A	The Company does sign any collective negotiation agreement with employees.
	102-42	Identifying and selecting stakeholders	Sustainability Topics and Stakeholders	12	
	102-43	Approach to stakeholder engagement	Sustainability Topics and Stakeholders	12	
	102-44	Key topics and concerns raised	Sustainability Topics and Stakeholders	12	
	102-45	Entities included in the consolidated financial statements	About the Report	2	
	102-46	Defining report content and topic boundaries	About the Report Sustainability Topics and Stakeholders	2 12	
Implementation Report	102-47	List of material topics	Sustainability Topics and Stakeholders	12	
	102-48	Restatements of information	Sustainability Strategy	12	Multiple international sustainability reporting frameworks are included this for the preparation of this Report.
	102-49	Changes in reporting	Sustainability Topics and Stakeholders	12	Information on the significance and impacts of material topics
	102-50	Reporting Period	About the Report	2	
	102-51	Date of most recent report	About the Report	2	
	102-52	Reporting cycle	About the Report	2	
	102-53	Contact point for questions regarding the report	About the Report	2	
	102-54	Claims of reporting in accordance with the GRI Standards	About the Report	2	
	102-55	GRI content index	GRI Standards Reference Table	88	
	102-56	External assurance	About the Report	2	



## Global Reporting Initiative (GRI) Standards Reference Table

### Material Sustainability Topics

Topic	GRI Disclosure	Disclosure Item	Chapters/ sections of Report	Page No.	Remarks
<b>Customer Commitment</b>	10.3 Management Approach	103-1 Explanation of the material topic and its boundary 103-2, 3 The management approach and its components, evaluation of the management approach	Sustainability Topics and Stakeholders	12	
	Custom topic	Customer Satisfaction Survey and Brand Value	Customer Commitment	55	
<b>Economic Performance</b>	10.3 Management Approach	103-1 Explanation of the material topic and its boundary 103-2, 3 The management approach and its components, evaluation of the management approach	Sustainability Topics and Stakeholders	12	
	201 Economic Performance	201-1 Direct economic value generated and distributed	About SYSAGE Technology	27	
<b>Compliance</b>	10.3 Management Approach	103-1 Explanation of the material topic and its boundary 103-2, 3 The management approach and its components, evaluation of the management approach	Sustainability Topics and Stakeholders	12	
	205 Anti-corruption	205-1 Operations assessed for risks related to corruption	Sustainability Topics and Stakeholders	12	
			About SYSAGE Technology Compliance and Risk Management	27 43	
	419 Socio-economic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	Sustainability Topics and Stakeholders About SYSAGE Technology Compliance and Risk Management	12 27 43	



## Global Reporting Initiative (GRI) Standards Reference Table

### Material Sustainability Topics

Topic	GRI Disclosure	Disclosure Item	Chapters/ sections of Report	Page No.	Remarks
<b>Information Security</b>	10.3 Management Approach	103-1 Explanation of the material topic and its boundary 103-2, 3 The management approach and its components, evaluation of the management approach	Sustainability Topics and Stakeholders	21	
	418 Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Compliance and Risk Management Information Security	43 57	No complaints involving violation of customer privacy or loss of customer data occurred during the reporting period
<b>Happy Workplace</b>	10.3 Management Approach	103-1 Explanation of the material topic and its boundary 103-2, 3 The management approach and its components, evaluation of the management approach	Sustainability Topics and Stakeholders	21	
	401 Employment	401-1 New employee hires and employee turnover 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees 401-3 Parental Leave	Happy Workplace	60	
<b>Responsible Supply Chain</b>	10.3 Management Approach	103-1 Explanation of the material topic and its boundary 103-2, 3 The management approach and its components, evaluation of the management approach	Sustainability Topics and Stakeholders	21	
	Supplier Social Impact and Evaluation	414-1 New suppliers that were screened using social criteria	Responsible Supply Chain	77	
	Supplier Environmental Impact and Evaluation	308-1 New suppliers that were screened using environmental criteria	Responsible Supply Chain	77	









## Sustainability Accounting Standards Board (SASB) Reference Table

Domain	Indicator Code	Description	Chapters sections of Report	Page No.
Product safety	TC-HW-230a.1	Description of approach to identifying and addressing data security risks in products	Compliance and Risk Management	43
			Information Security	57
Employee Diversity and Inclusiveness	TC-HW-330a.1	Percentage of gender and racial/ ethnic group representation for 1. management, 2. Technical staff, and 3. All the other employees	Happy Workplace	60
Product Lifecycle Management	TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	The company is an agent not applicable	N/A
	TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	The company is an agent not applicable	N/A
	TC-HW-430a.3	Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria	The company is an agent not applicable	N/A
	TC-HW-430a.4	Weight of end-of-life products and e-waste recovered, percentage recycled	The company is an agent not applicable	N/A
Supply Chain Management	TC-HW-430a.1	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	Responsible Supply Chain	77
	TC-HW-430a.2	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other nonconformances	Responsible Supply Chain	N/A
Material Procurement	TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	Responsible Supply Chain	77










## United Nations Sustainable Development Goals (SDGs) Reference Table

SDGs	Sub-item goal indicator	SYSAGE Action Plan	Chapters/sections of Report	Page No.
	1.1 Eradicate extreme poverty in all areas by 2030; currently measured as people living on less than US \$1.25 a day. 1.2 Reduce the numbers of poor men/women and children in respective age groups to half of the population in each country by 2030.	Charity Donations Employee Involvement	Common Good in Society	86
	3.4 Promote mental health through prevention and therapy 3.8 Provide convenient and affordable basic healthcare	Quality Benefit Healthcare Workplace Safety	Happy Workplace	60
	4.4 Increase the numbers of young people and adults capable of related employment, finding a good job, and corporate management. 4.4 Improve the corporate management function and occupational technical capabilities of employees	Talent Recruitment Talent Development	Happy Workplace	60
	5.1 Eradicate all forms of discrimination against women in all areas 5.5 Ensure comprehensive involvement of women in political-economic and public decision-making and that women are entitled to fair opportunities to take part as leaders in decision-making at all levels.	Talent Recruitment Diversification of Board of Directors	Happy Workplace About SYSAGE Technology	60
	8.2 Support innovative technologies and technical developments to prove economic productivity 8.6 Combine what is learned in what one does and enforce trainings to empower youths in finding jobs	Economic Performance Products and Services Information Security Talent Recruitment Compensation and Remuneration Talent Development	About SYSAGE Technology Information Security Happy Workplace	27 57 60
	11.6 Reduce harmful impacts urbanization has on the environment by 2030, air quality, urban administration, and waste management, in particular.	Energy Conservation and Carbon Reduction Measures Electricity, Water, and Waste Management GHG Inventory Check	Friendly Environment	81



## United Nations Sustainable Development Goals (SDGs) Reference Table

SDGs	Sub-item goal indicator	SYSAGE Action Plan	Chapters/ sections of Report	Page No.
	12.5 Reduce waste generated through prevention, reduction, recycling, and reuse.	RBA Supply Chain Management Supplier Selection and Communication Green Supply Chain	Responsible Supply Chain	77
	13.1 Strengthen the ability to slow down and adapt to climate change	Electricity, Water, and Waste Management GHG Inventory Check Energy Conservation and Carbon Reduction Measures	Friendly Environment	81
	15.a. Mobilize and significantly increase properties and resources from respective areas in order to protect and sustainably use biodiversity and the ecology	Employee Involvement	Common Good in Society	86
	16.6 Define transparent, accountable, and effective governance framework	Communication with Stakeholders		21
		Corporate Governance	Sustainability Topics and Stakeholders	27
		Compliance	About SYSAGE Technology	43
		Risk Management	Compliance and Risk Management	57
		Information Security Management	Information Security	57
Customer Privacy Protection	Responsible Supply Chain	77		
RBA Supply Chain Management				
Supplier Selection and Communication				
Green Supply Chain				
	17.16 Multi-lateral collaboration on sustainable development	Communication with Stakeholders	Sustainability Topics and Stakeholders	21
		Information Security Management	Information Security	57
		Customer Privacy Protection	Responsible Supply Chain	77
		RBA Supply Chain Management		
		Supplier Selection and Communication		
Green Supply Chain				



## United Nations Global Compact (UN Global Compact) Principles Reference Table

Domain	Principle	Chapters/sections of Report	Page No.
<b>Human rights</b>	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses.	Compliance and Risk Management	43
<b>Labor</b>	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labor; Principle 5: the effective abolition of child labor; and Principle 6: the elimination of discrimination in respect of employment and occupation.	Compliance and Risk Management Happy Workplace Responsible Supply Chain	43 60 77
<b>Environmental</b>	Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies.	Responsible Supply Chain Friendly Environment	77 81
<b>Anti-corruption</b>	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Compliance and Risk Management	43



## ISO26000 Social Responsibility Directive Reference Table

Domain	Major Issues	Chapters/sections of Report	Page No.
<b>Organizational Governance</b>	1. Institutional control and governance	About SYSAGE Technology	27
<b>Human rights</b>	1. Due diligence		
	2. Human rights risk situations		
	3. Avoidance of complicity		
	4. Discrimination and vulnerable groups	Compliance and Risk Management	43
	5. Resolving grievances	Happy Workplace	60
	6. Civil and political rights	Responsible Supply Chain	77
	7. Economic, social and cultural rights		
	8. Fundamental principles and rights at work		
<b>Labor Practices</b>	1. Employment and employment relationships		
	2. Conditions of work and social protection		
	3. Social dialogue	Happy Workplace	60
	4. Health and safety at work	Responsible Supply Chain	77
	5. Human development and training in the workplace		
<b>Environmental</b>	1. Prevention of pollution		
	2. Sustainable resource use	Compliance and Risk Management	43
	3. Climate change mitigation and adaptation	Happy Workplace	60
	4. Protection of the environment, biodiversity and restoration of natural habitats	Responsible Supply Chain	77



## ISO26000 Social Responsibility Directive Reference Table

Domain	Major Issues	Chapters/sections of Report	Page No.
Fair Operating Practices	1. Anti-corruption	Compliance and Risk Management Responsible Supply Chain	43
	2. Responsible political involvement		77
Fair Operating Practices	3. Fair competition	Compliance and Risk Management Responsible Supply Chain	43
	4. Promoting social responsibility in the value chain		55
Fair Operating Practices	5. Respect for property rights	Compliance and Risk Management Responsible Supply Chain	57
			77
Consumer Issues	1. Fair marketing, factual and unbiased information and fair contractual practices	Compliance and Risk Management Customer Commitment Information Security Responsible Supply Chain	43
	2. Protecting consumers' health and safety		55
	3. Sustainable consumption		57
	4. Consumer service, support, and complaint and dispute resolution		77
	5. Consumer data protection and privacy		
	6. Access to essential services		
	7. Education and awareness		
Community involvement and development	1. Community involvement	About SYSAGE Technology Common Good in Society	27
	2. Social investment		86
	3. Employment creation and skills development		
	4. Technology development and access		
	5. Wealth and income creation		
	6. Education and culture		
	7. Health		
	8. Responsible investment		



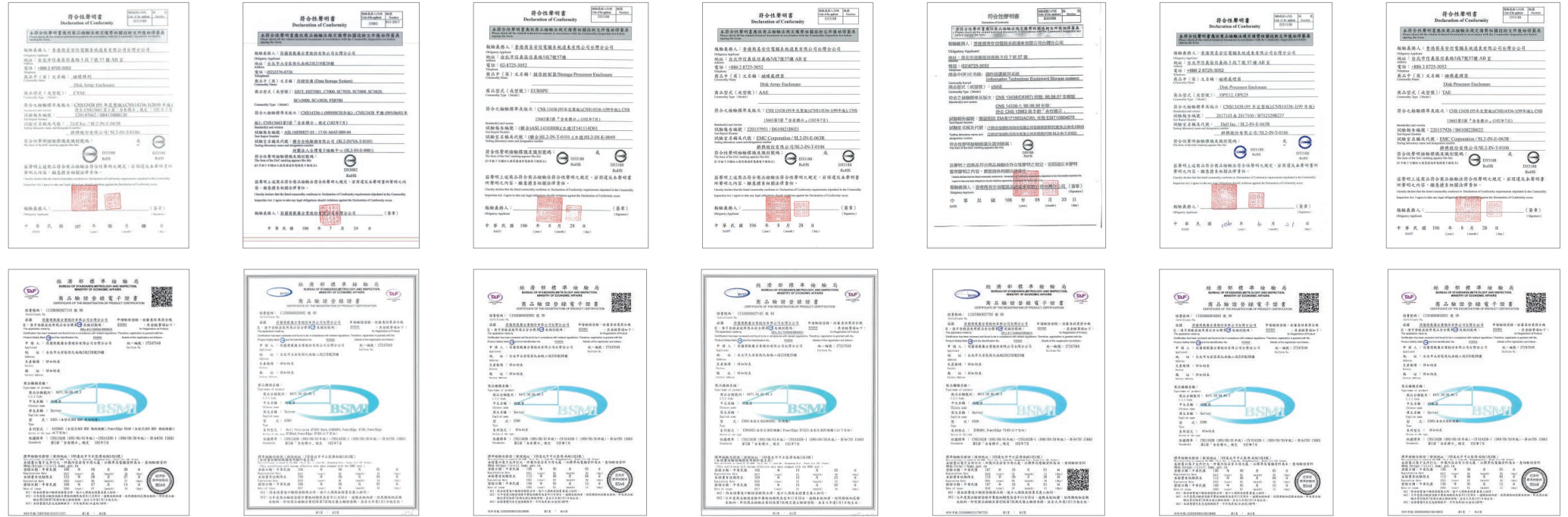


# Certificates of inspection for main suppliers

## Cisco



## DELL (EMC)





# Certificates of inspection for main suppliers

IBM

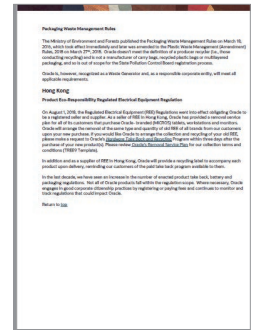
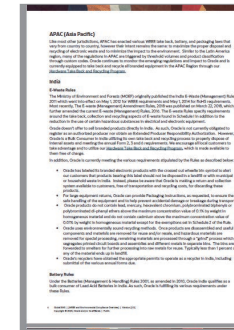
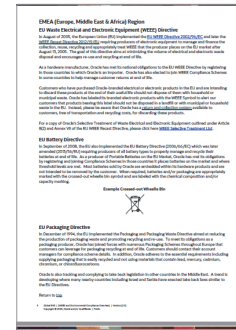
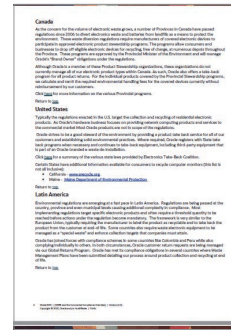
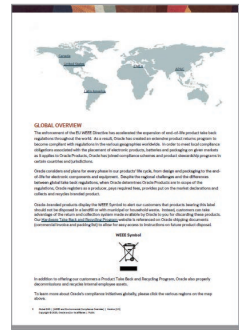
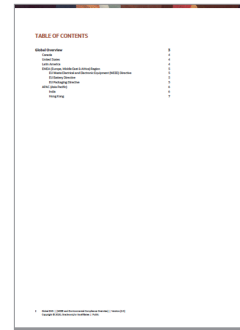
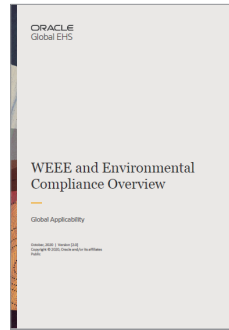
# Hitachi Data Systems





# Certificates of inspection for main suppliers

## Oracle




# Product Electromagnetic Inspection





# Independent Third-party Warranty



**INDEPENDENT ASSURANCE STATEMENT**

**To: The stakeholders of SYSAGE TECHNOLOGY CO., LTD.**


**Introduction and objectives of work**  
 Bureau Veritas Certification Taiwan has been engaged by Sysage Technology Co., Ltd. to conduct an independent assurance of its Sysage Technology 2021 ESG Report. This Assurance Statement applies to the related information included within the scope of work described below.  
 This information and its presentation in the Sysage Technology 2021 ESG Report are the sole responsibility of the management of Sysage Technology Co., Ltd. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on its content.

**Scope of work**  
 The assurance process was conducted in line with the requirements of the AA1000 Assurance Standard (AA1000AS) v3, Type 1 - AccountAbility Principles and Performance Information engaged. The scope of work included:


- Data and information included in Sysage Technology 2021 ESG Report for the 1<sup>st</sup> January, 2021 to 31<sup>st</sup> December, 2021;
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported;
- Evaluation of the Report against the main principles of the AA1000 Accountability Principle (2018)<sup>1</sup>
  - Inclusivity
  - Materiality
  - Responsiveness
  - Impact
- Evaluation of the Report against the principles of Stakeholder Inclusiveness, Sustainability Context, Materiality, Completeness, Balance, Comparability, Accuracy, Timeliness, Clarity, and Reliability, as defined in the GRI Sustainability Reporting Standards.

The levels of assurance have been applied as moderate level assurance.

<sup>1</sup> Published by AccountAbility: The Institute of Social and Ethical Accountability  
<http://www.accountability.org>



BUREAU VERITAS Page 1 of 4



**Methodology**  
 As part of its independent assurance, Bureau Veritas undertook the following activities:

- Interviews with relevant personnel of Sysage Technology Co., Ltd.;
- Review of documentary evidence produced by Sysage Technology Co., Ltd.;
- Review performance data listed in report with sampling basis;
- Visits to head office located in Taipei City, Taiwan;
- Review of Sysage Technology Co., Ltd. data and information systems for collection, aggregation.


Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.  
 The work was planned and carried out to provide reasonable, rather than absolute assurance and we believe it provides a reasonable basis for our conclusions.

**Our findings**  
 On the basis of our methodology and the activities described above, it is our opinion that:


- The information and data included in Sysage Technology 2021 ESG Report are accurate, reliable and free from material mistake or misstatement;
- The Report provides a fair representation of Sysage Technology Co., Ltd.'s activities over the reporting period;
- The information is presented in a clear, understandable and accessible manner, and allows readers to form a balanced opinion over Sysage Technology Co., Ltd.'s performance and status during the 1<sup>st</sup> January, 2021 to 31<sup>st</sup> December, 2021;
- The Report properly reflects the organisation's alignment to and implementation of the AA1000 Assurance Standard (AA1000AS) v3 principles of Inclusivity, Materiality, Responsiveness and Impact in its operations. Further detail is provided below;
- Sysage Technology Co., Ltd. has established appropriate systems for the collection, aggregation and analysis of relevant information.

**Alignment with the principles of AA1000 Accountability Principle (2018)**

**Inclusivity**  
 Sysage Technology Co., Ltd. has processes in place for engaging with key stakeholders including employees, clients, stockholders, investors, supply chain, and public welfare organizations, and covering material topics such as Economic, Social and Environment.



BUREAU VERITAS Page 2 of 4



**Materiality**  
 The Report addresses the range of environmental, social and economic issues of concern that Sysage Technology Co., Ltd. has identified as being of highest material importance. The identification of material topics has considered both internal assessments of risks and opportunities to the business, as well as stakeholders' views and concerns.

**Responsiveness**  
 Sysage Technology Co., Ltd. is responding to those issues identified as material and demonstrates this in its policies, objectives, indicators and performance targets. The reported information can be used by the organisation and its stakeholders as a reasonable basis for their opinions and decision-making.

**Impact**  
 Sysage Technology Co., Ltd.'s management system can monitor, measure and be accountable for how their actions affect their broader ecosystems.

**GRI report structure**  
 Sysage Technology Co., Ltd. does fully provide the information to achieve the GRI Standards 'core' in accordance, and the performance indices do correspond and can be cross referenced to the content of relevant GRI Standards.

**Key areas for ongoing development**  
 Based on the work conducted, we recommend:


- Border inputs of stakeholder material issues is encouraged (INCLUSIVITY)
- Data collection mechanism of material issues related KPIs is suggested. (RESPONSIVENESS)

**Limitations and Exclusions**  
 Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period;
- Positional statements (expressions of opinion, belief, aim or future intention by Sysage Technology Co., Ltd.) and statements of future commitment.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

**Statement of Independence, impartiality and competence**  
 Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with more than 190 years history in providing independent assurance services. Bureau Veritas 2021 full year revenues reached 4.98 billion euros.



BUREAU VERITAS Page 3 of 4



Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.  
 No member of the assurance team has a business relationship with Sysage Technology Co., Ltd., its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.  
 The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over years combined experience in this field and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

**Bureau Veritas Certification Taiwan**  
 3F-B, No. 16, Nanjing E. Rd., Sec. 4, Songshan District, Taipei 10553, Taiwan R.O.C.  
 30 May, 2022



Technical Reviewer:  Date: 30/May/2022  
 Verifier:  Date: 30/May/2022



BUREAU VERITAS Page 4 of 4

You are welcome to follow us on  
**SYSAGE Technology Fans Group** and  
**SYSAGE Technology LinkedIn** for the latest news.



**Linked in**



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2021

# Sustainability Report

