MediaTek ESG Highlight

September 2024

MSCI ESG rating: A (Aug 20, 2024)

Download

MediaTek 2023 ESG report

MediaTek 2023 Annual report

ESG Overview
- ESG Committee
- Strategic Issue Development Goals

Environmental
- GHG Emission and Environmental Management
- Green Design
- Supply Chain Management

Social
- Global and Diversified Workforce
- Talent Retention and Development
- Friendly Workplace

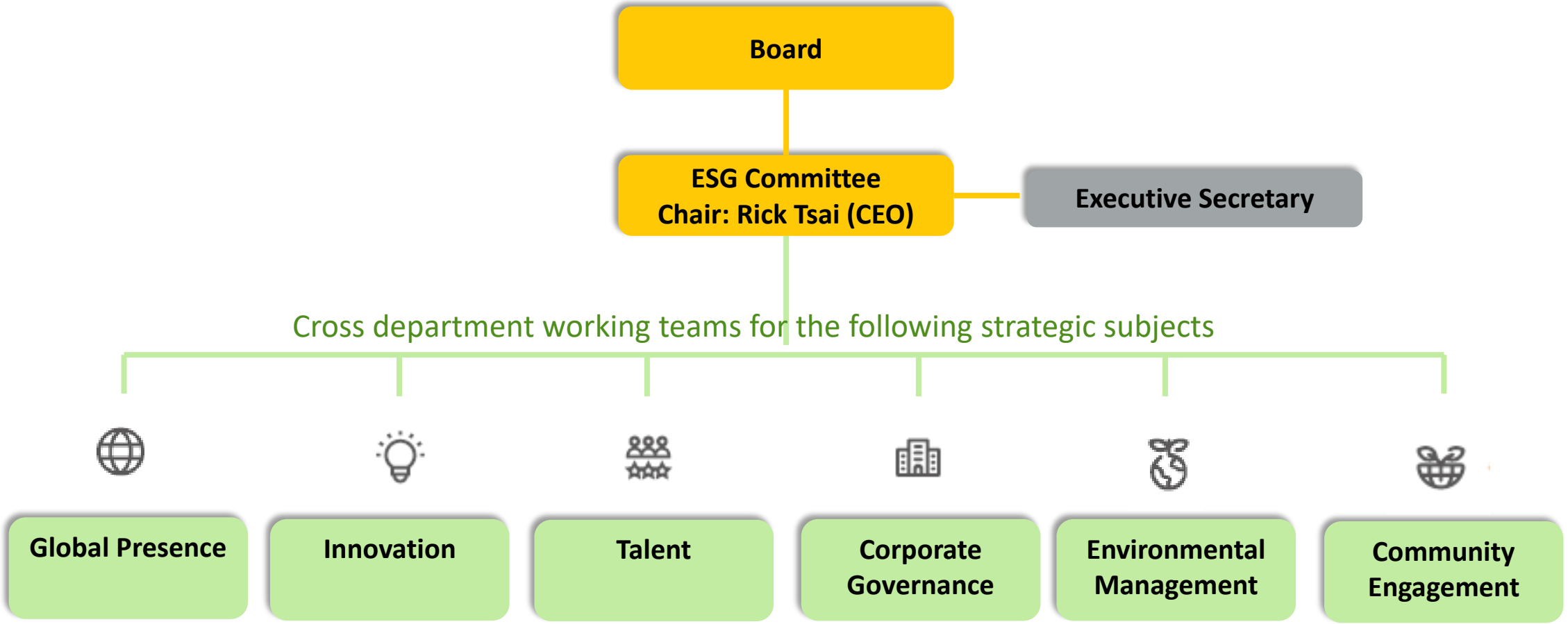
Governance
- The Board
- Committees
- Risk Management

Copyright © MediaTek Inc. All rights reserved.

MEDIATEK

ESG Overview

ESG Committee I Strategic Issue Development Goals



Copyright © MediaTek Inc. All rights reserved.
For details, please refer to MediaTek 2023 Sustainability report p.8

Back to index

ESG Overview

ESG Committee I Strategic Issue Development Goals

Strategic Issues	Short-term goal (1-3) years	Mid- and long-term goals (3-10) years	Progress and Results in 2023
Innovation	◢ Invest >NT$80bn in R&D annually. ◢ Continue to implement low-power design and integrate AI computing into all product lines.	◢ Achieve technology leadership and capture the value for sustainable growth.	◢ Invested NT$111bn in innovative R&D. ◢ Flagship 5G SoC Dimensity 9300 offers an all-big-core computing platform and generative AI capability. ◢ Released the first 6G Satellite and Terrestrial Network Convergence White Paper.
Talent recruitment and retention	◢ Provide competitive compensation and benefits. ◢ Foster a positive and caring workplace environment.	◢ Provide a globally competitive reward framework linked to performance. ◢ Foster a challenging and innovative environment to unleash potential.	◢ MediaTek's average salaries to non-executive full-time employees were NT$3.754mn in 2023, No.1 in Taiwan. ◢ Continued to worked with universities on IC Design Program and has trained more than 4,000 students cumulatively in 2023.
Customer Relationship Management	◢ Improve business scale and economic effects and increase revenue and margins.	◢ Cultivate global markets with customers and partners to increase industry influence.	◢ Collaborated with NVIDIA on automotive for the next generation smart cockpits. ◢ Empowered devices with generative AI applications using, e.g. Meta Llama 2. ◢ Understand customer satisfaction through online and offline customer visits, case openings, Q&A sessions, etc. ◢ Utilize localized customer teams to adapt to the global markets.
Brand Identity and Market Perception	◢ Enhance corporate image and increase brand value by 10%.	◢ Enhance corporate image and increase brand value by 30%.	◢ Ranked No.3 in Interbrand's "Best Taiwan Global Brands" with 33% brand value increase in 2023.
Corporate Governance and Legal Compliance	◢ Enforce legal compliance to ensure no material violation of laws. ◢ Maintain Corporate Governance Evaluation result within the top 5% of TWSE-listed companies.	◢ Perfect the functions of the Board of Directors by improving the operations of the Board and functional committees.	◢ A female independent director was elected at AGM. ◢ Approved the elevation of the Risk Management Committee to the functional committee level. ◢ Ranked top 5% of TWSE-listed companies in the Corporate Governance Evaluation in 2023. ◢ No material illegal events.

Copyright © MediaTek Inc. All rights reserved.
For details, please refer to MediaTek 2023 Sustainability report p.22- p.23

Back to index

ESG Overview

ESG Organization I Strategic Issue Development Goals

Strategic Issues	Short-term goal (1-3) years	Mid- and long-term goals (3-10) years	Progress and Results in 2023
Information Security Management	◢ Expand information security management to cloud and supply chains. ◢ Ensure subsidiaries' compliance with IP transfer regulations and OA network usage regulations.	◢ Establish the software automated security fuzzing technology to improve detection ability. ◢ Analyze product security vulnerabilities to improve development efficiency and elevate security and quality.	◢ Received the 2023 TCSA for Information Security Leadership. ◢ Achieved TISAX certification for automotive cybersecurity international standards. ◢ Established an external threat intelligence collection process to analyze potential risks and impacts. ◢ Established management regulations and a daily audit system to ensure compliance and protect sensitive information when using generative AI services.
Economic Performance	◢ Execute the leading technology strategy and provide highly competitive products to global customers.	◢ Focus on creating product value, maintaining profitability, sharing profit with shareholders, and creating long-term shareholder value.	◢ In 2023, gross profit and operating profit were NT$207bn and NT$72bn; GM and OPM were 47.8% and 16.6%.
Community Engagement	◢ Organize social innovation competition to solicit ideas and proposals.	◢ Encourage the implementation of innovative projects and enhance public understanding of MediaTek's effort in joint value creation.	◢ Invested NT$39mn cumulatively in social initiatives in 2023. ◢ "Genius for Home" has attracted cumulatively 8,867 participants with 2,172 received proposals, covering 327 townships and urban areas.
Diverse Communication Channels	◢ Optimize online and offline communication channels to effectively communicate and implement company goals and policies.	◢ Establish teams to take action to enhance employee experiences. ◢ Implement guidelines to establish a friendly communication environment.	◢ Organize the manager communication meeting and labor-management meeting on a quarterly basis. ◢ AI Chatbot "Alpha" responds to employee inquiries 24/7 throughout the year. ◢ The Global Employee Survey received 86% total participation rate in 2023.
Responsible Products and Energy Conservation & Carbon Reduction	◢ To strive for green design and enhanced product energy efficiency.	◢ Collaborate with all suppliers to jointly formulate action plans and renewable energy procurement strategies to reduce greenhouse gas emissions by 25% by 2030 compared to 2020.	◢ The energy consumption rate of main products decreased by 18% in 2023 from 2022, with an 11% volume reduction, equivalent to 16,830 kgs of waste. ◢ MediaTek collaborates with suppliers, conservation experts, and circular economy specialists to foster continuous improvement. In 2023, 17 carbon reduction projects were implemented, achieving a reduction of approximately 16,484 tons CO2e/year.

Copyright © MediaTek Inc. All rights reserved.
For details, please refer to MediaTek 2023 Sustainability report p.22- p.23
Back to index

Environmental

Overview I GHG Emission and Environmental Management I Green Design I Supply Chain Management

MediaTek is a fabless company with an aspiration to be a green innovator. We select suppliers based on ESG criteria with regular audits and adopt measures to reduce energy consumption of our products.
We target to use 100% renewable energy by 2030 and reach net zero GHG emissions by 2050.

Net-Zero Targets

- By 2030, we target to reduce Scope 1 and 2 GHG emissions by 40% and Scope 3 by 25%, comparing to those in 2020.
- By **2050**, we target to reach **net zero** GHG emissions.
- By **2030**, all MediaTek offices target to use **100% renewable energy**.
- We executed 17 carbon reduction-related projects, reducing approximately **16,484 tons CO2e**

Green Products

- Comply with **ROHS** and **WEEE** regulations.
- Reduced energy consumption ratios of major products by **18%** in 2023 vs. 2022.
- Reduced the size of major products by **11%** in 2023 vs. 2022, equivalent to **16,380kg** of waste reduction.

External Verifications

- **ISO 14001**
Environmental Management System
- **ISO 45001**
Occupational Health and Safety Management System
- **ISO 14064**
International Standard for GHG Emissions
- **ISO 50001**
Energy Management Standard

Copyright © MediaTek Inc. All rights reserved.
For details, please refer to MediaTek 2023 Sustainability report p.122, p.153 and net-zero website

Back to index

Environmental

	(A) GHG Emission		(B) Power Saving	(C) Water Saving	(D) Waste
	Scope 1 and 2	Scope 3 (transportation)			
2023 target	Reduction by 10% (Scope 2 reached 12%)	Increase use of various energy-saving transportation vehicles.	16.5%	3.7%	Increase recycling rate
2023 result	Scope 2 at **16.5%**	Reduced carbon emissions generated from transportation by **302** metric tons CO2e.	**16.5%**	**4.3%**	From 38% to 26%
Reason for result	▪ Enhance data center energy efficiency. ▪ Upgrade office lighting to LEDs.	▪ Continued to provide shuttle bus service. ▪ Added 19 electric vehicle charging stations. ▪ Partnered with Gogoro for the first corporate swapping station in Hsinchu Science Park.	▪ Enhance data center energy efficiency. ▪ Upgrade office lighting to LEDs.	Improved water savings from water resource projects and reduction measures.	
2024 target	**Reduce scope 2 emissions by 16.5%**	Increase usage rate	**16.5%**	**4.3%**	Increase recycling rate

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to MediaTek 2023 Sustainability report p.142- p.153

Environmental

(A) GHG Emission

2023 summary

Scope 1 & 2 GHG emissions: Come from purchased electricity, common facilities, boilers, cooling towers, and chillers. Specifically, purchased electricity, which is under scope 2, accounts for 95.67% of total emissions.
The increase in 2023 was attributable to the expansion of the scale of our office premises and IT data centers in response to business expansion.

Scope 3 GHG Emissions: With a view to reduce carbon emissions from employee commuting, we proactively adopt environmental protection measures.

- Reduced carbon emissions generated from transportation by **302** metric tons CO2e.
- Installed 19 EV charging stations in 2023 and partnered with Gogoro for the first corporate swapping station in Hsinchu Science Park.

2023 Greenhouse Gas Emissions

Item	Scope 1 GHG emissions (direct emissions from sources owned or controlled by the organization)				Scope 2 GHG emissions (indirect emissions from electricity input, heat, or steam)			
	2020 Base year	2021	2022	**2023**	2020 Base year	2021	2022	**2023**
Emission quantity (metric tons)	3,665	5,326	6,619	**4,001**	80,880	61,992	82,160	**88,299**

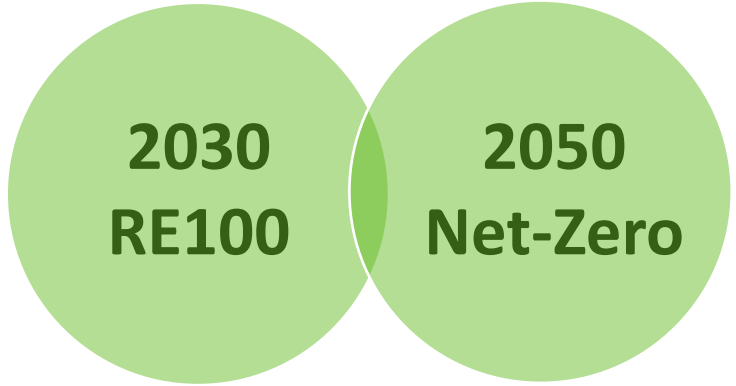
Note1:The scope of emission data collected covers 100% of our revenue and employees in Taiwan offices.

Net Zero

Mid-term targets

Category	GHG emission reduction by 2030 vs 2020
Scope 1 &2	**40%**
Scope 3	**25%**

Long-term targets



Copyright © MediaTek Inc. All rights reserved.
For details, please refer to MediaTek 2023 Sustainability report p.148- p.149

Environmental

(B) Energy

Electricity consumption increased by 8% compared to the previous year, but MediaTek successfully achieved the 16.5% reduction target set for 2023. Despite the rise in total electricity usage, MediaTek has been actively implementing energy-saving and carbon reduction measures. We **will continue to plan and execute various energy reduction initiatives and maintain the 16.5% electricity saving target for 2024.**

Three priorities of energy management and conservation in 2023

Efficiency enhancement	Energy-saving equipment and design	Self-generated electricity
High-density, energy-efficient data centers	All office buildings throughout Taiwan adopt the LED lighting.	Solar power system
▸ The new-generation, high-density, energy-efficient data centers represent a brilliant example of successful transformation by overcoming the performance limitations of traditional data centers and are expected to provide powerful backing for technology R&D. ▸ Implement the new immersion cooling technology and complete the POC to become the energy-saving benchmark leading the industry.	▸ All office buildings completed update and adoption of the LED lighting. The designs of the three new buildings under construction all comply with Taiwan's green building standards, and implement the carbon emission inventory actively in the process of construction.	▸ The installed capacity equals 146.4 kW, as the first private enterprise in the Hsinchu Science Park with a Taipower grid-connected solar power system installed on a rooftop. ▸ The expansion design has been completed. We plan to build four additional rooftop solar power plants with the capacity more than 600kW. The existing construction scale will be expanded by more than four times accordingly.

Energy use conditions in the most recent three years

Energy	2021	2022	2023
Natural gas (GJ)	0	0	483
LPG (GJ)	5,716	6,751	6,654
Gasoline (GJ)	0	0	238
Diesel (GJ)	1,663	1,280	932
Purchased electricity (GJ)	444,568	595,827	643,577
Renewable energy (GJ) (renewable energy certificate)	0	0	0
Total (GJ)	451,947	603,858	651,884
Energy intensity (GJ per person)	41.1	49.0	52.9
Ratio of electricity to total energy use (%)	98.37%	98.67%	98.73%
Renewable energy usage rate (%)	0.00%	0.00%	0.00%

[Note] Heating value units are based on the heating value chart released by the Bureau of Energy.
[Note] The increased energy consumption in 2023 compared to 2022 can mainly be attributed to the higher number of employees and ongoing expansion of the scale of IT data centers; the higher energy intensity can mainly be attributed to the fact that the extent of the power consumption increase exceeds the extent of staff increase.

Copyright © MediaTek Inc. All rights reserved.

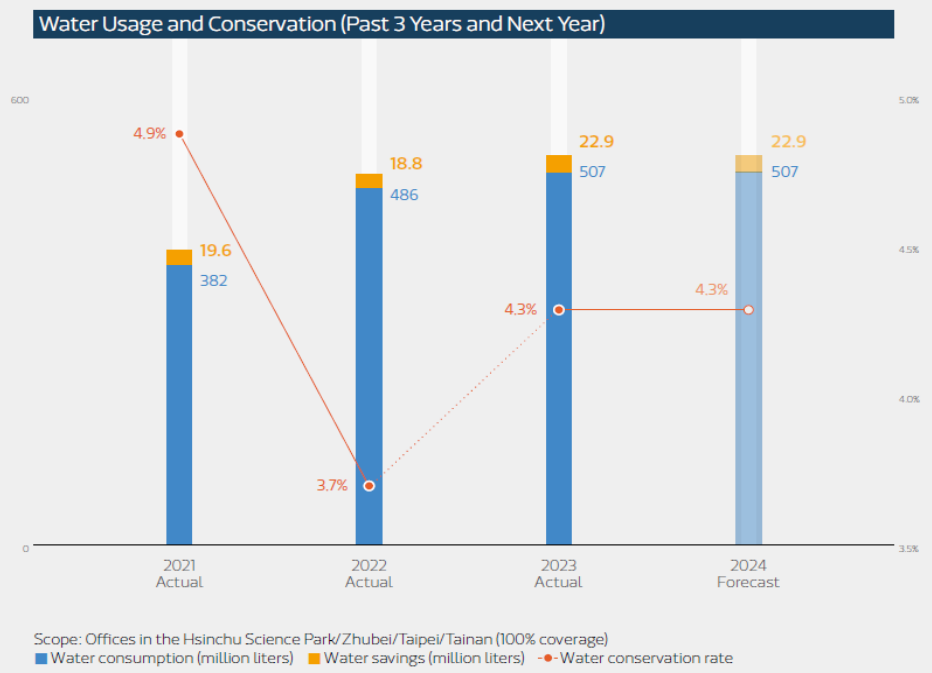
For details, please refer to MediaTek 2023 Sustainability report p.143- p.144

Environmental

(C) Water management

2023 Water saving rate was 4.3%

Total water intake: 507 million liters, up 4% YoY. The increase was mainly due to the expansion of new office premises and IT data centers.
Total water savings: 22.9 million liters, **up** from 18.8 million liters in 2022, achieved by engaging in water resource improvement projects with various water reduction measures.



(D) Waste management

	2020	2021	2022	2023
Recycle rate	29%	35%	38%	26%

Category	Waste Category	Treatment method	Volume (metric tons)	%
Municipal solid waste	Domestic waste	Incineration	130.55	59.13%
	Paper waste	Recycling	46.32	20.98%
	Iron/aluminum container and lighting waste	Recycling	0.14	0.06%
Recycle rate (Recycle amount / Total municipal solid waste)			**26%**	
Hazardous waste	Waste electronic parts and components, scraps and rejects	Outsourced treatment	43.78	19.83%
Total			**220.79**	**100%**

MediaTek is a fabless company which doesn't create hazardous waste. The hazardous wastes are defective parts returned by suppliers and are used for testing.

Copyright © MediaTek Inc. All rights reserved.
For details, please refer to MediaTek 2023 Sustainability report p.151- p.153

Environmental

The best effort to **take the environmental sustainability into consideration as early as at the stage of IC design**.

No matter the product is in use or wasted, we **achieve the goal for reducing product energy consumption and miniaturizing product volume** through the chip system architecture adjustment, algorithm optimization, and accelerated implementation of advanced manufacturing processes.

Minimizing Power Consumption

Lowered 18% of power consumption of major products in 2023 vs. 2022, translating to energy conservation of 360 million kWh per year

= 177,840 tons of carbon dioxide emissions

= 207,633 acres of carbon sequestration of US forest in one year

= 35,098 American households' electricity consumption in one year

Minimizing Physical Size

Reduced the size of major products by 11% in 2023 vs. 2022

= 16,830 kg of waste reduction

= 35 tons carbon emissions reduction

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to MediaTek 2023 Sustainability report p.57

Environmental

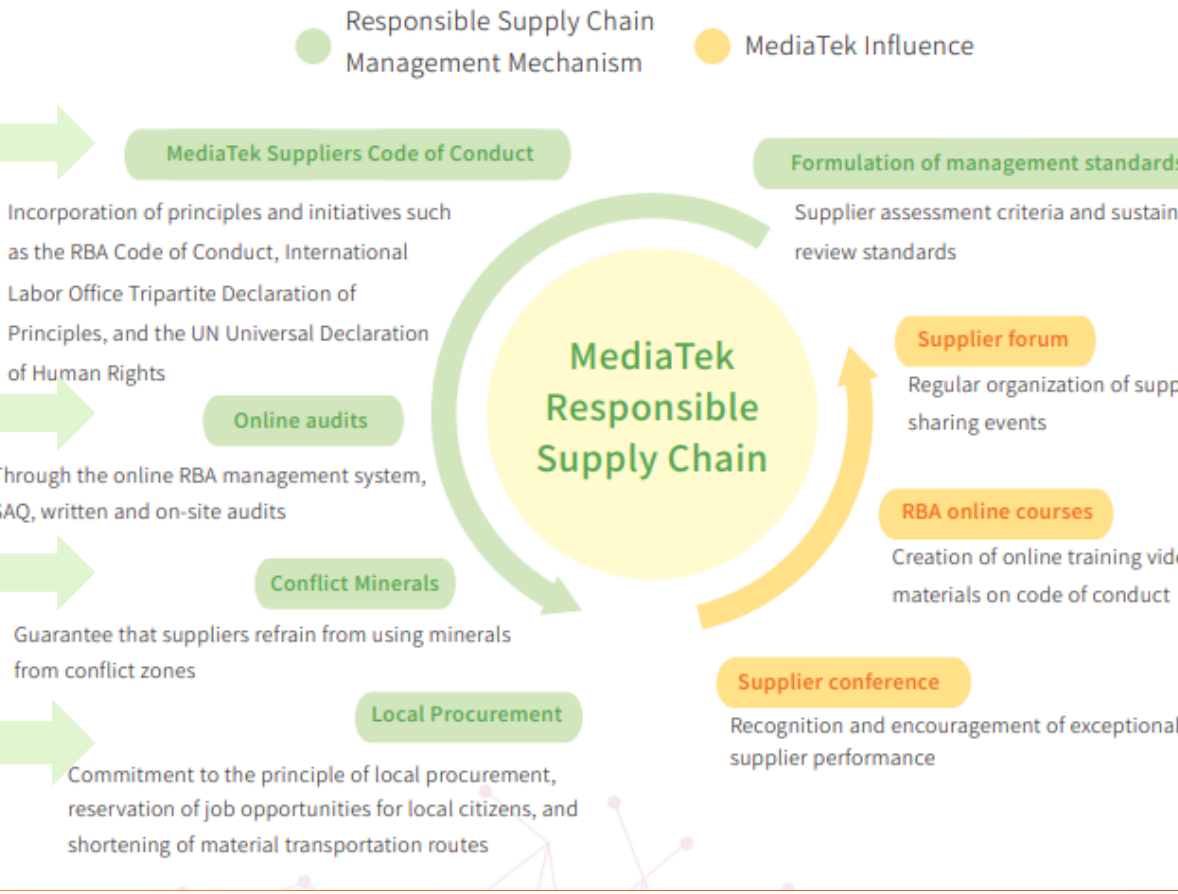
100% signed in 2023

An average **score of 82** in 2023 of key supplier on site audit (vs. 76 in 2022)

100% adoption of RMI (Responsible Minerals Initiative)-approved smelters.

Locally produced raw materials and local suppliers accounted for **81%** and **92%** of all procurements.

Overview of MediaTek Sustainable Supply Chain Management Tools



100% of suppliers met ESG criteria.

- Gather key suppliers to rearm the Net Zero Declaration and **request supplier partners to submit a Net Zero roadmap** for MediaTek's product production and manufacturing.
- Recognize and **present the Best Sustainability Partner Supplier Award** at the Annual Supplier Conference.

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to MediaTek 2023 Sustainability report p.124- p.134

Environmental

Annual and New Supplier Sustainability Risk Assessment Criteria and Weighting

	Management dimension	Management standards	Evaluation weighting	Overall achievement rate
Economic dimension	Commitment to enhancing product quality, pursuing the highest quality standards, and continuously improving and developing innovative technologies in line with MediaTek's strategy	Delivery times, production capacities, yield rates, and adoption of new products; ISO 9001 Quality Management System and IATF 16949 Automotive Quality Management System.	34%	100%
Environmental dimension	Adherence to the Hazardous Substance Free (HSF) policy, adoption of eco-friendly design concepts throughout the product life cycle, and implementation of green innovations	ISO 14001 Environmental Management System, QC 080000 HSPM Hazardous Substance Process Management System, Sony Green-Partner.	33%	98%
Social dimension	Fulfillment of social responsibilities, adherence to international labor rights, and provision of a safe and healthy work environment	MediaTek Supplier Code of Conduct, RBA Code of Conduct, SA 8000 Social Accountability Standard and Prohibition of Conflict Minerals, ISO 45001 Occupational Health and Safety Management System.	33%	97%

Key Supplier Management

Key Supplier Sustainability Scoring Standards and Procedure

Annual Supplier Sustainability — November of each year
Publication of the rating standards in four major dimensions

Suppliers submit data for rating — November of each year
Suppliers provide data and project performance

Audit — December of each year
In-person or remote meetings organized by MediaTek
The rating covers RBS, RMI, hazardous substances, energy conservation, strength of carbon emission, Co-Project
- [x] Approval
- [ ] To provide additional evidence and data

Announcement of rating results — January of the following year

Award presentation ceremony to recognize outstanding suppliers — March of the following year

- High-risk suppliers must pass on-site or paper auditing for ESG conformance before transaction is possible. Transaction will be scaled down or even terminated, should those which fail to pass risk assessment still cannot meet standards after guidance or assistance.

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to MediaTek 2023 Sustainability report p.124- p.134

Environmental

Supplier Partnership Initiative

As an industry leader, MediaTek bears significant responsibility as a sustainable management advocate. Following its 2022 announcement supporting the global net-zero emission initiative, MediaTek has begun collaborating with supply chain partners on projects like green manufacturing and circular economy initiatives. These efforts aim to reduce environmental impact and demonstrate MediaTek's commitment to the Net Zero Declaration.

Kickoff	Assessment and Planning	Implementation	Monitoring and Evaluation	Outcome Sharing
MediaTek establishes energy-saving and carbon reduction goals and plans with suppliers.	Suppliers assess current energy usage and formulate specific goals and plans.	Suppliers optimize production, upgrade equipment, and improve energy efficiency.	Suppliers monitor energy usage, evaluate effectiveness, and make adjustments.	Suppliers share achievements and collaborate with MediaTek on future plans.

The 2023 Key Supplier Partnership Initiative Results

Through the above steps, we collaborate with suppliers to regularly review performance and make rolling adjustments to strategies and goals. Together, we are committed to achieving energy-saving and carbon reduction targets, and have established a strong cooperative relationship.

The 2023 Key Supplier Partnership Initiative Results

Type of the project	Energy-saving project	Water-saving project	Circular economy
Number of the project	8	4	9
Benefit of the project	14,643 (CO_2e tons/ year)	Suppliers' water recovery rate attained 85% on average.	1,841 (CO_2e tons/ year)

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to MediaTek 2023 Sustainability report p.124- p.134

Social

Overview I Global and diversified workforce I Talent retention and development I Workplace Health and Safety

MediaTek provides an environment of diversity and inclusiveness to attract global talent. We aspire to promote technology education and innovation to empower innovative implementation.

Global Presence

- At end of 2023, The total number of our staff (incl. contractors) was **19,104,** established **32** offices with **35.9%** of overseas employees.

Lower-than-average Turnover

- In 2023, our global and Taiwan turnover rate was **4.4%** and **4.2%**, **lower** than the high-tech industry average of 12.9% and 13.7%.
- In the **leading group** among semi-listed companies in 2023 employee remuneration ranking published by TWSE.

In line with Gender Diversity

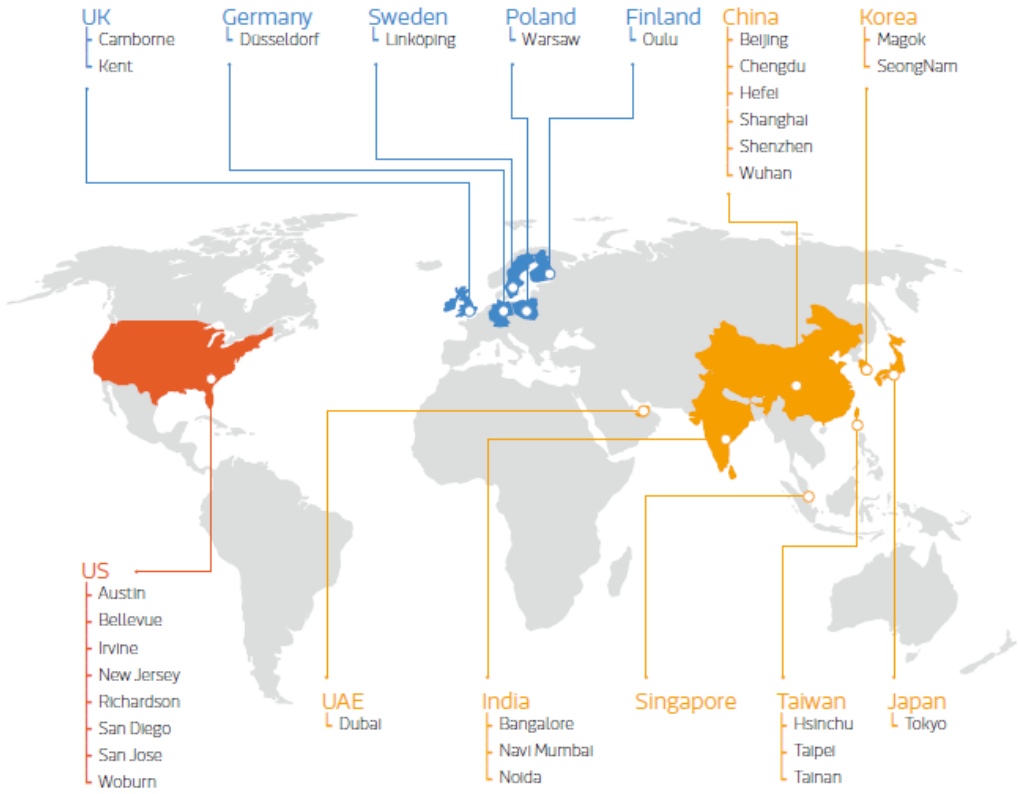
- Women accounted for **19.7%/17.7%** of total/R&D employees in 2023, which is **in line with** the median proportion of female technical talent in semiconductor industry companies, which is between 10-19%.
- MediaTek recognized as **one of the Best Employers** by organizations globally and locally.

Copyright © MediaTek Inc. All rights reserved.
For details, please refer to MediaTek 2023 Sustainability report p.60- p.70

Back to index

Social

Overview I Global and diversified workforce I Talent retention and development I Friendly Workplace



- At end of 2023, the total number of our staff (incl. contractors) was **19,104** and established **32 sites** around the world.

Distribution of Gender by Levels

General employees		Front-line managers		Mid-level managers		Senior-level managers	
Male	Female	Male	Female	Male	Female	Male	Female
14,295	3,779	1,477	172	481	56	66	4
79.1%	20.9%	89.6%	10.4%	89.6%	10.4%	94.3%	5.7%

Notes: Front-line managers (Department Manager)、Mid-level managers (Division Manager)、Senior-level managers (Business Unit Managers and above)

- Women took up **19.7%/17.7%** of total/R&D employees in MediaTek in 2023, which is **in line with** the median proportion of female technical talent in semiconductor industry companies, which is between 10-19%.

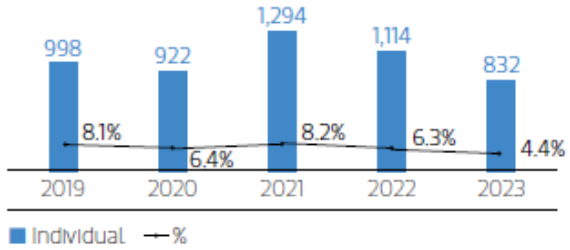
Copyright © MediaTek Inc. All rights reserved.
For details, please refer to MediaTek 2023 Sustainability report p.60- p.68

Social

In 2023, MediaTek's global and Taiwan turnover rate was **4.4%** and **4.2%**, **lower than** the global and Taiwan high-tech industry average of 12.9% and 13.7%. Additionally, **94%** of Three-Year Retention Rate for New Recruits in 2023.

Percentage of Exiting Employees Worldwide for 2019~2023

In 2023, the number of resigned employees amounted to **832** persons, constituting **4.4%** of total employees.



[Note] Percentage of exiting employees = Total number of exiting employees/ (number of employees at year start + number of employees at year end) /2)

Retention Rates for New Recruits Worldwide

Item	2021	2022	2023
Two-Year Retention Rates for New Recruits %	98%	98%	98%
Three-Year Retention Rates for New Recruits %	88%	92%	94%

Diverse Talent Development Plan

MediaTek Training Framework

All employees | Engineers & Administration | Line Managers | Middle Managers | Top Managers

Key capabilities

- Job expertise
- Operational knowledge
- Leadership
- Troubleshooting
- Scope of impacts on operations
- Interpersonal relationship/ communication

- Guiding changes
- Implementation of innovation
- Training of talents
- Guiding cross-team collaboration
- Establishing high-performing teams

- Demonstrating business acumen
- Leading change
- Promoting innovation
- Constructing high-efficiency organizations
- Establishing partnership

- Global strategies
- Leading strategic breakthrough
- Constructing core competitiveness

Training Contents

- Newcomer training
- Language skill

- Technical and engineering projects
- Personal Effectiveness Training

- Management competence
- Direct leadership

- Management competence
- Organizational leadership

- Management competence
- Strategic leadership

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to MediaTek 2023 Sustainability report p.72- p.81

Social

In Taiwan, MediaTek's average and median salaries for non-executive full-time employees in 2023 were among the leading group in the industry

Link compensation scheme with corporate sustainable development

The reward mechanism of the Company is designed to achieve its short, medium, and long-term goals, taking into account the roles, responsibilities, knowledge, and competencies of employees, as well as the operating results of the Company and individual performance.

Employee Stock Ownership Trust Program
We launched Employee Stock Ownership Trust Program in Taiwan in 2023. We aim to encourage employees to invest in MediaTek stock at regular intervals, and we will place the stock on trust for management. In 2023, a total of **more than 60% of the employees participated** in the program, demonstrating the mutual trust and commitment between employees and the Company to grow together. We have invested about NT$304 million cumulatively.

Copyright © MediaTek Inc. All rights reserved.
For details, please refer to MediaTek 2023 Sustainability report p.76- p.77

Social

Workplace Diversity and Inclusion

MediaTek believes in the values of Diversity, Equity and Inclusion, and regards its employees as its most valuable assets.
We believe that creating an inclusive workplace helps increase creativity and innovation, improves problem solving, and enhances employee engagement and loyalty. It is also key to building a sense of belonging and ensuring that all employees have an equal opportunity to be successful and grow with the company.
We're committed to create a friendly and fair workplace. The base salary for all employees are free of gender, race, ethnicity, age, religion, sexual orientation and marital status discriminations.
MediaTek is dedicated to realizing the spirit of diversity and inclusion and has a complete **MediaTek Declaration of Diversity, Inclusion and Workplace Equality.**
(Link to Declaration)

Recognized as one of the Best Employers by organizations globally and locally

Strengthening Workplace Diversity and Inclusion

Management goals of workplace diversity:

2023 → 2024

Management Goals

- Reach 100% completion rate for sexual harassment prevention course.
- Add 1~2 employee resource groups to care for employees from minority groups, thus building a friendly workplace.
- Promote Unconscious Bias training for managers to reach a high level of completion rate.

Implementation and Achievement Status

- Completion rate of the sexual harassment prevention course was 99.6%*, while new employees' training completion rate was 100% and the passing rate for the test was 100%.
- 80% of managers have completed the Unconscious Bias training, while the completion rate for managers reached 80%.
- Added 1 new ERG with a total of 3 ERGs in HQ.

Note: 7 employees weren't able to complete the course due to business arrangement or long-term sick leave

2024 Management Goals

- Adopt diverse promotional channels to reach 100% of completion rate for sexual harassment prevention courses.
- Have 5,000 employees completing the Unconscious Bias training.

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to MediaTek 2023 Sustainability report p.60- p.61

Social

Overview I Global and diversified workforce I Talent retention and development I Friendly Workplace

We hold comprehensive evacuation drills regularly, which includes fire extinguishing and aid for the injured. And to assure the safety of construction, contracted construction workers must take instruction on occupational safety and health.

goal	Conduct professional training for first-aiders to meet statutory requirements	Organize annual employee evacuation drills	Organize health promotion activities	Conduct risk identification on workplace health and safety
2023	Organize a special retraining session for the first-aiders in Hsinchu Science Park to continue maintaining the first-aiders' qualifications.	A total of 16 employee evacuation drills were organized.	In 2023, the headquarters in Taiwan held 26 health promotion activities, attended by 6,046 participants.	The Company conducted hazard identification and risk assessment pertaining to key operations or higher potential hazards.
	Achieved	Achieved	Achieved	Achieved
2024	Continue to conduct the special professional training for the first-aiders to meet statutory requirements.	Organize more than 16 employee evacuation drills	Organize a total of 25 multifaceted health promotion activities for 2024.	Continued execution Conduct hazard identification and risk assessment pertaining to key operations or incidents with higher potential hazards.

Item/Year	Gender	2021	2022	2023
Disabling injury frequency rate (FR) Disabling Injuries (counted when resting hour exceeds 8 hours) x 1,000,000 / Total working hours	Male	0.28	0.25	0.54
	Female	0.54	0.47	1.64
Total		0.32	0.29	0.71
Occupational disease rate (ODR) Occupational disease cases x 1,000,000 / Total hours worked	Male	0	0	0
	Female	0	0	0
Total		0	0	0
Disabling injury severity rate (SR) Number of work days lost x 1,000,000 / Total hours worked	Male	7	4	16
	Female	2	14	41
Total		**6**	**5**	**21**
Absenteeism rate (AR) Number of absent days / Number of available working days in a given period	Male	0.00006	0.00400	0.00500
	Female	0.00003	0.00900	0.01300
Total		0.00005	0.00500	0.00700

Note: The number of absent days include the number of days for personal leave, sick leave and occupational sickness leave. Sick leave (including unpaid sick leave, half-pay sick leave and menstrual leave): 119,469.31 hours. Occupational sickness leave: 2,641 hours. Total working hours: 23,826,032.

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to MediaTek 2023 Sustainability report p.91- p.92

Back to index

Governance

Overview I The Board I Committees I Risk management

MediaTek has adopted sound corporate governance practices to reflect our strong commitment to protecting stakeholder interests, thus create a sustainable foundation for development.

Committed and Diversified Board

- The board has **diverse** backgrounds in accordance with MediaTek's development needs and elected of one additional **Female** Independent Director in 2023 AGM.
- **50%** of the board comprises independent directors.
- The Board conducted **external performance evaluation** mechanism for "Board of Directors Self-Assessment of Performance".

Aligned with Shareholder Interests

- Link Restricted Stock Award (RSA) to **financial performance** and **total shareholder return** (TSR).
- The Board adopted **Executive Officer Stock Ownership Guidelines** in 2022. (Link to Guidelines)

Top in Corporate Governance and IP Protection

- **Top 5%** of Taiwan-listed companies in 2023 Corporate Governance Evaluation.
- **Level A Certificate** in 2023 Taiwan Intellectual Property Management System (TIPS).
- Obtained a the **TISAX certification label**.
- Obtained **ISO 27001** certification

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to MediaTek 2023 Sustainability report p.76- p.108

Governance

Overview I The Board I Committees I Risk management

- Election of one additional **Female** Independent Director in 2023 AGM.
- **Enhancing risk management oversight with the Audit Committee** assuming the responsibilities previously held by the Risk Management Committee in 2023.
- **50% of the board comprises independent directors** (4 out of 8), exceeding statutory requirements in 2024 AGM.
- In 2022, an external and professional independent organization was appointed to conduct an overall **external performance evaluation of the Board of Directors**, and the evaluation results were reported to the Board of Directors on October 28, 2022. Link to external evaluation units for Board of Directors

Diversified background and experience of the Board

Title	Name	Employed by the Company	Gender	Aged between	Experience in industry/academia					Professional Competency					
					Semiconductor	End Consumer Products	Biomedicine	Others (Finance/Solar)	Academia	Global Business Management Experience	Technology	Finance	Human Resource	Risk Management	Marketing/ Business Development
Chairman	Ming-Kai Tsai	V	Male	71-75	V					V	V	V	V	V	
Vice Chairman & CEO	Lih-Shyng Tsai	V	Male	71-75	V			V		V	V	V	V	V	V
Director & President	Joe Chen	V	Male	51-55	V					V	V	V	V	V	V
Director	Cheng-Yaw Sun		Male	66-70	V	V				V				V	V
Independent Director	Chung-Yu Wu		Male	71-75	V		V		V		V			V	
Independent Director	Peng-Heng Chang		Male	71-75	V			V		V		V	V	V	
Independent Director	Syaru Shirley Lin		Female	56-60	V			V	V	V		V		V	
Independent Director	Yao-Wen Chang		Male	56-60	V				V		V			V	

Link to diversification policy for the composition of our Board members

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to the section of Board of Director in MediaTek website

Governance

Functional Committees

Audit Committee

- **Members: 4** independent directors.
- **Frequency of Meeting:** At least once per quarter. 5 meetings in 2023 with **100%** attendance.
- **Responsibilities:** To supervise financial statements, the independence / performance/ effective implementation of internal control, and compliance with relevant regulations as well as supervise of risk management.
- **Summary of meeting agenda**: Link

Compensation Committee

- **Members:** 2 independent directors

and 1 independent external expert

- **Frequency of Meeting:** At least once per year. 2 meetings in 2023 with **100%** attendance.
- **Responsibilities:** To review and assess the management performance and relevant compensation policies.
- **Summary of meeting agenda**: Link

M&A Strategy Committee

- **Members: 3** directors
- **Frequency of Meeting:** At least once per year. 1 meetings in 2023 with **100%** attendance.
- **Responsibilities:** To review and evaluate major M&A cases. It plays a supplemental role to the Audit Committee, who together with the Board remain the authority to approve deals.

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to MediaTek 2023 Sustainability report p.106- p.118

Governance

Additional Committees

ESG Committee

- **Members:** The Vice Chairman chairs the Sustainability Committee that consists of top managers from various business departments and MediaTek Foundation.
- **Frequency of Meeting:** Once half a year.
- **Responsibilities:** Take sustainable development as its highest guiding principle and propose relevant projects to respond to economic, social, and environmental issues

Corporate Governance Unit

- **Members:** The Board owns the highest authority and assigns the Legal Division to ensure compliance, where the General Counsel serves as the Corporate Governance Officer.
- **Responsibilities:** All matters related to the Board and AGM meetings, incl. conducting continuing education for the Directors, providing necessary information for the Directors to fulfil duties, and assisting the Board to comply with regulations.

Information Security Committee

- **Members:** The co-COO and executive vice president & CFO of the Company serve as the Committee convener.
- **Frequency of Meeting:** Once half a year and may convene a meeting whenever it is required by the information security risk management. It shall also report the information security inspection results to the Board of Directors regularly each year.
- **Responsibilities:** The Committee is dedicated to reviewing the cyber security, product security and data security implementation status regularly.

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to MediaTek 2023 Sustainability report p.106- p.118

Governance

Governance

- **Operating risk**: Instituted emergency prevention, incident investigation, and disaster recovery procedures.
- **Supply chain risk:** Formulated response procedures for emergency at production sites against supply chain risks.

Environmental

- Formulated environmental management policies and occupational health and safety management policies.
- Revised environmental protection measures according to international trends, operational needs and government policies.

Social

- Assessed risks to employees' **human rights**.
- Ensured conformance of **labor policy** to domestic and foreign human-rights conventions and to governments' legal requirement.

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to MediaTek 2023 Sustainability report p.114- p.118

Governance

- MediaTek adopts a **zero-tolerance policy** for corruption and bribery, unfair competition, intellectual property infringements, and insider trading.
- Any violator will be severely punished, and the internal auditing will also investigate, record, and feedback upon the violation to protect our reputation and ethical values.

Top 8 Guidelines of the Code of Business Conduct

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

How to whistleblow

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

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

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

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

Copyright © MediaTek Inc. All rights reserved.

For details, please refer to MediaTek 2023 Sustainability report p.112- p.113