



**Corporate Social
Responsibility**

CSR2018

D-Link®

Table of Contents

01. Aligning with International CSR Standards	p. 006
02. Polishing Taiwanese Brands through Sustainability	p. 010
03. Communication Anytime, Anywhere	p. 014
04. Responsible Business Conduct & Moral Governance by Board of Directors	p. 032
05. D-Link Creates A New Digital Silk Road of the Century	p. 036
06. Protecting D-Link Products From Attacks by Creating Data Security Shield	p. 058
07. Maintaining the Endless Growth of Mother Earth	p. 060
08. Adding Value to Employees' Careers	p. 074
09. Blooming of D-Link's Charity Programs	p. 082

Appendix

A. GRI Standards Comparison Table	p. 098
B. Table of Topic Identification, Boundaries, and Material Aspects	p. 100
C. Table of Stakeholder Engagement and Communication Frequency	p. 101

About this Report

Aligning with International CSR Standards

/01

About this Report

This Report is Compiled in Accordance with Dual International Standards of GRI Standards and AA1000

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

Reporting Period

The reporting period of 2018 CSR Report is from January 1 to December 31, 2018. There were no significant changes in our company's organizational size, structure, ownership, or supply chain during the reporting period.

Date of the Last Released Report

The 2017 CSR report was released in June 2018.

Reporting Cycle

The CSR report is released once a year.

Scope and Boundary of this Report

The economic information and data sources in this report are based on the company's consolidated financial statements published in the 2018 annual report. The consolidated revenue data covers the D-Link group's overall operating revenue. The disclosure of environmental and social categories is confined to the operational headquarters in Taipei.

Compilation Guidelines

This report is compiled based on the GRI Sustainability Reporting Standards(GRI Standards),

the new version of standards. This report is compiled in accordance with core options.

Verification Criteria and Results

This report has been compiled through internal senior management meetings with a reference to external sources to improve its reliability. We have adopted Type 1 and High Assurance of AA1000 Assurance Standard 2018 established by Accountability, a global non-profit organization, as our assurance standard to perform the simulated assurance of information disclosed in the report. In the future, we plan to invite a third-party certification body for external assurance of the report.

External Measures of the Report

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

Contact Information

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

Address

No. 289, Hsinhu 3rd Road, Neihu District, Taipei City

Official website

www.dlink.com.tw

Contact person/spokesperson

Vice President Hua-Kuen Miao

Phone

02-66000123

Email

ir@dlinkcorp.com



Message from the Chairman

Polishing Taiwanese Brands through Sustainability

/02

Message from the Chairman

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

Being the world's top network communication device provider, our sustainable business objectives are ambitious as we provide passionate social innovation enterprises around the world with the best network communication solutions by contributing the world's top network communication technology and professional knowledge. When we deliver transformative technologies to passionate people, we can provide all innovators with the rights to use the latest technologies via D-Link's technologies and professional knowledge, thereby actively affecting mankind, society, and the Earth in a positive manner.

Contributions to the Economy
Global Economic Growth Accelerator

By supporting technological innovation, we enable strong growth in companies around the world during the digital transformation of the economy. Our best network communication technology solutions drive revenue and economic growth for tens of thousands of enterprises and young people around the world. Through the digitization process and the rollout of the basic network equipment environment, these efforts have helped companies around the world improve operational efficiency, thereby supporting local economic development. D-Link is an accelerator for global trade growth.

Contributions to the Environment
Set High Standards for Global Low Carbon Target

In order to reduce our greenhouse gas (GHG) emissions, we are actively achieving the goal of reducing the use of packaging materials. In the past 10 years, we have effectively reduce the consumption of packaging materials, thereby saving resources on the Earth.

At the same time, the products launched by D-Link every year also help our global customers reduce their carbon footprint. From data centers to power usage in network environments, D-Link is committed to creating a low-energy consuming operating environment for global customers, with a view to helping enterprises around the world reduce Energy needs for IT.

When designing and selling our products, D-Link is committed to leading the future of circular economy. This means that materials are constantly flowing in the economy, instead of being disposed and discarded.

The products we design need to be maintained and upgraded to extend their useful life. Furthermore, we enable customers to return unused products in an easy and cost-effective manner, instead of disposing them. By reusing, refurbishing, reselling and recycling these returned equipment, we keep materials out of circulation and landfills. For example, we have implemented the electronic product recycling program in India for many years. In a macro perspective, when users around the world perform cross-border remote work with D-Link's solutions means less fuel is used for commuting on the ground and in the air.

Contributions to the Society

Accelerating the Resolution of Global Social Issues to Make the Impossible Possible

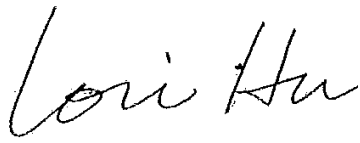
First and foremost, D-Link invests large amounts of human resources in our operational locations worldwide. As employees are our company's

precious assets, improving their competencies and ensuring continuous learning among them are crucial for D-Link. To train future generations of IT personnel, we have invested in manpower employment and education resources all over the world, which have a significant social impact on the improvement of local employment opportunities and skills.

Apart from enterprises, we expand contributions to social welfare around the world. In the digital era, the Internet has also led to various social issues all over the world, such as digital divides and cyberbullying.

In order to accelerate the resolution of new social problems resulted from increasing Internet population, we are actively implementing various sustainable solutions at D-Link's operating bases around the world, in order to solve social issues in different parts of the world. Specifically, our operation headquarters in Taiwan has set up a charitable foundation which supports various social welfare activities over the long term. Meanwhile, at our operating base in Italy, D-Link has also carried out nationwide research on on-line popularity to investigate activities and social issues such as cyberbullying. D-Link continuously accelerates the resolution of global social issues in order to make the impossible, possible.

As a global leader in the sustainable development of network communication equipment, D-Link will continue to contribute top technologies and professional knowledge to accelerate the resolution of global issues for the benefit of mankind, society and the Earth. We will do our utmost to make sustainable contributions for the sustainable development of all mankind.


Lori Hu
D-Link Chairman



D-Link - Company Profile

Communication Anytime, Anywhere

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

D-Link

/ 03

Communication Anytime, Anywhere

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

Founded in 1986, D-Link Technology Co., Ltd. has specialized in the design and development of computer network equipment and created the "D-Link" brand, which has been marketed worldwide. It was established in the form of a company limited by shares in accordance with the Company Act of the Republic of China, and was listed on TWSE in October 1994 with stock code 2332. The paid-in capital is NT\$6,500,000,000. With more than 2,000 employees worldwide, D-Link is a world-renowned professional Internet company. D-Link's main products are switches, hubs, routers, network bridges, network cards, network peripheral servers, network systems/management software, and cloud applications and solutions, etc. D-Link has played a critical role in the global small and medium-sized enterprises and home network market. Our consolidated revenue in 2018 was NT\$19.2 billion. For more information regarding our financial information, please refer to the "2018 D-Link Annual Report".

Primary Products and Services

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

Operational Locations

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



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

120⁺

Sales Locations

50⁺

Countries

20

Regional Warehouse Management Centers

50⁺

RMA Customer Service Centers

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



D-Link participated in the Consumer Electronics Show (CES), one of the largest consumer technology product fairs in the world. By focusing on four key points in smart digital life among consumers, i.e. seamless, safe, smart and convenient Internet connection, we offer a better life in the future with secure connection anytime, anywhere to end users all over the world. A variety of cutting-edge technology products made D-Link's booth at CES stand out, and attracted lots of attention during the show.

Dictionary: Wi-Fi 6

Wi-Fi is already an indispensable technology for everyone on a daily basis. However, it is obvious that a more friendly method is required to help most people to understand the sequence of difficult-to-understand terms such as 802.11n and 802.11ac. To welcome the arrival of 802.11ax, the next-generation Wi-Fi standard, a new naming method will be adopted in the future. For example, the next generation of mainstream technology, 802.11ax will be identified with an easy-to-understand term: Wi-Fi 6. The Wi-Fi Alliance, which is in charge of wireless technology standards, have proposed brand new naming rules which involve simple representation using numbers to make product labels easy to understand, so that consumers can make judgments of specifications and speed levels by simply using numbers. For example, the new Wi-Fi 6 logo has been added to new products with 802.11ax standard launched by D-Link, which clearly distinguishes itself from the previous 802.11ac "Wi-Fi 5" generation!

Products in the limelight at CES 2018 in U.S.A.

Wi-Fi 6 is coming, with the DIR-X6060

AX6000 wireless router offering an insane data transfer rate of 11 Gbps

At CES, D-Link also announced the introduction of Wi-Fi 802, which is now known as Wi-Fi 6. 2.5GBASE-T is incorporated in the DIR-X6060 Dual-Band Wireless Router and the DIR-X9000 Tri-Band Wireless Router to cope with increasing bandwidth demand. Bandwidth, throughput and multi-device connectivity performance will also be further enhanced. These two new products on display have pushed the limits of performance and range. Both products consist of eight antennas and a main body, which has been inspired by the design of a stealth bomber.

With the continuous increase in Internet speed, the customers also need more connecting devices. D-Link's Wi-Fi 6 router is specially designed for users, and ensures that adequate preparation is made for the next wave of high-speed, high-capacity Wi-Fi. This is an ideal solution which allows users to simultaneously run bandwidth-intensive apps, ranging from file sharing and 4K streaming to virtual reality (VR) gaming. These innovative and technologically advanced network solutions provide gigabit Wi-Fi speeds. Additionally, the new D-Link Wi-Fi app enables a seamless setup and installation process, and the two router models offer higher speed and throughput for larger overall network capacity.



Products in the limelight at CES 2018 in U.S.A.

The saviour of wireless networks in large spaces is stronger, wider coverage. D-Link COVR-2202 Tri-Band Whole Home Mesh System

If your home or office space is large and comprises many rooms, wireless signals may be blocked by walls and floors. At the end of the day, cables and multiple wireless routers have to be set up in order to enjoy a smooth Internet experience in large spaces, as well as to solve issues related to conversion of connections between signals and costs of setting up cables. The D-Link COVR series is a series of new products developed and designed to solve the pain points of consumers, once again demonstrating D-Link's innovation capabilities.

The D-Link COVR-2202 Tri-Band Mesh Wi-Fi System comprises a combination of one master device and one slave device, and provides a network coverage to an area of up to 170 pings. This product is also able to maintain Wi-Fi connection at a certain speed. It is best used in storied buildings, and covers every corner of a house, thereby creating a seamless Internet space. This product is specially designed for wireless needs in modern homes, and serves as the best choice for HD videos, video calling and smart devices. The D-Link COVR Tri-Band Whole Home Mesh Wi-Fi System enables signal reception even at dead zones in your house. It is particularly suitable for users in multiple floors or large spaces on the same floor.

The COVR Whole Home Mesh Wi-Fi series products are a set of mesh wireless routers developed specifically for buildings with multiple floors and large floor area. These products not only look stylish on the outside, but also demonstrate excellent performance, wide coverage, stable transmission and minimal settings. These products can establish a space for seamless Internet connection, so that consumers no longer have to worry about dead zones. In addition, these products can connect up to 120 network devices simultaneously! This product has been well received by the market since its launch this year, and has earned high ratings from the PC Magazine, a leading media outlet in



U.S.A.

Products in the limelight at CES 2018 in U.S.A.

The most beautiful wireless router in history

The D-Link COVR-C1203 Dual-Band Whole Home Wi-Fi System discarded the single wireless router configuration, and adopts the series connection of multiple sets of small wireless base stations, which not only enables it to be closer to users' locations in order to send and receive data with better wireless signal quality, but users can also automatically switch connected base stations while moving around at home, thereby creating an environment where all the rooms can enjoy excellent Wi-Fi signals, and signals are also available in basements too. The COVR-C1203, i.e. the AC 1200 Dual-Band Whole-Home Wi-Fi System powered by Qualcomm® Mesh Networking Platform, is designed for buildings with large floor area and multiple floors. Equipped with Smart Roaming, users can enjoy seamless roaming with one Wi-Fi name (SSID), as well as a smooth Wi-Fi experience with zero dead zones.

In addition to its trendy and stylish body design, the D-Link COVR-C1203 is also equipped with advanced features, including Smart Steering, Airtime Fairness, and the MU-MIMO high-speed transmission technology. This product even has high power mesh which enables Wi-Fi signals to effectively pass through walls and floors. Whether Wi-Fi signals are transmitted across floors or within large spaces, it can distribute Wi-Fi signals to the entire interior space, thereby enabling all devices to run with stable Wi-Fi signals. Looking elegant and sleek on the outside, it also features the MU-MIMO technology and has the ability to transmit signals across floors, through walls and within large spaces, thus providing high quality Wi-Fi signals for spaces with large floor area. It also provides high-speed transmission for multiple devices at the same time. Even when multiple devices are used for uploading or downloading files, browsing web pages or watching high-resolution 4K movies simultaneously in offices or homes with cement partition walls, the quality of network connection is still not affected.



Products in the limelight at CES 2018 in U.S.A.

No worries when surfing the web securely over the cloud environment. D-Link AC2600 D-Fend Wireless Router

The AC2600 wireless router, which has attracted lots of attention at CES, is a brand new defensive wireless router jointly developed by D-Link and our strategic alliance partners, including global anti-virus software manufacturer McAfee and leading chip manufacturer Intel. It is a home network device which provides consumers with the highest network security specifications. McAfee's unique Secure Home Platform can automatically protect all connected devices at home, which ensures that users' digital lives are safe and secure, and also meets people's urgent need for network information security in the increasingly mature network environment.

Apart from offering high security, the DIR-2680 is also equipped with the Intel GRX350 1.6GHz CPU, which provides excellent and fast wireless network transmission. It enhances security functions through software when used with AnyWan SoC. It also uses the Gigabit wired network hardware specifications, which is able to support various types of high bandwidth network connection apps today.

The DIR-2680 router offers comprehensive security protection for all connected devices at home. The built-in McAfee Secure Home Platform automatically protects all connected devices, whereas the McAfee Global Threat Intelligence proactively identifies and withstands emerging network threats. Advanced parental controls ensure that children surf the web in a safe manner, thus giving parents peace of mind. When users are away from home, McAfee LiveSafe can still provide safe protection for devices at home. With a simple app, you can take control of all devices, so that you can keep your family connected online in a secure manner without any interruption. The best part is that this product can support Alexa voice control; thus, you do not have to manage network security manually anymore.



Products in the limelight at CES 2018 in U.S.A.

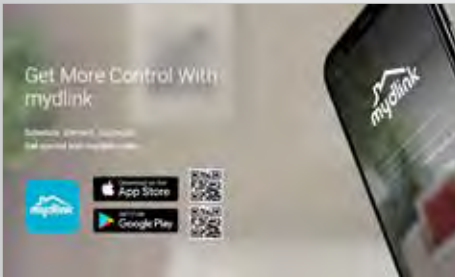
Your home can get even smarter. The new version of mydlink app has made its debut.

For smart home products, D-Link has been working with big companies such as Apple and Google. Eyeing business opportunities in voice-controlled smart home products, D-Link announced the new version of the mydlink app, thereby providing consumers with a more comprehensive smart solution. The latest version of mydlink smart home devices, which expand and enhance the mydlink ecosystem, include new camera and cloud socket models. These devices can support Google's voice assistant, the Google Assistant, and Amazon Alexa, enabling all smart devices at home to be controlled with voice.

During the event, we also demonstrated two brand new features provided by the mydlink app. First, the Rich Notifications feature provides an intuitive, easy-to-use notification message that allows users to immediately view a screenshot of a motion event or call an emergency contact without having to open the app to view a motion detection notification when the notification is received.

On the other hand, the Smart Recap feature can shorten the time taken by users to view an image. By designating all images recorded within a period of time, a video clip can be created to show the images through time-lapse photography. Users can also filter video clips in Smart Recap according to the type of motion detected.

D-Link brings "unlimited" excitement to the "wireless" world.



Watch your live view from anywhere, anytime



Trigger alerts and cloud recording (subscription required)



Set "trigger and reaction" policies to make your home more intelligent



Control device on your pre-set timetable



One Tap to enable preset scenes



We stormed the Mobile World Congress (MWC) by launching six brand new services which enable you to always be connected to the world.



The 2018 Mobile World Congress (MWC), which was the key annual event of the year for the mobile communication industry was held at the Fira Barcelona Gran Via Conference Centre in Spain from February 26 2018 to March 1, 2018. After our participation in CES in U.S.A., D-Link made our debut in Spain beginning February 25, 2018, focusing on capturing the attention of telecommunications operators.



1.

Mobile connectivity solutions: A full series of new mobile connectivity solutions that bring seamless network connection experience to users, enterprises and telecommunications operators.

- » Edge as a Service
- » Connected Transportation
- » Smart Parking
- » Smart Retail
- » BLE IoT solution
- » Fixed Mobile Convergence (FMC)
- » Connectivity & Surveillance



2.

D-Link will present the latest high-performance switches which are robust and durable, in order to meet the rapidly growing needs of smart city applications and industrial automation, as well as the rapid adoption of Industry 4.0. These products include:

- » DIS-100G Industrial Gigabit Unmanaged Switch Series: A selection of great entry-level ethernet switches for industrial environments. These unmanaged switches provide plug-and-play installation, which is best suited for network edge deployment.
- » DIS-300G Industrial Gigabit Managed Switch Series: A selection of switches suitable for industrial and smart city applications, including remote monitoring performance, fine-tuning data flow and quality of service (QoS) configuration to prioritize the processing of important data and other functions.
- » DIS-700G Industrial Layer 2+ Gigabit Managed Switch: Equipped with smart QoS features, including SPQ, WRR, and SPQ+ WRR queuing configurations to support flow control and bandwidth management.





◀ Receiving international media to increase brand exposure



3.

Nuclias

D-Link has launched a brand new cloud network management solution based fully on monthly rent, which enables hosting service providers and business owners to remotely set up and monitor their network infrastructure anytime, anywhere, thereby reducing time for inability to connect to networks due to network anomalies. The Nuclias app and website provide a wide range of flexible features that can be accessed with a simple setup. Users can completely manage wireless access points, capture and analyze each connected device, and immediately grasp the operation status of the device.



4.

Software defined network (SDN) Upgrade

D-Link provides new SDN support by offering software upgrade for D-Link DGS-3000 (access layer) and DGS-3630 (aggregation layer) switches, and will launch the new DXS/DQS-5000 Data Center Switches, which provide up to 32 100GbE ports for high-speed data transmission needs, as well as support for deployment in open network environments.



5.

mydlink Pro Series

This series includes three new surveillance cameras with outstanding performance. These three cameras have FullHD 1080p high resolution and smart image analysis features, as well as IP65 waterproof rating, while enabling video recording via cloud. The mydlink Pro web camera series can support the new version of mydlink app which was launched at CES in U.S.A., thereby providing consumers with a more comprehensive smart solution. These new cameras include:

- » DCS-8650LH Dual Lens 180° Full HD Outdoor Wi-Fi Camera
- » DCS-1820LM 4G LTE Outdoor Camera, which received an iF Design Award
- » DCS-2802KT Smart Wi-Fi Network Camera Kit

Products in the limelight at the 2018 MWC in Spain

Routers for low network latency

Low network latency is critical. With the D-Link DWM- 312 LTE CAT4 VPN router, you can take advantage of the powerful features of local processing so that you can make smarter and more accurate decisions in a faster manner.

When a user gives a command to a smartphone or a network device, such as initiating a network search, there will be a time lag between the aforementioned step and the actual operation, which usually results in a 50 to 100 millisecond delay because the command needs to go through different service providers. With edge computing services, you can preserve data transfer and processing more closely. Whether it is agriculture, oil refining, mining, container ports or any other vertical markets, D-Link now allows you to expand all large-scale critical network communications to meet your needs. With more privacy using your own private Long Term Evolution (LTE) technology, you can now process sensitive data collected from Industrial Internet of Things (IIoT) devices more securely.



▲ D-Link DWM-312 LTE CAT4 VPN Router

▲ D-Link DWM-315 LTE CAT9 VPN Router

Products in the limelight at the 2018 MWC in Spain

Small components with great performance

Our lower-power base stations deliver unlimited scalability for your private LTE networks. These base stations are able to cope with stronger network needs in large industrial facilities.



Products in the limelight at the 2018 MWC in Spain

Smart parking solution

Every city has its own transportation and parking problems. D-Link's DWR-925 LTE VPN routers, network video recorders (NVRs) and analysis tools can help cities achieve the best smart parking solution.



Products in the limelight at the 2018 MWC in Spain

Let mission-critical systems be with you

D-Link's machine-to-machine (M2M) series products are designed for high-availability, high-reliability and high-security wireless broadband connections. The D-Link M2M series routers use high-performance processors, as well as support advanced software and a range of WAN ports, thereby providing reliable and secure network transmission and connection to mission-critical customer needs. At the same time, these products also offer an ideal network transmission platform for fixed wireless broadband telecommunications users and branch offices of enterprises.

D-Link's M2M series products focus on various applications, including fleet management for high speed rail, mission-critical systems, logistics and transportation, Internet access in compartments of buses and moving vehicles, as well as public security police cars and ambulances.

D-Link is committed to developing M2M and IoT in different vertical market applications and consistently focusing on this area. Customers can use D-Link's platform to lower enterprise costs and simplify network deployment, while greatly improving operational efficiency and profitability through the most reliable 4G-LTE network.



Products in the limelight at the 2018 MWC in Spain

Gain insights into customer needs more accurately with cameras and smart brain

Smart retailers use the D-Link NVR smart monitoring solution to effectively increase turnover and customer satisfaction. By combining smart cameras with face recognition, and cameras with intelligent video analytics, retailers can obtain the results of hotspot analysis for the most popular products, and optimize product display. In addition, retailers can also automatically track visitors and the number of visitors through D-Link's NVRs which are equipped with cameras and smart brain feature, thereby assisting enterprises in gaining insights into customer needs more accurately and eventually increasing revenue and profits.

Smart camera with face recognition

- » Identify and maintain optimal customer satisfaction
- » Automatically detect threats

Hotspot analysis

- » Find out where your customers are traveling to
- » Optimize product portfolio

Count per customer

- » Automatically track visitors and the number of visitors



Products in the limelight at the 2018 MWC in Spain

Build a cloud bridge with technology to create a smart city with boundless potential

D-Link series products such as DWR-921 / DWP-902 / DCS-2630 / DCS-2630L / DWR-921 / DCS-2630 / DCS-2630L are used in combination with surveillance cameras with smooth images to make everyday life safer.

D-Link series products such as DWM-312 / DWP-902, are used along with DWM-312 LTE CAT4 VPN Router / DWP-902 LTECAT6 Outdoor Router / DWR-921 Entry-Level 4G Router / DWR-925 LTE CAT4 VPN Router to provide LTE hotspots and network bridges for connection purposes, so that communities can access information and entertainment conveniently.

D-Link's Fixed-Mobile Convergence (FMC) solution is used to meet continuously increasing bandwidth demand. Even if your LTE or DSL is faulty, a secure Internet connection will still be available. D-Link's customized solution, i.e. 4G LTE, along with fixed-line DSL broadband, put the wonderful world together, and also enable each smart city to stand out from the rest.



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

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



D-Link won the 2018 CES Innovation Award

D-Link COVR-2202 Tri-Band Whole Home Wi-Fi Systemr

The D-Link COVR-2202 Tri-Band Whole Home Wi-Fi System was announced as an Innovation Awards Honoree at CES 2018. Equipped with Qualcomm® Mesh Networking Platform, a Qualcomm® high-performance processor, the honored COVR-2202 comprises two 5 GHz bands and a 2.4 GHz band built by two sets of high-performance COVR devices, with a network speed of up to 867/400 Mbps. Its greatest feature is the built-in smart antennas with smart backhaul. Its dedicated extension channels can optimize connection signals between COVR devices, enabling transmissions which are more efficient, faster and more stable.

The COVR-2202 is created for network connection in spaces with large floor area and across multiple floors, providing users with the best seamless Wi-Fi experience.



1.



D-Link won the Golden Award at the IT Month Innovative Product Awards

The D-Link DIR-2680 D-Fend Wireless Router was the only product in the network communications industry to win the award

D-Link's DIR-2680 D-Fend AC2600 Wireless Router and DCS-8600LH Full HD Outdoor Wi-Fi Camera won the 5th IT Month Innovative Product Awards, and the DIR-2680 won the "Golden Award", which is the highest honor at the IT Month Innovative Product Awards. It was also the only Golden Award-winning network communications product that earned high praises from judges.



2.



Comprehensive Security Simplified



Superior Uncompromising Performance



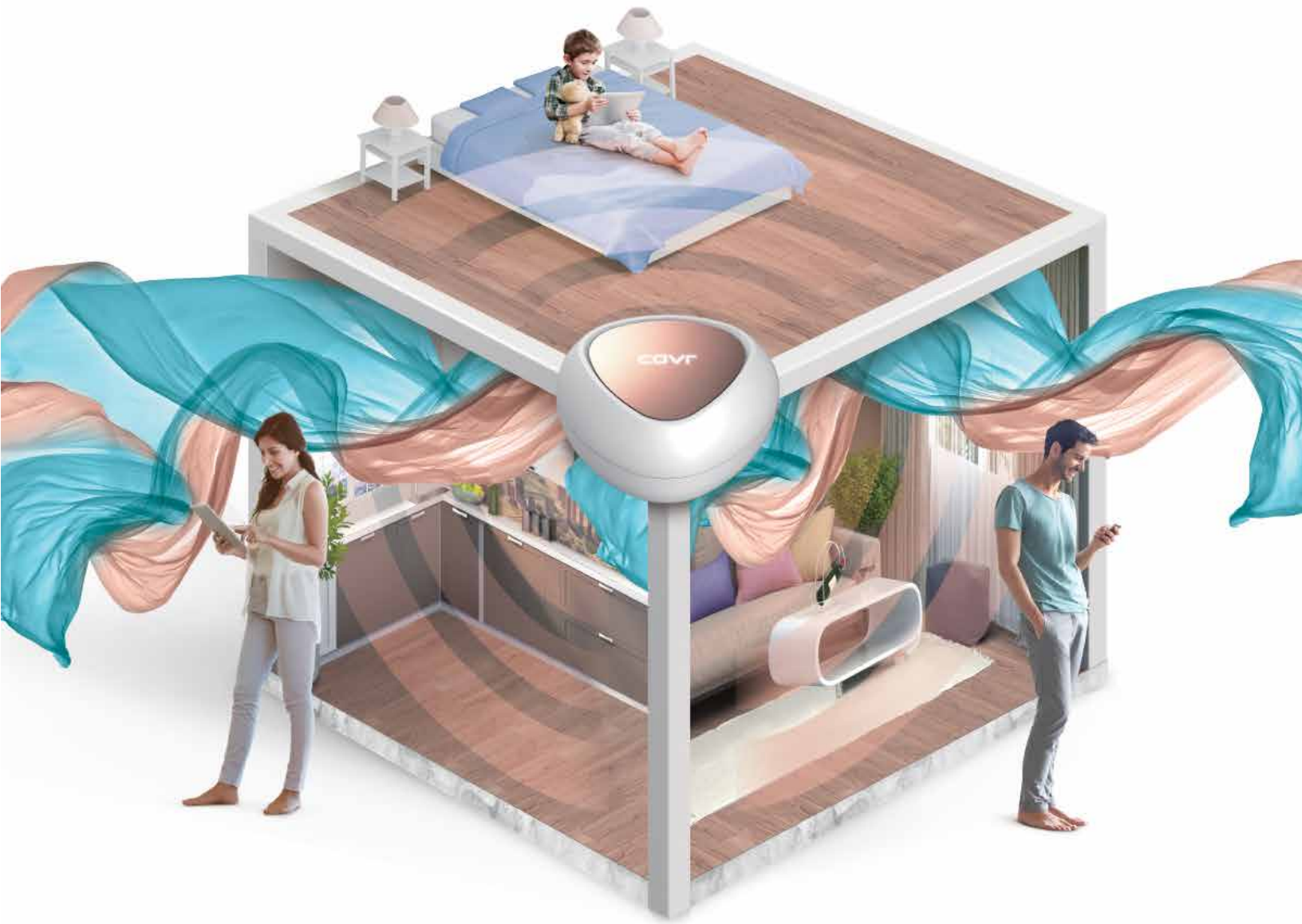
Connected Home Protection



Powerful Parental Controls



Cloud-Based Machine Learning



Covr your Whole Home in Seamless Wi-Fi

- High Performance
- More Coverage
- One Seamless Network

- Smart Roaming
- Parental Controls
- Smart Steering
- Simple Setup
- MU-MIMO Technology
- Works with your existing router or gateway
- Voice Control

1. COVR-2202 AC2200 Tri-Band Whole Home Mesh Wi-Fi System
2. DIR-2680 D-Fend Wireless Router
3. COVR-C1203 Dual-Band Whole Home Wi-Fi System
4. DCS-1820LM 4G/LTE Outdoor Camera



D-Link won the selection phase of the 27th Taiwan Excellence Awards

D-Link's eight outstanding products

D-Link's eight outstanding products won the selection phase of the 27th Taiwan Excellence Awards, including the COVR-C1203 Dual-Band Whole Home Wi-Fi System, the COVR-2202 AC2200 Tri-Band Whole Home Mesh Wi-Fi System, the DCH-G601W Wi-Fi Bluetooth Hub, the DCS-1820LM 4G LTE Outdoor Camera, the DCS-8650LH Full HD Super Wide-angle Wi-Fi Camera, the DIR-2680 D-Fend AC2600 Wireless Router, the DIR-3060 AC3000 Wi-Fi Tri-Band Wireless Router, and the DWR-976 4G+LTE Advanced AC2600 Wireless Router. D-Link's outstanding products have been recognized by the professional judges, showcasing its innovative strengths in research and development, design, quality, and marketing.



D-Link won the 2018 iF Design Award in Germany

D-Link DCS-1820LM 4G/LTE Outdoor Camera

The D-Link DCS-1820LM 4G/LTE Outdoor Camera successfully passed stages of rigorous review and screening with its outstanding product design, thereby winning the iF Design Award. The 2018 iF Design Award in Germany welcomed a total of 6,401 products submitted by 2,955 participants from 54 countries around the world.

The iF Design Award-winning DCS-1820LM 4G/LTE Outdoor Camera is connected by 4G LTE high-speed wireless network technology, and its setup location is unlimited as it is powered by batteries. This product also includes other features, such as Full-HD 1080P high resolution, intelligent video analysis (IVA), and cloud recording. Additionally, it has passed the IP65 certification, which means it is waterproof.



D-Link won the 2018 Good Design Award in Japan

DCS-1820LM 4G/LTE Camera

D-Link's DCS-1820LM 4G/LTE Camera won the 2018 Good Design Award in Japan with its outstanding product design. Adhering to the concept of pursuing innovation and excellent quality, D-Link has continuously launched new products which lead the industry. The award-winning DCS-1820LM 4G/LTE Camera has a resolution of up to Full HD 1080p, and is connected by 4G LTE high-speed wireless network technology. Powered by batteries, the setup location of this product is unlimited. It also includes other features, such as intelligent video analysis (IVA) and IP65-certification, which makes it waterproof at all times. It also supports the Cloud Recording function, thus providing consumers with a wide range of image storage solutions. Its innovative features and product design concept have also enabled the DCS-1820LM to win honors at domestic and overseas awards consecutively this year, including the iF Design Awards in Germany, the CES Innovation Awards, and the Computex d&i Awards.



3.



4.

Forward-looking Vision and Insights into the Future

Responsible Business Conduct and Moral Governance by Board of Directors

/ 04

Responsible Business Conduct and Moral Governance by Board of Directors

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

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

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

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

the stakeholders pay close attention on such matter.

Prohibition of Any Form of Bribery

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

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

Anti-bribery Code of Conduct

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

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

Integrity and Honesty of Suppliers

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

None of our suppliers has been found to be involved in any illegal dealings in 2018.

Procedures for Gift Acceptance

The "Procedures for Gift Acceptance" estab-

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

Fair Competition

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

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

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

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

As of the end of 2018, there had been no report of any such related cases.

Disciplinary Committee

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

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

4. Explaining legal sources, providing consultation on laws and regulations, and liaising with legal agencies.

5. Monitoring and investigating any abnormal business dealings with manufacturers.

6. Making regular and unscheduled announcements on relevant regulations and policies.

7. Taking action once required by competent authorities and stakeholders.

There was no instance regarding breaches of integrity in 2018.

Corporate Social Responsibility Working Group

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



As the pioneer in the global digital era

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

China

D-Link collaborates with the largest e-commerce platform to set up a customized data center with uninterrupted cloud traffic

United States of America

A major revolution for rebroadcasting during matches at hockey stadiums, providing brilliant replays without dead ends

Italy

Digital transformation at 12,000 post offices to enhance service quality at government agencies and protect citizens' information security and privacy

Italy

Terminal equipment maintenance for lottery machines to monitor revenue contribution from each machine in real time
Hungary
D-Link provides the best cloud security for nine football stadiums

Poland

Digital precision medicine at Bielanski Hospital, Warsaw, which is vital to patient survival

South Korea

D-Link assists a four-star hotel in establishing tourism economic solutions to capture business opportunities in tourism

India

Space Applications Centre to turn traditional towns into digital cities in the future

As the pioneer in the global digital era

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

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

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

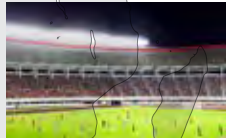
United States of America
Matches at hockey stadiums



Poland
Bielanski Hospital, Warsaw



Hungary
Football stadiums



Italy
Poste Italiane Group



Italy
Lottery machines



India
Space Applications Centre



South Korea
Hamilton Hotel
Four-star hotel



Hebei, China
Cloud computing center



As the pioneer in the global digital era

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

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

”

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

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

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

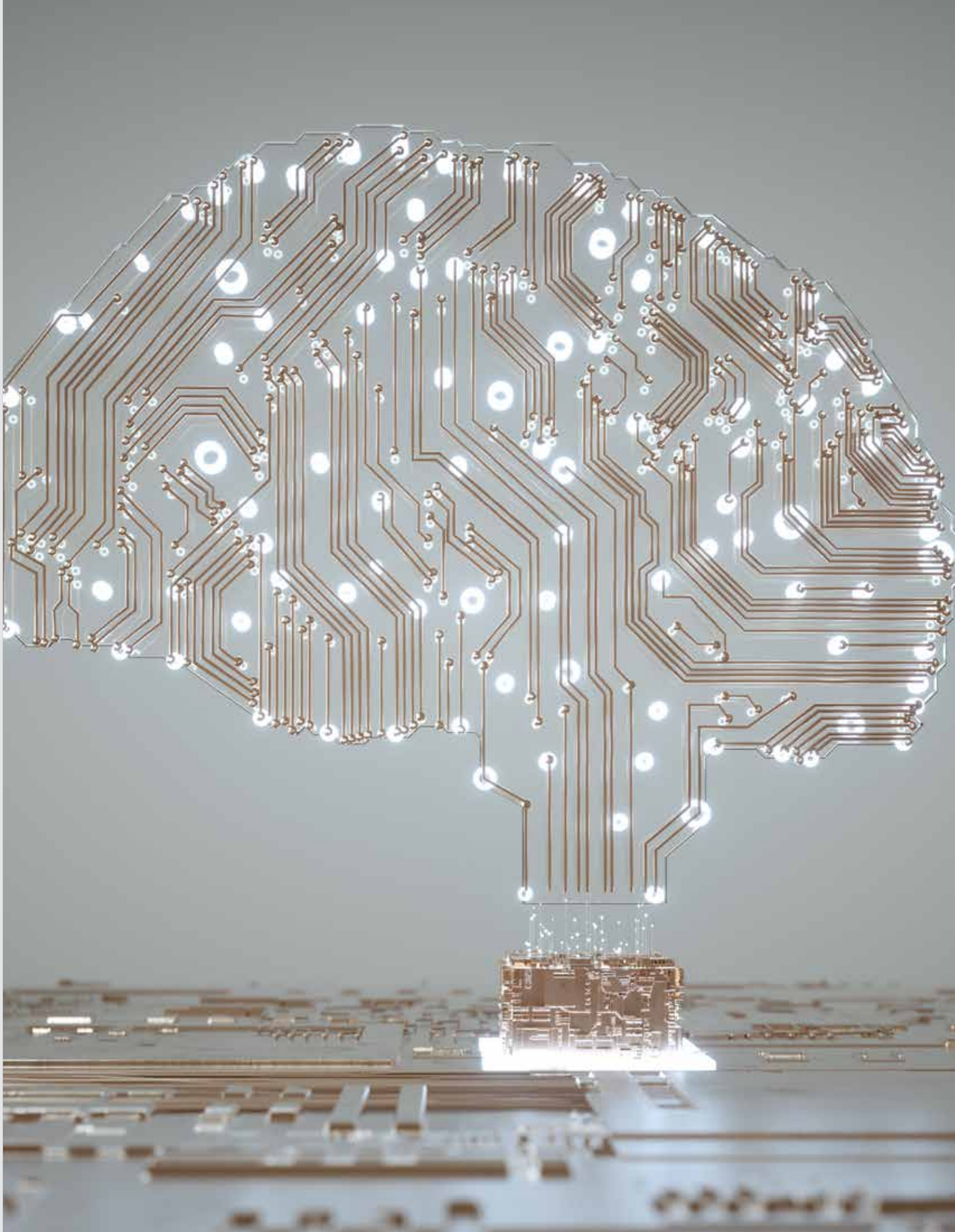
In recent years, D-Link's customers around the world have shown strong demand for network communications devices because "they will not have any future in the information and data era if they do not pay attention to digital transformation." Each industry hopes to conduct operational information analysis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

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

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

also change constantly.

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



Selected Successful Cases

China - D-Link joins forces with the largest e-commerce platform to set up a customized data center with uninterrupted cloud traffic.

With the advent of big data, IoT, and the 5G era, demand for cloud data centers is rapidly growing. D-Link provides a wide range of IT infrastructure platforms to assist China's largest e-commerce on-line trading platform for rapid response, customization, and data center solutions. D-Link works hand in hand with the Group to provide products and solutions with professional quality and high price-performance ratio to its data center in Zhangbei, Hebei, with a view to establishing the most important infrastructure for the rapid development of big data, including computing power, storage options, networking and databases.

Equipped with a total of 300,000 servers, the data center built by this e-commerce trading platform in Zhangbei, China is the largest cloud computing center in the northern region. It is constructed using the concept of "one point and three centers", i.e. three mutually backed up data center parks and one demonstration display point. Park No. 1 and Park No. 2 occupy 200 mu, respectively, with a construction capacity of 100,000 network devices each. Both parks started operations in September 2016. The entire project is expected to begin operations in June 2018. Upon completion, it is the most important infrastructure for the Group's core businesses in North China, and also serves as the one of the largest core geographic nodes for external services. It is expected to offer

services to two million small and medium enterprises. In addition, the data center is expected to generate NT\$30 billion in direct operating income in the next 10 years.

Strong core one-stop IT infrastructure capabilities support uninterrupted operations of the data center

During the rapid development of big data, stable, secure and efficient network infrastructure is an essential weapon for e-commerce services, on-line payment, and Internet finance, and is also a strong support for the development of emerging technologies, such as cloud computing, IoT and AI. Such a large and important data center has very high requirements for network solutions. The infrastructure must be stable, reliable, and secure, while network products must be fully configured, convenient to operate and maintain, and equipped with smart management. At the same time, the data center must achieve the effects of environmental protection and energy conservation. Therefore, the data center repeatedly compared numerous brand suppliers by taking into consideration numerous factors, including brand, products, service capabilities, and price-performance ratio, and eventually chose D-Link as the supplier. From then on, China's leading Internet companies have joined forces with network product giant D-Link to jointly contribute to the development of big data in China.

With operations all over the world, D-Link owns complete and diverse product lines, where our network products and services have won international awards consecutively. D-Link is currently serving a wide range of industries, including education, government, medicine, hotel, commercial chains, real estate, and corporate offices. With regard to meeting the requirements of the Group's data center in Zhangbei, D-Link has sent a top technical team to assist in the automation and smart operation of the data center, and helped customers to further improve operational efficiency through remote management and monitoring.

This solution is configured with D-Link's high-

end corporate products. The dual-machine hot standby redundancy is adopted in the virtual router redundancy protocol (VRRP) architecture to guarantee uninterrupted, high-performance, and stable 24-hour network operation at the data center. In 2017, this e-commerce trading platform has held a one-day online marketing activity with a single-day online transaction volume of NT\$168.2 billion, while the data center handled a 40% business volume, and a maximum of 256,000 payments per second. With D-Link's support, the data center of China's leading Internet company in Zhangbei will witness a new miracle together with the world in the future.

Outstanding performance of top switching devices meet customer's overall needs

During the current implementation of the project, D-Link has provided four buildings in the Group's data center in Zhangbei with over 10 weak electronic systems, where the products include professional high-end devices, such as professional switches, master control boards, power modules, four-port 10Gb boards, 1Gb boards, and electrical port 1Gb boards. Based on these high-quality devices, along with D-Link's mature network technology and advanced operational concepts, this set of solution not only solves the network needs of the data center, but can also provide reasonable and flexible network distribution according to business change, and respond to different network needs in a timely manner, thereby ensuring smooth, secure and reliable data operations.

Since the implementation of this project, stable product quality, as well as fast and professional service response have fully met the stringent requirements of the data center, thereby providing stable and solid network foundation for the data center which will be put into operation soon. In the future, D-Link provides the data center with nationwide technical protection to ensure smooth network operations at all times, thereby guarding cloud services for small and medium enterprises in North China.



DGS-3630



DES-8506



Selected Successful Cases

United States of America - A major revolution for rebroadcasting during matches at hockey stadiums, providing replays of exciting scenes without dead ends

A professional hockey match was held in Bon Secours Wellness Arena located in Greenville, South Carolina. In this match, the D-Link DCS-2630L Full HD Super-wide Angle AC Wi-Fi Camera was used to provide instant replays during the match, while the live large screens were able to instantly replay live clips seconds or minutes ago.

This viewing experience relied on D-Link's professional video recording devices in order to accomplish this task. D-Link initiated a major revolution for rebroadcasting technology, which has changed the world of dynamic images, providing replays of exciting scenes without dead ends. Furthermore, the audience will not miss any shot, while exciting scenes can be replayed and watched at different angles, thereby enjoying a unique viewing experience for each goal scored.

D-Link installs a 180-degree super-wide angle AC Wi-Fi camera in hockey balls, and creates a low-latency wireless network connection in the stadium. However, the D-Link DCS-2630L Wi-Fi Camera is not designed for hockey stadiums. To solve this problem, D-Link customizes a protective case for the camera, and installs it in the hockey ball. The D-Link DAP-3362 Access Point is then installed on the back of the motherboard behind the goalmouth, which provides powerful wireless connection and a dedicated virtual local area network, thereby importing images from the Wi-Fi camera to the video control room and immediately transmitting them to the large screens in the stadium. Therefore, the live audience can instantly watch exciting scenes of the match on the large screens in the center of the field.

It's great to work with D-Link, said match organizer, Kalinowski. D-Link is very proactive and open to creative ideas in order to provide our fans with better visual experience. In the future, the organizers are expected to continuously expand the function of this system, while adding a lens to two goulmouths and another lens in the penalty box for the opposing team. At the end of the day, this will give fans the opportunity to watch the match in ways they have not experienced before, thus further enhancing everyone's match experience.



Selected Successful Cases

Italy - Digital transformation at 12,000 post offices to enhance service quality at government agencies, and protect citizens' information security and privacy

In modern society, citizens are enjoying more rights. Especially in this Internet era, everyone expects government departments to offer services which are not inferior to those provided by private organizations, such as retailers and financial institutions. This trend has also reached Italy's local government agency, the Poste Italiane Group. The Poste Italiane Group offers domestic postal services in Italy, and has over 12,000 brick-and-mortar post offices.

To provide more efficient services to the people, the Poste Italiane Group ambitiously launched a digital transformation to build a system that connects all local post offices to a central network. At the same time, global organizations like the Poste Italiane Group hold large amounts of personal data; hence, network security is vital.

D-Link integrated the infrastructure of telecommunications companies and incorporated the outstanding DES-3200 network device to successfully integrate digital services offered by the Poste Italiane Group. Once again, D-Link has successfully integrated the network connection architecture of government agency offices.

With a digital platform, D-Link has realized the Poste Italiane Group's ambitious digital integration project in order to effectively enhance the service quality of government agencies and effectively protect citizens' information security and privacy.



DES-3200



Selected Successful Cases

Italy - Terminal equipment maintenance for lottery machines to monitor revenue contribution from each machine in real time

D-Link provided assistance to local lottery machine operators in Italy's local entertainment service sector by performing system integration and upgrade for information and communications infrastructure. Local customer Lottomatica is the main terminal room for the transmission of lottery computer data in Italy. At that time, they encountered the problem of having to connect all the lottery computer terminals to the central system.

D-Link assisted the customer using the D-Link DES-3200 device and the D-view network integration software to provide the required security links. In this manner, Lottomatica can remotely monitor the status of all lottery terminals, and identify, in real time, which machine is not working properly. It is worth noting that this solution can simultaneously monitor profits obtained from each machine, thereby greatly improving the efficiency and profitability of the terminal room, as well as increasing the customer's industry added value and innovative business model.



DES-3200



Selected Successful Cases

Hungary - D-Link offers the best cloud security for nine football stadiums

D-Link assisted nine stadiums in Hungary, Hungarian football clubs, and the Hungarian Football Federation in establishing wireless network infrastructure, including security deployment for network monitoring devices. The monitoring system jointly installed by D-Link and ISYNUX (currently ES14U) provides schools with high level of security, and

trains students in person. To-day, students have undergone training using the system, while accident rates have been greatly reduced. The presence of monitors effectively suppresses criminal behavior, such as accessing evidence. In addition, D-Link's monitoring system is used for training students to achieve protective measures.



DGS-3620 Series



DGS-1210 Series



DCS-6113



Selected Successful Cases

Poland - Digital precision medicine at Bielanski Hospital, Warsaw, which is vital to patient survival

Located in Warsaw, the largest city and capital of Poland, Bielanski Hospital needs to reply on fast and reliable network connection services to implement novel medicine treatments and research. However, the hospital often encounter operational crises related to the termination of network operations. To deliver medical information more quickly and reliably, the hospital authority decided to rebuild the entire IT infrastructure. D-Link was appointed the network communications supplier to create an outstanding mobile network environment.

The brand new wireless network environment built by D-Link provides hospital staff with tablets on patients' bedside which they can use conveniently to share medical information in real time, and assists the hospital authority to obtain medical records in a fast and secure manner. In addition, from the patients' perspective, they can also enjoy a stable Wi-Fi environment.

When convenient and real-time digital information access is incorporated into medical treatments, medical staff can obtain and study records on patients' bedside, thereby leading to more accurate diagnosis and more timely treatment. The hospital has a fast and reliable network, which is vital to the survival rate of patients.



DWC-2000



DPE-301GI



DWL-6610AP



Selected Successful Cases

South Korea — D-Link assists four-star hotel in establishing travel economic solutions to capture travel business opportunities

In order to cater to the tourism economics of the millennials, they pay particular attention to rapid access, and their travel consumption behavior is also unique. D-Link assists hoteliers around the world in formulating solutions that meet the travel economics standards of the millennials to capture travel business opportunities.

South Korea's four-star hotel, Hamilton Hotel has 45 years of splendid history. Located in Itaewon, an international district in Seoul, it has a boutique shopping mall on the main street of this district. The hotel is surrounded by the US Army Base, Seoul Central Mosque, high-end taverns, restaurants, museums, and shopping malls. With the advantage of being located in a multicultural region, Hamilton Hotel organizes rooftop pool parties every summer, which attract many overseas travelers to stay at its hotel.

The Economist once defined, "The millennial generation are the luckiest group of young adults ever to have existed. They are richer than any previous generation, and they are the best-educated generation ever." According to reports published by the World Tourism Organization, the number of travelers from the millennials who were born between 1980 and 2000 will grow by 47% in 2020, reaching a total of 320 million; hence, their influence cannot be underestimated.

In the face of intense competition in Seoul's hotel industry, Hamilton Hotel began to revamp its interior design in order to solidify its position in Itaewon. In 2015, all the old facilities were replaced with new equipment. The hotel began

implementing the 11ac Wi-Fi network in April 2017.

User experience was upgraded upon completion in May 2018. Providing a comprehensive Wi-Fi solution and setting up stable Wi-Fi coverage in the entire hotel and its shopping mall separate D-Link from our competitors.

D-Link provided complete end-to-end network infrastructure, including access points, wireless routers, PoE switches.

The D-Link DAP-2660 Dual-Band Wireless AC1200 PoE Access Point has an aesthetic design, thereby enabling it to be placed in hotel lobbies, hallways, conference rooms, buffet restaurants, and shopping malls without looking out of place.

The D-Link DAP-2695 AC 1750 Flame-Retardant PoE Access Point provides Wi-Fi network with perfect coverage on all nine floors in the hotel and all three floors in the shopping mall. It provides IT administrators with easy-to-manage dual-band wireless LAN options.

The D-Link DAP-2690 Dual-Band Wireless Access Point uses a rugged and durable flame-retardant metal case which meets strict fire code, and can be placed in the mid-air hallway in Hamilton Hotel. A total of detachable antennas can provide the best wireless coverage at 2.4GHz and 5GHz bands.

The D-Link DIR-868L uses the latest AC Smart-Beam TM technology, while the AC1750 router provides a larger coverage and faster speeds.

The D-Link DGS-1210-10P 10-Port Gigabit Smart Managed PoE Switch is equipped with a complete LG feature. IT administrators can restart cameras and access points via remote control from any location on the network, including via the Internet.

D-Link provides the affordable DGS-1008P 8-Port PoE Gigabit Ethernet Network Solution, where wireless access points, IP cameras, IP phones, computers, photocopiers, and network attached storage on the network can elimi-

nate the trouble of setting up power cables. Besides, energy saving certification has also been applied for D-Link's Green TM technology. In addition, the fanless design reduces noise, while extending the useful life of the product.

The Wi-Fi coverage for Hamilton Hotel and its shopping mall has been successfully achieved. Therefore, D-Link continues to receive commissioned service from another global hotel chain.



DIR-868L * 6 pieces



DAP-2660 * 40 pieces



Selected Successful Cases

India - Space Applications Centre to turn traditional towns into digital centers

There are nearly 300 million computers all over the world, stringing together online business opportunities beyond estimation. Whether inside or outside a company, to connect computers to the Internet requires related products, such as network cards, routers, and distributors. D-Link is currently at its best time never been seen before as we help companies around the world continuously exert their influence in the online market which is taking off, thereby extending their operational advantage.

”

Space Applications Centre (SAC) is the main research and development center of the Indian Space Research Organisation (ISRO). This center plays a key role in realizing ISRO's vision and mission. D-Link assisted in setting up infrastructure by deploying 10G switches.

Located at Ahmedabad, SAC is spread across two campuses having multidisciplinary activities. This center contributes significantly in scientific and planetary missions of ISRO like Chandrayan-1, Mars Orbiter Mission, etc. The facilities at SAC includes highly sophisticated payload integration laboratories, electronic and mechanical fabrication facilities, environmental test facilities, systems reliability/assurance group, image processing and analysis facilities, project management support group, and a well-stocked library.

Customer's Requirements

From storage to servers, a powerful and augmented switching solution is provided through internal network access and smooth file transfer, in order to meet all current and future needs, while increasing the number of users and enhancing reliability and redundancy. The main goal is to provide 10G network infrastructure in order to improve the existing 1G solution within a limited budget, and deploy and distribute the infrastructure to six laboratories under a single network integration. Network management software is employed to monitor and configure upgraded networks using a better method.

The D-Link Solution

D-Link provided a complete solution, which improves 10G copper and 1G pipe with fiber cabling backbone. This solution includes power cables, 10G SFP switches, and network management software.

D-Link's next-generation DXS-F3500 switch offers a combination of features, with high density port counts in a 1U rack mount size. It is suitable for top of rack (ToR) at data centers with CORE/aggregation requirements or corporate and campus environments. The DXS-F3500 high-performance switch has a 10/40 Gigabit Ethernet switching feature for routing at ultra low latency. The DXS-F3500 series supports dual load sharing for AC/DC power supply, as well as data center bridging, and can provide "lossless Ethernet" transmission quality. The switch users a modular fan and power supply design to achieve a high-availability structure.

The D-Link DXS-3400 series is a small high-performance switch with 10 Gigabit Ethernet switching speed, routing and ultra low latency. 1U height and multiple ports in the DXS-3400 series are suitable for corporate and campus environments with limited space. The switch resource management (SRM) feature can optimize switching function based on the application, and change the size of hardware table. The

DXS-3400 series switch supports three modes, namely IP mode, LAN mode, and L2VPN mode, which can modify the size of 2nd and 3rd layer tables to achieve optimal efficiency.

The D-View 7 network management system is a type of standards-based comprehensive management tool designed to centrally manage key network characteristics, such as availability, reliability, flexibility, and security in a consistent manner. The flexible, multifunctional D-View provides a comprehensive software toolbox using advanced network technology which can be accessed without installing the software to the client.

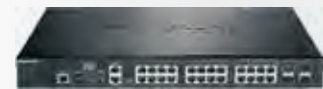
The D-Link 10G Switch is a multifunctional and powerful solution which improves productivity. Among products of the same grade, it demonstrates the most outstanding performance as it improves the reliability and redundancy of customer's infrastructure.



D-View -700



DXS-F3500-64S



DXS-3400-24TC/INEI



Going All Out to Fight Hackers

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

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

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

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

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

2019

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

2018

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

2017

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

2016

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

2014

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

2013

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

2012

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

2011

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

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

PRODUCT INFORMATION SECURITY MANAGEMENT PLATFORM

1.

Product vulnerability repair management
2.

Security incident management
3.

Product version database
4.

Vulnerability scanning and penetration testing report
5.

External security vulnerability database
6.

External information security news database
7.

Development document management
8.

Source code information security scanning report
9.

Suite information security management

Product information security system

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

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

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

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

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

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

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

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

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

Expected information security goals

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

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

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

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

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

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

Step 1: Stocktake GDPR requirements

1
GDPR extends the scope of application to organizations outside the EU which provide services and products to the EU. Therefore, international companies and institutions outside the EU have to comply with GDPR. Under the global operations framework, there are additional legal compliance requirements for the global operations and data utilization of branches outside the EU and the head office.

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

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

4
With protection by default and protection by design, GDPR has significantly improved require-

ments for personal data protection, including encryption and pseudonymization, and requires that privacy protection, technical control, and management control should be in place during the design of products, services, and processes. GDPR also has more and higher security standards for information security. Products and services provided by D-Link must comply with these requirements.

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

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

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

Step 2: Respond to GDPR measures

8
The adjustment of differences, as well as the redistribution and investment of resources are carried out based on the foundation of privacy protection established in the past.

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

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

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

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

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

13
Privacy by design is introduced by incorporating the principles of information security and privacy protection into product design and service design, to ensure that all product and service processes comply with privacy protec-

tion standard and GDPR principles.

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

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



Mission as Citizens of the Earth

Maintaining the Endless Growth of Mother Earth

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

,07

Our planet deserves our attention.

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

Our carbon footprint also drives our way of thinking. Based on the idea of product life cycle in ISO 14001, we continue to improve our methods for greenhouse gas life cycle analysis. When our assessment shows that a particular material, process or system has a significant negative impact on our carbon footprint, we will re-examine the method of product, process or facility design.

As a company which combines both software and hardware design for products, we can achieve outstanding energy performance by making good use of technological synergies. We produce more outstanding products using cleaner methods. We are committed to sustainable, eco-friendly operations, and this is not limited to offices at our operational bases around the world.

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

ronment when manufacturing excellent products. Every Generation of Products Designed by D-Link Is As Energy Efficient As Possible Having a smaller footprint has always been the direction for environmental protection that D-Link Green strives for. Our methods for manufacturing products account for the largest portion of our carbon footprint. It has been discovered that we can start with both the production of raw materials and the electricity used in the manufacturing process to effectively reduce our impact on the environment. Energy-saving products not only reduce our overall footprint, but also help you save on electricity bills.

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

Leading the Industry with Dual Certification SGS ISO 9001:2015 and ISO 14001:2015 The new editions of ISO 9001/ ISO 14001 are performance-oriented management systems, and are designed with a particular focus on high-level management participation, leadership and communication, interest groups' expectations, paying attention to the handling and

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

Compliance with International Standards, Non-Toxic Raw Materials D-Link's excellent electronic products are made of safe and non-toxic raw materials without lead, mercury, or cadmium. . . or other hazardous substances. Currently, we have audited and analyzed raw materials of tens of thousands of the components, and the recorded data have been accumulated in the system.

We exclude the use of toxic substances from each of our products and items. As of now, all raw materials containing lead or mercury have been phased out, and we have complied with the EU RoHS restriction of hazardous substances . In fact, in our supplier management process, records of the traceability of raw materials have been developed for a long time, so as to show the chemical substances of each material and each part of every product. This also helps us do a better job in reducing and eliminating toxic substances.

Our design and development team has adhered to EU environmental standards, developed green products in line with EU's Eup, RoHS, WEEE and REACH directives, in response to the green product development trends. Meanwhile, we have developed ecological norms for a number of products to help the business, project development units, and customers confirm green product eco-friendly specifications, as well as help the research and development personnel assess the product life cycle to obtain relevant environmental standards based on customers' requirements and to reduce the impact on the environment.



DGS-3630-28PC

The new-generation D-Link DGS-3630-28PC reduces energy consumption by 7% compared to the previous generation.

7% ↓



DGS-3630-52PC

The new-generation D-Link DGS-3630-52PC reduces energy consumption by 15% compared to the previous generation.

15% ↓



DGS-1016C

The new-generation DGS-1016C switch is 30% smaller in size, and weighs 5% lighter than the previous generation.

30% ↓



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

We Will Reduce And Eliminate These Toxic Substances Immediately Upon Identifying Toxic Substances in Our Products

We have managed the hazardous substances of our products in accordance with IECQ HSPM QC 080000 (Electrical and Electronic Components and Products Hazardous Substance Process Management System Requirements). From the aspects of regulations and customers' requirements, approval of parts, supplier management, material inspection, production and manufacturing, inventory, shipments, and relevant training.

Upon identifying toxic substances in our products, we will reduce and eliminate these toxic substances immediately or select new suppliers as well as seek more new sources of safer materials. These efforts have helped us remove toxic substances from the process, which not only protects our employees and consumers from health hazards, but also protects the Earth and prevents air and water pollution.

In addition, in terms of examination and supervision, through the RoHS Hazardous Substances analysis table and third-party chemical laboratory test reports, we have examined the content of the regulated substances listed and conducted regular and unscheduled spot checks on suppliers' incoming inspection reports and examination data on the production process. The bilateral cooperation with our suppliers, rather than just one-way evaluation and supervision, has significantly increased their qualification rate. Since our operation process does not involve any use of toxic items, there are no toxic waste, transportation, or leakage problems. In 2018, there had been no violation of any environmental laws and regulations; hence, no penalties or administrative fines had been imposed. D-Link's products are made of safe and non-toxic raw materials without lead, mercury, or cadmium. . . other hazardous substances.

Immediate specific actions can effectively prevent climate change.

We have identified the risks derived from cli-

mate change, including the increase in energy cost and carbon tax. We have continued to manage energy, improve energy efficiency, and implement low-carbon procurement and transportation at main operating bases. Meanwhile, we have continually paid attention to the development of climate change and have closely monitored and controlled the risks derived from climate change. In response to the global environmental protection trend, we have strived to seek various measures to reduce energy consumption. We have started with reduction of electricity consumption in the workplace to reduce our impact on the environment effectively. We have developed a specific energy-saving plan for the future. In the next five years, the lighting of D-Link's operation headquarters in Taipei will be replaced by energy-saving LED lights in a comprehensive manner. With 2016 as the base year, it is estimated to save 2.5% of electricity consumption.

D-Link records the use of electricity purchased externally and water resources through the disclosure of the input and output quantitative statistics of environmental information. The long-term records and disclosure of information will help us examine whether our eco-friendly measures have achieved the set targets every year. For more information on D-Link's responses to climate change and the action plans for reducing the consumption of natural resources, please refer to the chapter of GHG Emission Solutions and Performance.

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



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

Energy and Water Consumption

Category	2018	2017	2016
Average Number of People Per Year	635	602	607
Externally Purchased Electrical Power	3086600	3065600	3123400
Average Number of Using Externally Purchased Electrical Power Per Person	4860	5096	5144
Water Resources	11743	11468	10888
Average Number of Using Water Resources Per Person	18.49	19.06	17.93

Gas, Waste Water and Waste Emissions

Scope	Regulations or International Standards Identification	Item	Unit	2016	2017	2018
Greenhouse gases	ISO 14064-1	Scope 1	ton CO ₂ e	192.76	193.19	193.49
		Scope 2	ton CO ₂ e	1,637.40	1,607.10	1,694.57
Effluents	Water Pollution Control Act	Domestic effluents	m3	9,799	10,321	10,569
Wastes	Waste Disposal Act	General waste consumption	ton	11.85	11.80	12.27

Note

1. The data have not been verified by a third-party certification body.

2. Scope 1 / Direct emissions refer to emissions released from the generation of electricity at operating bases by burning coal, natural gas, and gasoline.

3. Scope 2 / Indirect emissions refer to emissions released from the generation of electricity externally purchased by operating bases.

Mission as Citizens of the Earth

Building a Green Supply Chain

Every year, we conduct in-depth investigations into environmental protection in the supply chain to continuously analyze low-carbon benefits, and develop various methods to help the supply chain reduce its impact on the Earth. We have set an example in this respect. Although it is at the preliminary stage of assisting suppliers in achieving the same goals, but we have taken a big step forward.

In 2018, our stable cooperative suppliers are from three major categories, namely (1) raw material suppliers, (2) transportation contractors, and (3) final assembly suppliers. Therefore, we boast a solid foundation for green manufacturing so that we can provide training to local suppliers and guide them to meet the requirements of global environment protection in terms of products and processes. Hence, local suppliers have also continued to improve their skills and knowledge, while improving their employees' traditional skills and training their procurement departments to select eco-friendly non-toxic raw materials, which indirectly promotes a new learning cycle. Our involvement in the local supply chain creates a network hub in Taiwan, enabling the switch industry to grow in S-curve fashion.

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

essment items include Quality, Cost, Delivery, and Service (QDCS), as well as various environmental regulations. Therefore, we employ an audit system to promote our suppliers' QCDS capabilities, and we have developed an audit procedure in each stage to help them comply with the "D-Link Supplier Management Regulations". Furthermore, we also recognize and have signed the environmental initiatives that are developed by external entities, while requiring our suppliers' commitments to these rules and regulations. The following are the environmental initiatives and regulations signed and agreed upon between the Company and the suppliers .

Suppliers need to meet the requirements of RoHS, WEEE, HSF environmental directives published by the EU.

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

Suppliers are requested to sign and make a commitment to the EU's REACH regulations

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

International Management System Certification

In addition to the aforementioned environmental initiatives and regulations, the suppliers are also required to introduce the international management system certification, and be certified by a third-party validation unit to ensure that their management processes and environmental policies are in line with international standards. During this reporting period, 100% of final assembly suppliers passed the QCDS Quality Review, 100% passed the ISO 9001 Quality Management System, 100% signed the Conflict-free Mineral Declaration, 30% passed the ISO 14064-1 Greenhouse Gas Inventory Standard, and 70% passed the ISO 14001 Environmental Management System.



Friendly Workplace

Adding Value to Employees' Careers

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

08

D-Link Has Employees All Around the World

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

D-Link is a global company comprising more than 2,200 employees. At D-Link, inclusiveness and diversity mean getting everyone involved. We welcome every person's opinions and beliefs, and believe that they can be fully taken note of by us. In Taiwan, we have combined the concept of smart family life and cloud services. In addition, we invest in R&D manpower to carry out the design and development of cloud platforms and application software and hardware. In 2018, the number of employees in Taiwan was 669. 663 employees are formal employees and 6 employees are informal employees. The number of male employees is 390, accounting for 58.82%; the number of female employees is 273, accounting for 41.18%. Average salary of full-time non-managerial employees is NT\$1,024 thousand.

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

In order to provide a warm, friendly and harmonious working environment meets the expecta-

tations of current regulations that balance within body and mind, family and career, D-Link facilitate nursing rooms with refrigeration equipment for the storage of breast milk, we also ensure strict access control to these rooms to protect the privacy and safety of our female employees at our headquarters in Taiwan. Furthermore, based on our internal evaluation and the recommendations from our employees, we partnered with competent nurseries/day-care centers in the neighborhood to provide enhanced nursery options to our employees. In Taiwan, in accordance with the "Act of Gender Equality in Employment " and the "Regulations for Implementing Unpaid Parental Leave for Raising Children," any employees who worked a six-month period in Company with at least one child below the age of three may apply for unpaid parental leave for up to two years. Upon expiration of the unpaid parental leave, we will arrange for the employee to be reinstated in the original department position.

A Variety of Welfare Programs

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

D-Link also provides our employees with a leave system beyond the stipulations of the Labor Standards Act. Our employees are entitled to annual full-pay for the first 7 days of their medical or menstrual leave, and 3 days of special leave in advance since the first day on board. This arrangement will allow both the body and the mind to be adequately rested and relaxed when needed. Furthermore, D-Link has set up dedicated lounges, staff restaurants, and gyms to create a comfortable office environment. The 2018 welfare committee has also organized a variety of fun employee welfare activities in conjunction with various festivals, including:

- » Year of the Dog Chinese New Year Event
- » "Energetic and Wireless Fun" Family Day Event
- » Movie Appreciation Day
- » Dragon Boat Festival Rice Dumpling Event
- » Mid-Autumn BBQ Gathering Event
- » Christmas Wishing Day Event

Subsidizing NT\$1 Million in Club Activities

We encourage employees to organize clubs. Currently, D-Link Taiwan Headquarters has 19 clubs, including Talent Club, Health Promotion Society, Baby Club, and Badminton Club, etc. The number of participants is 827. In 2018, a total of NT\$1 million was subsidized to all clubs. For an enterprise, the association enhances the cohesiveness of employees and promotes horizontal contact between teams. For employees, participating in the clubs after work not only cultivates healthy and leisure, but also networking with work contacts and colleagues.

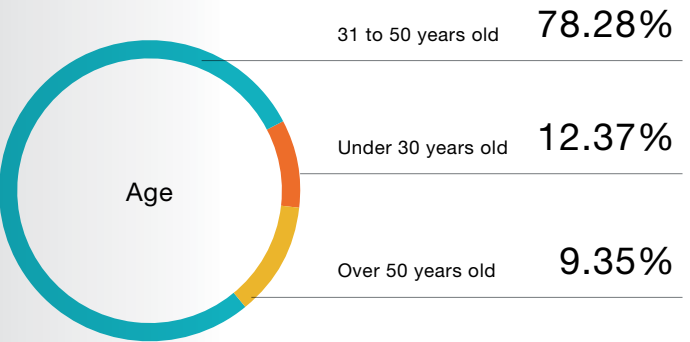




▼ Members of D-Link's Mountaineering Club challenged Dabajian Mountain and successfully reached the peak of the mountain.

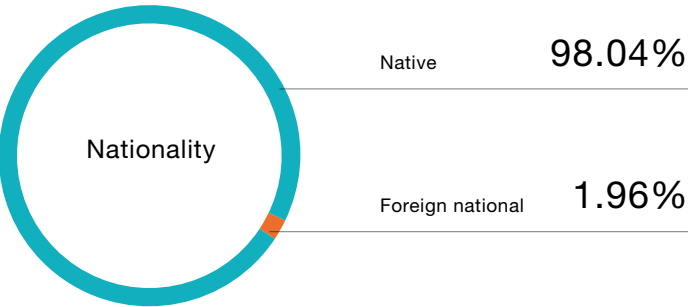
By Age

	Number	Percentage
Under 30 years old	82	12.37%
31 to 50 years old	519	78.28%
Over 50 years old	62	9.35%
Subtotal	663	100%



By Nationality

	Number	Percentage
Native	650	98.04%
Foreign national	13	1.96%
Subtotal	663	100.00%



Note
Based on the number of employees in office as of the last day of the fiscal year 2018.

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

		Male		Female		Subtotal	
		Number	Percentage	Number	Percentage	Number	Percentage
New employees	Under 30 years old	30	20.41%	16	10.88%	46	31.29%
	31 to 50 years old	63	42.86%	35	23.81%	98	66.67%
	Over 50 years old	2	1.36%	1	0.68%	3	2.04%
	Subtotal	95	64.63%	52	35.37%	147	100.00%
Departed employees	Under 30 years old	6	5.83%	4	3.88%	10	9.71%
	31 to 50 years old	53	51.46%	34	33.01%	87	84.47%
	Over 50 years old	4	3.88%	2	1.94%	6	5.83%
	Subtotal	63	61.17%	40	38.83%	103	100.00%

Note: As of the last day of the fiscal year 2018, the number of full-time employees is 663.

List of D-Link Clubs in 2018

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

Voluntary Compliance with the UN Universal Declaration of Human Rights

We voluntarily comply with the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the ILO Declaration of Fundamental Principles and Rights at Work, as the highest guiding principles for the rights and interests of our employees around the world.

D-Link advocates freedom of employment, which means all work should be done voluntarily. No employee should be forced to work against their will through coercion, mortgages, unreasonable contracts, or non-voluntary physical restraint. It is clearly stated in D-Link's CSR Code of Conduct that child labor is strictly prohibited; the employment of children below the minimum legal age is forbidden. Furthermore, to protect the mental and physical health of minors, it is also prohibited to force minors to work in difficult or dangerous conditions. There was no report of slavery or human trafficking in 2018. Moreover, we have extended human rights issues to suppliers year after year and asked them to abide by our human rights policy:

- » Integrity: Make no attempt to seek, agree on, offer, accept or deliver bribes or other improper business interests.
- » Ensure all work is done voluntarily and no employees have been forced or coerced into employment.
- » Eliminate child labor and prohibit any worker under the age of 18 from engaging in risky tasks.
- » Ensure all employees are entitled to at least one day off each week, and the weekly

working hours comply with the stipulations of local laws and regulations.

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

Investing in Employees' Future

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

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

Our employees have equal access to education and training regardless of gender. In 2018, a total of 500 employees participated in training programs. On average, each employee spent 3.17 hours taking training courses. Furthermore, male employees averaged 2.82 hours of training per year, while female employees averaged 3.67 hours of training.

Adding Value to Employees' Careers

D-Link's transparent talent goal performance management system effectively drives talents and teams to realize their potential and help global teams grow, as well as produce higher levels of performance, thereby adding value to

employees' careers.

Since 1992, D-Link has introduced the concept of "Management by Objectives" to systematically integrate the Company's vision, strategic objectives, and employees' work goals with the Company's development and needs. To this end, we facilitate communication and feedback through preliminary setting, mid-term review, and final assessment. In addition, different aspects of functional assessment of managerial/non-managerial employees are carried out to help the organization develop and use human resources properly. With the integration of the organization's business performance and the performance management system, the results of performance assessment are reflected in the promotion and reward system to motivate every employee with the growth of the Company. Except for contractors and employees who were reinstated for less than three months after taking a leave of absence, all employees who have served for three months or more (after probation) are required to participate in the regular performance and career development reviews.

579 employees, or 90.75% of all employees, received regular performance and career development reviews in 2018. If further differentiated by gender, 333 male employees (89.76% of all male employees at the end of reporting period) received regular reviews. 246 female employees were from that total received regular reviews, or 92.13% of all female employees at the end of the report. In addition, more information on the regular reviews by employment position during the reported period is available in "Percentage of Employees Receiving Regular Performance and Career Development Reviews by Gender and Employment Position".

Adhering to A Safe Working Environment of High Standards

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

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

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

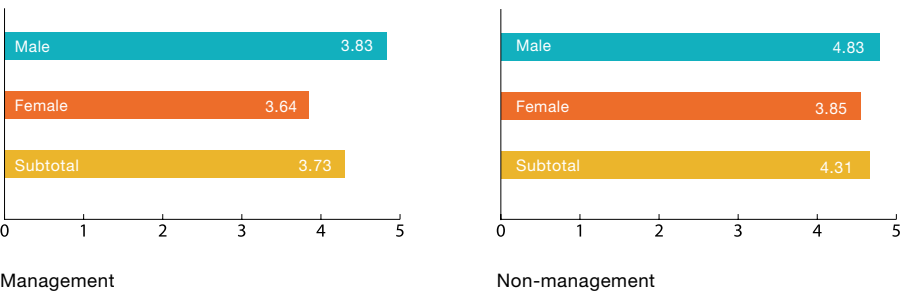
Work Injury Types, Work Injury Frequency, Occupational Disease, Days Lost and Absentee Rate during Reported Period

Item	Work Injuries		Commute	
	Male	Female	Male	Female
Number of people	0	0	2	2
Work hours lost	0	0	48	24
Working days lost	0	0	6	3
Absentee Rate (AR)	0	0	7.59	3.79
Integrated Absentee Rate (AR)	11.38			
Disabling Injury Frequency Rate (FR)	3.16			
Disabling Injury Severity Rate (SR)	7.11			
Frequency-severity Indicator (FSI)	$\sqrt{(3.16 \times 7.11) / 1000} = 0.14$			

Note 1: Total number of days worked: 158,154 days
Note 2: Total person-work hours: 1,265,232 hours
Note 3: Reference period: January 1, 2018 to December 31, 2018

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

	Male	Female	Subtotal
Management	3.83	3.64	3.73
Non-management	4.83	3.85	4.31
Average Hours of Training per Employee	2.82	3.67	3.17



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

	Male			Female			Subtotal		
Item	Total number of employees at end of report	Number of employees receiving regular reviews	Percentage	Total number of employees at end of report	Number of employees receiving regular reviews	Percentage	Total number of employees at end of report	Number of employees receiving regular reviews	Percentage
Code	A	B	C=B/A	D	E	F=E/D	G	H	I=H/G
Management	71	71	19.14%	46	46	17.23%	117	117	18.34%
Non-management	262	262	70.62%	200	200	74.91%	462	462	72.41%
Subtotal	371	333	89.76%	267	246	92.13%	638	379	90.75%

Note
The following personnel has not received the regular performance and career development reviews: (1) contract employees, (2) employees still on probation by the deadlines of the reviews, and (3) employees reinstated from leave of absence for less than three months by the deadlines of the reviews. The deadlines of the reviews are June 30 and December 31.

Participation in Civic Activities

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

- Taipei
- Italy
- India
- Spain
- Russia

09

Participation in Civic Activities

1st stop of D-Link's Global Charity Program: Taipei Donating blood to prolong lives



260 bags of blood donated to prolong lives

With the advancement of modern medicine, demand for blood continues to increase day by day. To ensure that all kinds of patients can receive sufficient blood for treatment at all times, it is important for the public to actively and regularly donate blood. Furthermore, blood donation is a good deed which not only helps others, but also benefits ourselves. It not only can promote metabolism and benefit health, but most importantly, it also can help save precious lives.

So far, blood is so important that it still cannot be totally replaced by man-made products. It is necessary to encourage the public to donate blood. D-Link's operational headquarter in Taipei has long supported blood donation activities organized by the Taipei Blood Center, Taiwan Blood Services Foundation, via blood donation vehicles at our office, thus making it convenient for our colleagues to donate blood after working hours, and also residents staying near our other offices to join the event. The entire company shows the spirit of "donating a bag of blood to save a life" and "relay with love to prolong lives" to do our part for the society. 260 bags of blood were donated in 2018.



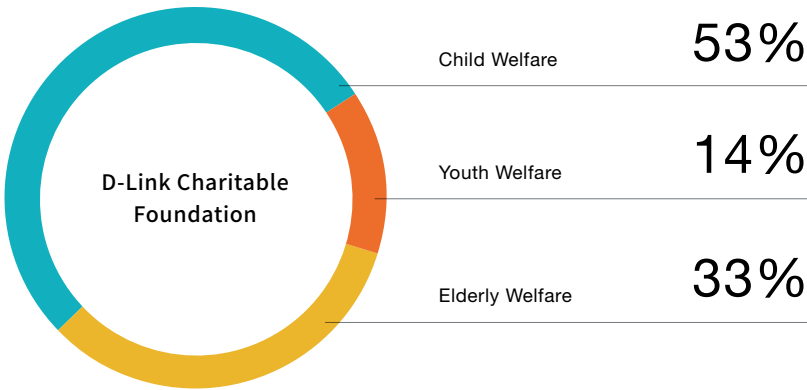
Walk for love as volunteers spread the power of love

Members of the Care Club at D-Link's operational headquarters in Taipei, including Jenny, Dennis, Becky, and Rebecca, responded to the "2018 Love Ring the World", a healthy walk event held in Taoyuan which allows friends with spinal cord injury to go outdoors and provides them with the opportunity to see the sun and embrace nature through the simplest healthy walk event, while building a mechanism for interacting with the public and calling upon the public to pay serious attention to accidental injuries, so as to prevent spinal cord injuries.



Transforming the footprints of the world by participating in shoe collecting activities

According to NPO, the Step30 International Ministries, many children in the south of Sub-Saharan Africa are unable to live beyond five years old, while millions of schoolchildren have no shoes to wear, and have to take a 90-minute walk to school every day. Dermatophilosis is a common disease among African children who do not wear shoes. Many children have died because of this disease. Dermatophilosis, which erodes both feet, also shatters dreams. The Care Club at D-Link's operational headquarters in Taipei participated in the shoe collecting activity, where seven boxes of items comprising shoes, short sleeve shirts, bags, and other materials, were donated in 2018 to help African children so that they can transform the footprints of the world.



D-Link Charitable Foundation

In 1994, D-Link set up the D-Link Charitable Foundation to provide social assistance, care and feedback for those who are in need. Its goal was to invest long in social welfare activities, such as child and youth welfare, welfare for the elderly, disability assistance, women's welfare, and medical welfare. The Charity Club was established to strengthen the participation of colleagues. It is currently still in operation, bringing together the care from our colleagues for those who are in need. D-Link has cumulatively donated over NT\$16.85 million since 2011. In 2018, the proportion of recipients was 53% for children welfare, 14% for youth welfare, and 33% for the elderly. In 2018, the donation recipients include the Elder Welfare Concerned Association, the Taipei Long-term Care Development Association, the New Taipei City New Hope Church (the Elderly Care Base), the Asia-Pacific Diversified Learning Association, and the Hualien County Holistic Care Association.



Contributions to Elderly Welfare

In line with the long-term elderly care policy by the Ministry of the Interior, and the "Community Care - the 120 Heart Base for the Elderly" dining concept by the Department of Social Welfare, Taipei City Government, the D-Link Charitable Foundation purchased cooked meals, which have passed safety and hygiene inspections, from social enterprises, and donated them to three financially constrained elderly care units in Taipei City and New Taipei City. Not only has D-Link actively responded to the new elderly care measures set forth by the competent authority, but also added a new chapter regarding social welfare to D-Link's contributions to charity for the elderly.

To meet the tastes of the elderly and the dining needs of many people, D-Link donated set meals, with each suitable for 3 to 4 persons and provided in big portions of approximately 180 different types of dishes, such as braised meatball with soy sauce and pork with chestnut, for 500 to 600 elderly people. For special recipients such as elderly people who are over 65 years old and are unable to visit the dining location, elderly care organizations delivered the set meals straight to their doorstep, providing warmth to each elderly person.

The D-Link Charitable Foundation has set up the “Starlight Classroom” in remote areas and within disadvantaged communities to provide care and giving at a local level. The Company provides subsidized meals and after-school tutoring for children from first grade in elementary school (first grade) to third grade in junior high school (ninth grade) in Keelung, New Taipei City, Hualien, Taitung, and other areas. In 2018, various activities, such as after-school tutoring, computer, kendo, painting, and oral expression classes were held. We hope to support both knowledge and character development in children by expanding their learning scope with diverse curriculum. D-Link’s Starlight Classrooms located in Keelung, Hualien, and Taitung.

D-Link's Starlight Classroom

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

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

Preliminary stage

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

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

Intermediary stage

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

Long-term stage

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

Success Story 1

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

Success Story 2

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

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



◀ D-Link Chairman Lori Hu (right) personally donated used computers to social welfare groups

D-Link Charitable Foundation Classes organized by the Starlight Classroom Project in 2018



Tutoring Class

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



Computer Class

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



Kendo Class

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



Painting and Oral Expression Class

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

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

2nd stop of D-Link's Global Charity Program: Italy Ending the war of public opinion and raising awareness of media literacy

Online platforms and social media have previously led to a beautiful new world. However, why can these platforms seriously hurt democracy and freedom, and even result in cyberbullying? When the Internet is used as a tool for political purpose, fake messages and hateful public opinion have spread via the Internet to every corner of the world, unknowingly turning us into accomplices. The intricate forces of online platforms and social media have interweaved a world where it is difficult to distinguish between real and fake news. In particular, specific business groups have even launched related services to assist political groups or extremist institutions in sending posts continuously to guide public opinion and forward news to bolster their stand.

In response to the social issue above, D-Link Italy initiated an event named "Connettiti Responsabilmente", which means "responsible communication" in Italian. Moreover, we have even built a dedicated website (<https://connettiti-re-sponsabilmente.it/>) to compile all the information and results of this event. D-Link Italy divided this public relations event into four stages, and communicated it to the people throughout the country. The purpose of this event is to end the war of hateful public opinion and raise awareness of media literacy.

1. D-Link invited a female Italian television anchor to serve as the ambassador of our activity. She posted two articles whose dissemination effects were significant.



Initiate topic setting
Are you always posting messages on the Internet? In order to raise this question, we posed images of scenes that may be related to improper behavior on Facebook, and invited people to share this news and comment on it. The results of Stage 1 activity were fruitful as we obtained many shares and comments. We even invited a popular female Italian television anchor to serve as the ambassador of this stage. She posted two articles whose dissemination effects were significant.

2. D-Link published a report on online speech research, and reminded Italian people to not only have an awareness of media literacy, but also be alert in identifying fake messages.



War of public opinion during the Italian election
All the election campaigns were full of struggles behind the war of public opinion. Especially during the contemporary era when everyone can go online, it is even easier for extremists to stir up people's emotions and stimulate hate speech. D-Link Italy used a tool named "Crimson Exagon" to analyze how many offensive statements, vulgar comments and tweets were present on social media. The analysis was conducted from January 1, 2018 to February 12, 2018, where approximately 2 million comments on social media were analyzed. In the end, we obtained nearly 140,000 statistical analysis results. Thereafter, we published a press release on the statistical report, with detailed infographics attached.

It enabled politicians around the world to witness the power of social media, and to know that without the need for traditional media, direct dialog with the public can transform a country's politics.

The conclusion we reached was as follows: "Hate speech online will continue to spread to actual behavior among the public offline. This will be a very serious phenomenon, and we must face up to it. D-Link reminds the Italian people to not only have an awareness of media literacy, but also be alert in identifying fake messages." The results report for the activity in this stage has made us headline news on national newspapers, and resulted in interviews with us.

3. D-Link and McAfee worked together to build the D-Fend AC2600 Wireless Router, with a view to providing a fully integrated solution for the network security of home network connection devices.



Be responsible from a technical perspective
D-Link Italy guided the public on how to use hardware technology and how to ensure information security. We have set up and shared a series of rules and tips on how to effectively prevent malicious software attacks or intrusion by hackers when connecting to the Internet. This is also the information security protection goal enhanced for D-Link products in recent years.

4. D-Link Italy launched a #ConnettitiResponsabilmente event which aims to combat cyberbullying and reduce attacks and damages in the virtual world.



Cyberbullying
Cyberbullying refers to a type of bullying incident that occurs on the Internet, and is a type of computer crime. Common examples of cyberbullying include repeating and constantly using verbal violence against other netizens, publicly revealing victims' personal information, real name, and looks, or attacking the same victim using different accounts and identities, causing the victim to mistakenly think that many people hate and attack him or her, etc.

D-Link Italy launched an activity which aims to raise the attention of local high school students on the issue of cyberbullying. We held an anti-cyberbullying promotion contest between two local high schools. According to the rules of this contest, high school students must create an anti-cyberbullying promotion campaign using posters and short videos, which must stress on the severity of cyberbullying. The winning works would be shown in secondary and elementary schools nationwide.

The goal of the #ConnettitiResponsabilmente activity was to ensure that all activities on the Internet must be linked to responsible behavior. D-Link's anti-cyberbullying activity, which aims to reduce attacks and damages in the virtual world, has allowed us to extend our role as a network communications device and hardware expert to becoming a warm caregiver in a civilized society. For more information, feel free to visit D-Link's #ConnettitiRe-sponsabilmente website.

3rd stop of D-Link's Global Charity Program:
India Giving children a hope notebook to unleash
unlimited creativity



Nearly 2 metric tons of garbage were cleared during a beach cleanup in Mumbai

D-Link India jointly organized a beach cleanup activity along Khar Danda in Mumbai with a local NPO, Self4Society. Over 40 passionate volunteers from D-Link participated in the activity. At the end of the activity, nearly 2 metric tons of garbage were cleared. Through such a concrete action, we appeal to local residents to take good care of the environment, and not to litter.



Donating notebooks to encourage children to unleash unlimited creativity

D-Link donated hope notebooks to a large number of Indian children so that they can unleash unlimited creativity. Education is a powerful tool that can transform individuals and the society. By collaborating with schools and educational institutions, D-Link India lent a helping hand to poor students and supported their dream of pursuing a better future. Sanmitra Mandal Vidya Mandir is a government-funded school which provides high-quality education to Indian children from economically backward regions.

In 2018, D-Link sponsored a large number of notebooks, so that disadvantaged Indian children in financially constrained regions can enjoy equal learning opportunities and resources, while also encouraging children to explore an infinite universe and unleash unlimited creativity.



Donating dialysis machines to hospitals and providing health care to disadvantaged kidney patients

Providing health care to socially marginalized and poor groups is vital to the overall well-being of the entire society. We choose to work with disadvantaged groups, such as the disabled and the poor. We are committed to improving relations with these community care NPOs. We work closely with institutions that subsidize medical services. For instance, we collaborated with a Mumbai-based non-governmental organization, Shree Multan Sev Summit to support a series of health care-related charities.

In October 2018, D-Link India sponsored several dialysis machines to BSES Hospital in Andheri, so that economically disadvantaged kidney patients can benefit from health care services.



▲ Guided activity carried out by D-Link

4th stop of D-Link's Global Charity Program: Spain Participating in fundraising for children's charity care

We donate to NPOs to help disadvantaged children. D-Link Spain made donations to a NPO named "Fundación Tierrade Hombres" by organizing a charity gala dinner in Madrid, Spain for the fifth consecutive year. This organization is committed to children's charity care, and raises funds to continue helping disadvantaged children.

Tierra de
hombres

Participation in Civic Activities

5th stop of D-Link's Global Charity Program: Russia Collaborating to offer STEM courses to benefit tens of thousands of students

Collaboration with the university to offer STEM courses to benefit tens of thousands of students

D-Link Russia attaches great importance to the next generation of science, technology, engineering, and mathematics (STEM) skills, and thus has established collaboration with local schools, colleges, and universities.

Until 2018, D-Link Russia and an alliance of these famous universities have opened 20 authorized training centers so that tens of thousands of students can acquire STEM skills. At the same time, D-Link has also organized free training seminars in over 30 local regions. In order to enable learning to break time and spatial limits, the D-Link Digital Learning website has been set up to launch free online courses and webinars to benefit tens of thousands of students.

A D-Link-authorized training center located in Ryazan State University, Russia



Guided activity at D-Link office

The D-Link Education Team regularly carries out guided activities at the Ryazan office to inspire and motivate students to learn about information technology.

Guided activity carried out by D-Link



Sponsoring the Abilympics Professional Skills Competition for people with disabilities



Supporting the Abilympics Professional Skills Competition for People with Disabilities so that they can adapt and integrate into the society

D-Link Russia supports the information technology competition events in the International Abilympics Professional Skills Competition, including network security, network and system management, software development, database management, etc., and donates prizes during the award ceremony. Abilympics is a global professional skills competition, which originated in 1972, and is currently participated by over 40 countries around the world. The purpose of this event is to create an effective system for people with disabilities so that they can adapt and integrate into the society, while increasing employers' willingness to hire employees with disabilities.

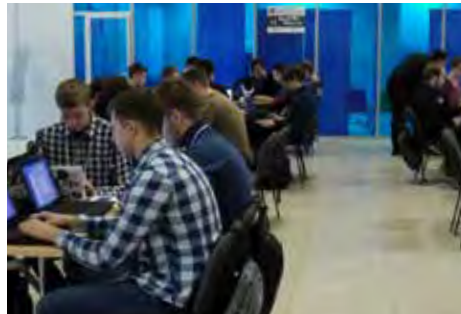
The "Russian National Vocational Guidance Festival" social welfare event participated by D-Link



Participating in the Russian National Vocational Guidance Festival to stimulate the unlimited potential of secondary school students

The "Russian National Vocational Guidance Festival" social welfare initiated by the President of Russia, aims to provide early career guidance to local students aged 12 to 17 years old. As a network communications expert, D-Link has been invited to this social welfare event. The D-Link Team launched a network laboratory to provide participating students with first-hand in-depth guidance and training courses. At the same time, students can also try to be network administrator, and learn the skills that an information technology specialist should possess in practice. The "Russian National Vocational Guidance Festival" assists young students in tapping their potential and future goals, so that millions of students will have the opportunity to identify their future aspirations.

D-Link supported the 5th Cyber Security Competition



Sharing network communications resources to assist in organizing the 5th Cyber Security Competition

D-Link supported the 5th Cyber Security Competition, which was held in Omsk, the capital of Omsk Oblast located in West Siberia. According to one of the goals of this event, if a participant detects public interest information technology and internet protocol address (IP address) vulnerabilities, he or she can notify the operator of the problem, and formulate specific measures to eliminate these vulnerabilities.

D-Link believes that nurturing the next generation of network security experts and talents is the foundation of the IoT era in the future. D-Link provided complete network devices, and deployed high speed network for this event. By supporting this event, we encourage talented young people, and hone their skills. D-Link is very supportive of this kind of innovative spirit, and is willing to strengthen collaboration and continuously share resources, including technologies, tools, professional talents, etc. with industry partners.



Group photo of students learning software engineering in summer school in 2018

Organizing Summer Learning Camps

D-Link's R&D center in Russia regularly organizes summer learning camps to provide students aged 13 to 17 years old with the opportunity to learn software engineering skills.

Appendix

Appendix A : GRI Standards Comparison Table

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

Appendix C : Table of Stakeholder Engagement and Frequency of Communication

Appendix A:
GRI Standards Comparison Table

GRI Standards	Material Topics	Disclosure No.	Disclosure Item	Page
GRI 102:2016				
GRI 102	Organizational profile	102-1	Name of the organization	10-13
GRI 102	Organizational profile	102-2	Activities, brands, products, and services	10-13
GRI 102	Organizational profile	102-3	Location of headquarters	10-13
GRI 102	Organizational profile	102-4	Location of operations	10-13
GRI 102	Organizational profile	102-5	Ownership and legal form	10-13
GRI 102	Organizational profile	102-6	Markets served	10-13
GRI 102	Organizational profile	102-7	Scale of the organization	10-13
GRI 102	Organizational profile	102-8	Information on employees and other workers	10-13
GRI 102	Organizational profile	102-9	Supply chain	10-13
GRI 102	Organizational profile	102-10	Significant changes to the organization and its supply chain	10-13
GRI 102	Organizational profile	102-11	Precautionary Principle or approach	10-13
GRI 102	Organizational profile	102-12	External initiatives	10-13
GRI 102	Organizational profile	102-13	Membership of associations	10-13
GRI 102	Strategy	102-14	Statement from senior decision-maker	12
GRI 102	Ethics and integrity	102-16	Values, principles, standards, and norms of behavior	32-35
GRI 102	Governance	102-18	Governance structure	32-35
GRI 102	Stakeholder engagement	102-40	List of stakeholder groups	Appendix C
GRI 102	Stakeholder engagement	102-41	Collective bargaining agreements	Appendix C
GRI 102	Stakeholder engagement	102-42	Identifying and selecting stakeholders	Appendix C
GRI 102	Stakeholder engagement	102-43	Approach to stakeholder engagement	Appendix C
GRI 102	Stakeholder engagement	102-44	Key topics and concerns raised	Appendix C
GRI 102	Reporting practice	102-45	Entities included in the consolidated financial statements	6-9
GRI 102	Reporting practice	102-46	Defining report content and topic Boundaries	6-9
GRI 102	Reporting practice	102-47	List of material topics	6-9
GRI 102	Reporting practice	102-48	Restatements of information	6-9
GRI 102	Reporting practice	102-49	Changes in reporting	6-9
GRI 102	Reporting practice	102-50	Reporting period	6-9
GRI 102	Reporting practice	102-51	Date of most recent report	6-9
GRI 102	Reporting practice	102-52	Reporting cycle	6-9
GRI 102	Reporting practice	102-53	Contact point for questions regarding the report	6-9
GRI 102	Reporting practice	102-54	Claims of reporting in accordance with the GRI Standards	6-9
GRI 102	Reporting practice	102-55	GRI content index	6-9
GRI 102	Reporting practice	102-56	External assurance	6-9
GRI 103:2016				
GRI 103	Management Approach	103-1	Explanation of the material topic and its Boundary	8/12/16/34/38/60/68/76/82
GRI 103	Management Approach	103-2	The management approach and its components	As above
GRI 103	Management Approach	103-3	Evaluation of the management approach	As above

GRI Standards	Material Topics	Disclosure No.	Disclosure Item	Page
GRI 200:2016				
GRI 201	Economic Performance	201-1	Direct economic value generated and distributed	10-13
GRI 201	Economic Performance	201-3	Defined benefit plan obligations and other retirement plans	74-81
GRI 203	Indirect Economic Impacts	203-1	Infrastructure investments and services supported	82-95
GRI 205	Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	32-35
GRI 300 2016				
GRI 301	Materials	301-2	Recycled input materials used	66-73
GRI 301	Materials	301-3	Reclaimed products and their packaging materials	66-73
GRI 302	Energy	302-1	Energy consumption within the organization	66-73
GRI 302	Energy	302-4	Reduction of energy consumption	66-73
GRI 302	Energy	302-5	Reductions in energy requirements of products and services	66-73
GRI 303	Water	303-1	Water withdrawal by source	66-73
GRI 305	Emissions	305-2	Energy indirect (Scope 2) GHG emissions	66-73
GRI 306	Effluents and Waste	306-2	Waste by type and disposal method	66-73
GRI 308	Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	66-73
GRI 400:2016				
GRI 401	Employment	401-1	New employee hires and employee turnover	74-81
GRI 401	Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	74-81
GRI 401	Employment	401-3	Parental leave	74-81
GRI 403	Occupational Health and Safety	403-1	Workers representation in formal joint management–worker health and safety committees	74-81
GRI 403	Occupational Health and Safety	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	74-81
GRI 403	Occupational Health and Safety	403-3	Workers with high incidence or high risk of diseases related to their occupation	74-81
GRI 404	Training and Education	404-1	Average hours of training per year per employee	74-81
GRI 404	Training and Education	404-3	Percentage of employees receiving regular performance and career development reviews	74-81
GRI 405	Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	74-81
GRI 406	Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	74-81

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

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

Appendix C:
Table of Stakeholder Engagement and Frequency of Communication

Stakeholder Engagement, Identification, and Selection

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

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

Methods, Frequency, and Particular Procedures of Engagement with Stakeholders

We employ various methods of engaging with,

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

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

▼ Frequency of Communication with Stakeholders

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

D-Link®

D-Link, D-Link logo, D-Link sub brand logos, and D-Link product trademarks are trademarks or registered trademarks of D-Link Corporation and its subsidiaries. All other third party marks mentioned herein are trademarks of their respective owners.

Copyright ©2018 D-Link Corporation. All Rights Reserved.

D-Link®