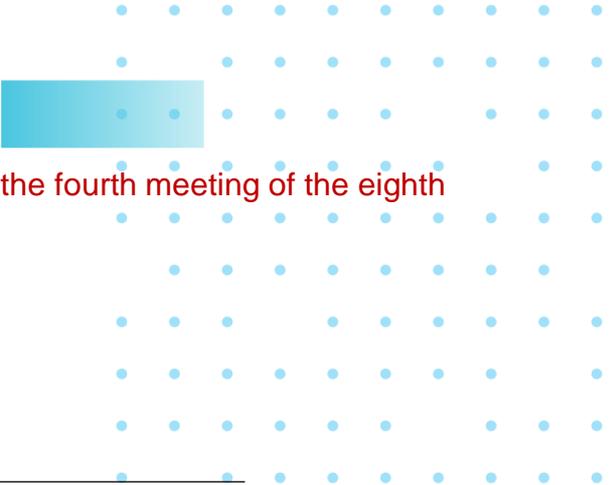


A decorative graphic consisting of a solid blue horizontal bar above a solid purple horizontal bar, both positioned to the right of the main title.

# Intellectual Property Management Report

A decorative graphic consisting of a solid cyan horizontal bar above a grid of small, light blue dots, both positioned to the right of the disclaimer text.

\*This intellectual property management report has been presented in the fourth meeting of the eighth board of directors on October 26, 2020.

Presenter: Joe

October 26, 2020

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# Intellectual Property Management

The following intellectual property management reports are regularly reported to the board of directors by CTO (the supervisor of R&D center) once a year

## • Intellectual Property Management Strategy:

- 1st Stage - (2000-2016) experienced growth in the number of patents.
- 2nd Stage - (2017-2023) focused on intellectual property quality, while increasing the number of valid patents.
- 3rd Stage - (2024 onwards) to create intellectual property value.

## • Intellectual property management system

- Establish process specifications for management operations, resource provision, acquisition, maintenance, protection, analysis and improvement of the intellectual property.

## • Intellectual Property Management Policies

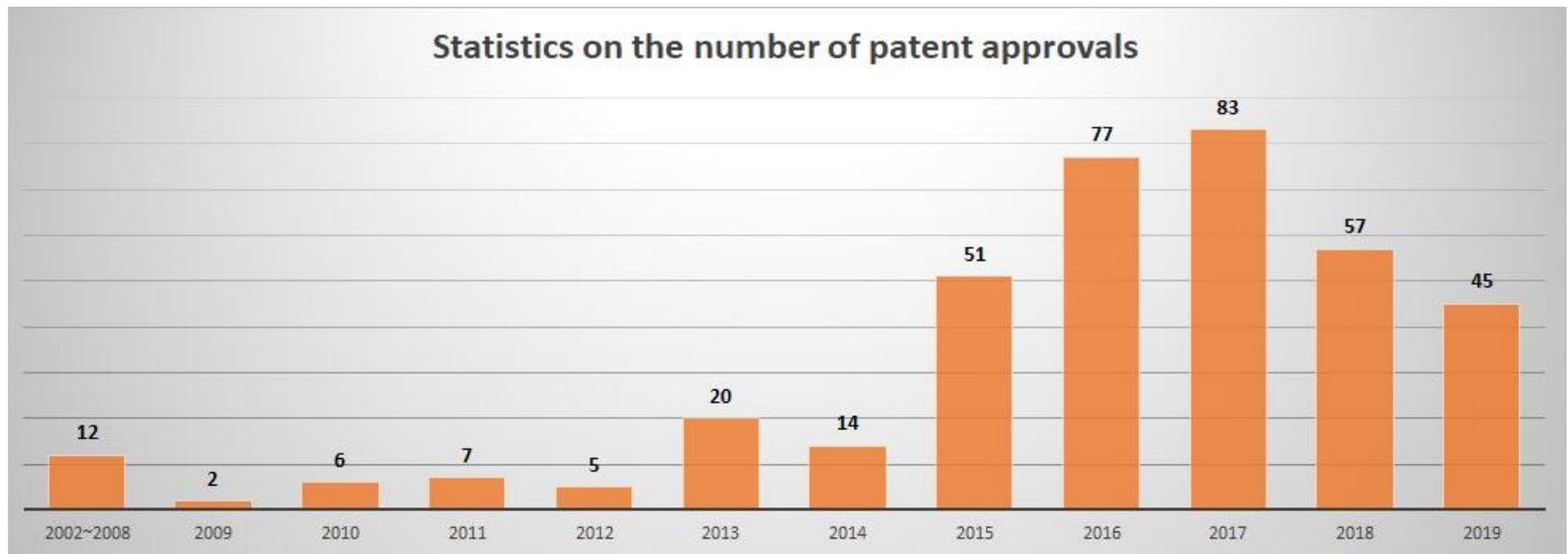
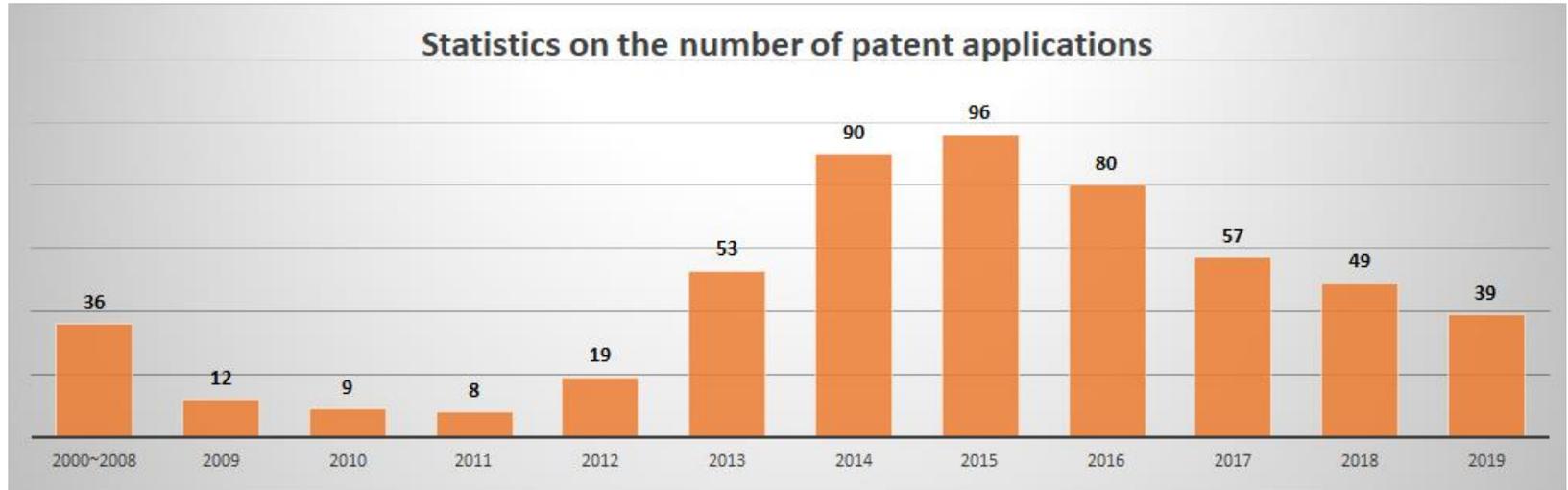
- 「 Deeply cultivate key technologies 」 、 「 Reduce operational risks 」 、 「 Strengthen the planning of intellectual property 」 、 「 Create intellectual property value 」

# Intellectual Property Management

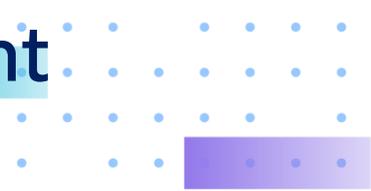


- Intellectual Property Management Strategy:

- 1st Stage - (2000-2016) experienced growth in the number of patents.

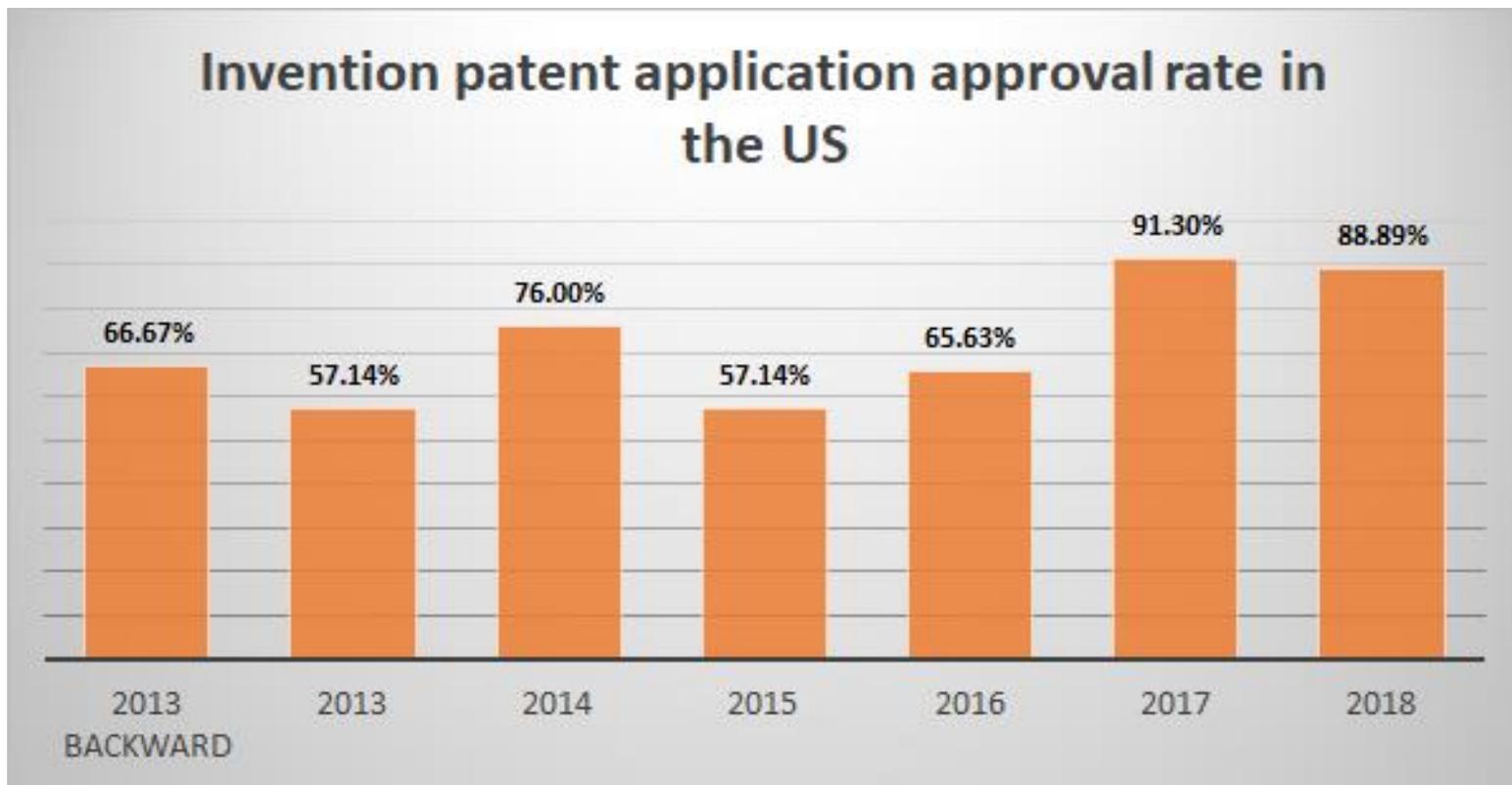


# Intellectual Property Management

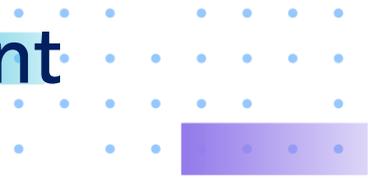


- **Intellectual Property Management Strategy:**

- 2nd Stage - (2017-2023) focused on intellectual property quality, while increasing the number of valid patents.



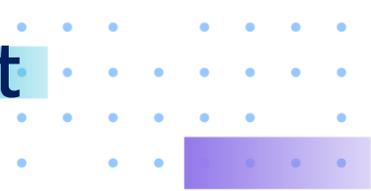
# Intellectual Property Management



- Intellectual Property Management Strategy:

- 3rd Stage - (2024 onwards) to create intellectual property value.
  - ✓ Enhance company's competition
  - ✓ Raise the barriers for industry competition
  - ✓ Strengthen brand image
  - ✓ Reduce operational risks

# Intellectual Property Management



- Intellectual property management system:

- **Patent management**

VIVOTEK established intellectual property department task force on intellectual property proposals and rewards.

Related Management Procedure : 《 Patent application Management Procedure 》 、 《 trademark Operation Management Procedure 》 and 《 Employee Patent Award Management Measures 》 .

- **Trade Secret Management**

The regulations related to trade secrets are clearly stipulated in the employee employment contract.

Department directors define and manage the items of trade secrets and update the "trade secrets list" regularly.

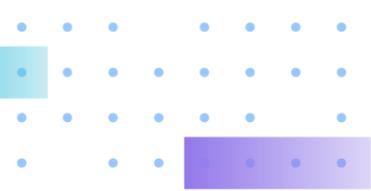
Related Management Procedure : 《 Organization Responsibility Management Procedure 》 and 《 Confidential Management Procedure 》 .

- **Copyright Management**

All creative works are recorded and saved when completed, and the "Copyright List" is regularly updated for management.

Related Management Procedure : 《 Document and Data Management Procedure 》 and 《 Records Management Procedure 》 .

# Intellectual Property Management



## •Intellectual property management system:

In order to effectively and perfectly operate its intellectual property management system, the Company holds a management review meeting before the end of the year (last held on September 7, 2019) to discuss the intellectual property management policies and goals for the following year that all employees need to know.

The formulation of policies and targets would consider:

- ✓ current intellectual property related laws and regulations,
- ✓ the Company's operating strategies,
- ✓ External environmental changes,
- ✓ internal and external issues,
- ✓ Stakeholders,
- ✓ performance and improvement of implementation of the Company's internal intellectual property management system, etc.

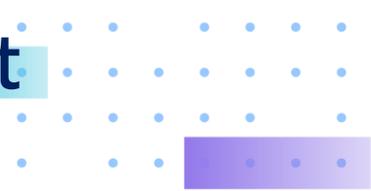
In addition, amendments to policies, targets, processes, performance of intellectual property management are reviewed during the management meeting to ensure appropriateness and effectiveness of the intellectual property management system.

# Intellectual Property Management

- Taiwan Intellectual Property Management System (TIPS) Certification
- implementation mechanisms in recent years:
  - 2014 => Established a systematic intellectual property management system, formulated the Company's Intellectual Property Management Policies and Goals, and passed Intellectual property management system (TIPS) verification for the first time.
  - 2017=> Based on new TIPS regulations (2016 version), as well as internal and external circumstances, stakeholders, and risks & opportunities, the Company formulated its Intellectual Property Management Policies and Goals to comply with 2016 TIPS verification standards. Passed new TIPS regulations (2016 Version) verification

The Company has obtained TIPS certification for 7 consecutive years since receiving its first in 2014. The latest verified date is October 22, 2019, and [certification registration is valid until December 31, 2021.](#)

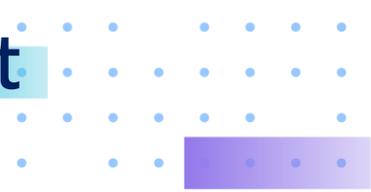
# Intellectual Property Management



## •Possible Intellectual Property Risks, Opportunities and Corresponding measures

Possible Risks/Opportunities	Corresponding Measures
During the product development process, there may be opportunities for infringement risks and proposal opportunities of intellectual property.	The intellectual property department will evaluate the possible risks and opportunities of new product development cases, so as to make patent applying proposals or design around, etc.
When colleagues have little to no knowledge of intellectual property, it may cause damage to the Company's intellectual property management system.	In light of this, VIVOTEK has taken active measures, in addition to requiring all new employees to complete basic intellectual property training within a specified period and attend annual trainings to increase their knowledge on intellectual property.

# Intellectual Property Management



## Intellectual Property Statistics

### Patent:

As of September 15, 2020, the Company has accumulated a total of 560 patent applications all over the world.

The total patents granted worldwide have reached 406. In 2017 and 2018, the Company's invention patent approval rate reached 91.3% and 88.9% in the US, respectively.

### Copyright and trade secrets: Steady growth.

Statistics on intellectual property rights as of September 15, 2020

Intellectual property rights		Number of cases
Invention patent	Number of certificates received	318
	Number of applications	51
Utility model patent	Number of certificates received	17
	Number of applications	0
Design patent	Number of certificates received	71
	Number of applications	8
Copyright 、 trade secrets		Steady growth