

CS²R

2010 Corporate Sustainability &
Social Responsibility Report

Wistron Corporation



Editorial Policy

Welcome to the second issue of the “Corporate Sustainability and Social Responsibility (CS²R) Report” published by the Wistron Corporation (“Wistron”). This report is published in both Chinese and English and has been posted on our website for free download. Through the disclosure of transparent information in this report, we hope that all interested parties will be able to have a better understanding of Wistron’s practices and achievements in 2010 in fulfilling our corporate sustainability and social responsibility goals.

Wistron Corporate Sustainability and Social Responsibility website:
<http://www.wistron.com/about/cs2r.htm>

Period Covered

Every year, Wistron issues a Corporate Sustainability and Social Responsibility (CS²R) Report covering our performance and achievements for the preceding year. This report covers Wistron’s CS²R management policy, key issues, actions and performance information for the year 2010 (January 1 to December 31, 2010).

Boundary and Scope

The organizational boundary of information covered in this report included Wistron’s operation sites in Taiwan area (Hsichih Office & Hsinchu Site), China area (Kunshan Site and Zhongshan Site). The scope of reported information covers the performance information in economic, environmental and social aspects.

Guideline for Report Preparation

The preparation of this report followed the Sustainable Reporting Guideline, version G3 (GRI G3), published by Global Reporting Initiative (GRI). The content of this report has been verified by an independent third party verifier, based on AA1000 standards, in compliance with the requirements of the GRI G3 B+ level.

Comments

We welcome any suggestions and comments regarding this report. We appreciate these suggestions and comments and will use them as valuable input as part of our process of continual improvement.

Contact Us

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Contents

Editorial Policy	2
Performance Summary	4
Declaration of the Management .	5



Company Profile

Products & Services	9
Global Operations.....	12
Financial Performance	14
Awards & Recognition	15



Accountable Management

Corporate Governance	17
Risk Management	21
Corporate Sustainability & Social Responsibility Management	24
Stakeholders	27
Customers Satisfaction	30



Sustainability

Climate Change	33
Environmental Management .	38



Innovation

Sustainable Design.....	48
Green Cycle.....	54
Supply Chain Management ..	56



Humanity

Employee Care	60
Wistron Foundation	75
Social Participation.....	80

Assurance Statement... 82

GRI Index..... 84



Performance Summary

Aspects	Performance Indicators	Unit	2010	2009	2008
Economic	Total revenue	million NT\$	615,185	546,666	445,118
	Earning per share	NT\$	6.15	5.23	4.57
	Total sales volume	piece/each	54,594,480	44,685,910	33,754,491
Environmental	Total GHG emissions	tonne-CO ₂ e	196,548	182,514	126,579
	— Scope 1		9,744	12,820	6,339
	— Scope 2		186,804	169,694	120,240
	GHG emission per unit revenue	Kilo-tonne /billion NT\$	0.32	0.33	0.28
	Total water consumption	Kilo-tonne	2,871,079	2,790,697	2,320,757
	Water consumption per unit revenue	Kilo-tonne /billion NT\$	4.67	5.10	5.21
	Total waste generation	Kilo-tonne	20,208	18,570	12,964
	Waste generation per unit revenue	Kilo-tonne /billion NT\$	0.033	0.034	0.029
	Total environmental expenditures	million NT\$	47.65	42.12	—
	Total time spent on environmental training	hour	1,759	—	—
Social	Ratio of Taiwanese to local Chinese employees in China area	%	5.30	6.01	6.02
	Ratio of local employees serving as managers to all managers		71.4	65.7	63.9
	Ratio of local employees serving as department managers (or above) to all department managers (or above)		21.3	11.5	10.0
	Total amount of social investment	million NT\$	40.65	—	—
	• Corporate participation & charitable sponsor ships (including Wistron Foundation)		28.32		
• Charitable activities of the Employee Welfare Committee	9.75				
• Employees' voluntary participation in company initiated charitable activities	2.58				

A Message from the Chairman

Wistron Corporation is a world leading Technology Service Provider (TSP) in the information and communication industry. As such, the Company is fully aware of its capacity and responsibility as a global corporate citizen and thereby commits to providing top-quality product design and services alongside the wielding of positive influence with a view to enhancing corporate sustainability and social responsibility.



“Sustainability, Innovation, and Humanity” always remain the core value and essence the Company seeks to convey. In the quest for sustainability, Wistron not only stays with sustained corporate development but also makes effort to reduce the impact on the global environment to allow our children to inherit a healthy planet. Innovation is not just a matter of advancement in the research and development of product technologies. It also entails the search for a balance between the Company and its stakeholders. Humanity remains a vital concern for Wistron. Wistron treats its employees and cultivates positive relations with its stakeholders while proactively upgrading its value to society.

In sustainability and innovation, Wistron realizes its responsibility to the living environment far better than people can expect. This is particularly true in its treatment of electronic dumps, the negligence of which may have a direct impact on global climate change. Wistron has established a “Green Recycling Business Development Division” centered on the idea that “no pollution should be generated the second time around”. By using recycling technologies for many types of resources,

Wistron has recycled electronic dumps and turned them into high-quality raw materials so that these recycled resources can be used again. Such moves help to protect the environment and reduce resource waste, and also help to reduce greenhouse gas emissions.

Wistron sets itself as an example in “environment” and “humanity” and thereby organizes a corporate volunteer corps in the service of environmental protection and humanitarian work. Furthermore, the Company also established the “Wistron Foundation”, a body that respects human life and nature. At the same time aiming for corporate growth by launching technological development and innovation, Wistron treasures human values and carves out its unique corporate culture in the spirit of humanity.

As a responsible business, Wistron never ceases to maintain a balance between “customer needs and employee welfare”. Wistron provides employees with remuneration and benefits balanced with the protection of their human rights. As such, employees are highly motivated and their potential is properly developed. In the short run, these will result in an upgrading of operation efficiency, which in turn contributes to corporate competitiveness. In the long run, these will contribute to more efficient use of overall social resources and as feedback to customer needs.

In the future, Wistron will follow its belief that “being good to others means being perpetually good to yourself”, and continue to work in conjunction with its partners, including Wistron’s stakeholders, to contribute to society and enhance environmental protection. This will help Wistron in its pursuit of corporate sustainability and social responsibility.

Simon Lin

Chairman & CEO
Wistron Corporation

A handwritten signature in black ink, appearing to be 'Simon Lin', written in a cursive style.

A Message from the President

Wistron believes that its footprint, role, and influence in operation gives the Company an opportunity to show its corporate social responsibility, contribution, and feedback to society for a better future.

In 2008, Wistron started its era of corporate sustainability and social responsibility through the establishment of designated bodies. In practice, the Company fine-tuned its execution of corporate sustainability and social responsibility with reference to local cultures in different business locations. From 2010 onwards, Wistron started to communicate with stakeholders in different social sectors through different channels. Wistron hopes to achieve the objectives below:

- Short-term: meeting the basic requirements of the customers, international standards in effect, and applicable legal rules.
- Mid-term: accomplishment of the CS²R strategic plan and action plans of the Company in 3 to 5 years.
- Long-term: integrating the corporate culture of Wistron with the CS²R strategy on the basis of the specific geographical requirements of its business locations.

The repeated occurrence of climatic disasters in recent years prompted the Company to reconsider environmental sustainability. From self-interest to the interest of the others, Wistron hopes to develop new market opportunities through the research, development, and innovation of green products. These include the design, manufacturing, recycling, and reuse of energy-efficient products. With its professional team and technological prowess, Wistron will give back to society in different forms.

Wistron has collaborated with a number of charity organizations so that employees can engage in meaningful social activity outside of work. In the future, Wistron will select more suitable social service programs and develop

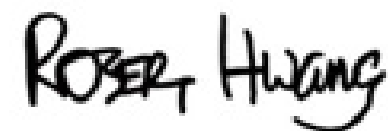
and provide corporate volunteer leave in order to encourage employees to take part in social service as part of a meaningful life experience. This will also provide useful feedback to the enterprise.

The industrial sector is facing a transformation of the labor force and human right issues of workers in China. Wistron will persist with its commitment of caring for employees. Through ongoing communication, Wistron will establish partnership relations with its customers for joint effort in caring for employees and responding to the issues of human rights and corporate social responsibility. Wistron deeply believes that these tasks are essential for corporate sustainability.

In the operation report, Wistron disclosed the gravity of work to be done last year. Through the review of information and on-site inspection, the management of Wistron can understand the status of development in different business locations. By resorting to applicable legal rules and responding to the needs of stakeholders, Wistron can identify the heterogeneities and map out better strategies and work plans.

May I take this opportunity to thank our employees, customers, suppliers, and stakeholders in all social sectors for their support and suggestions. I sincerely hope that the release of the second report on corporate sustainability and social responsibility allows viewers to better understand the effort of Wistron toward corporate sustainability and social responsibility.

Robert Hwang
President
Wistron Corporation



Company Profile

2010 CS²R REPORT





Established in 2001, Wistron Corporation (“Wistron”) is a leading technology service provider (TSP) of information and communications technology (ICT) for product design, manufacturing and after-sales services of notebook computers, servers and network storage devices.

Wistron's customers are mostly international IT brands in the United States, Europe, China, Japan and other regions. Through customized products/services and developing leading technologies, Wistron endeavors to meet customer business strategies and product requirements, and develop products that quickly respond to consumer needs.

For product development and production support, Wistron offers complete product design service in close cooperation with customers, and provides manufacturing services for products designed by customers. Our engineering teams utilize various software and hardware platforms to implement efficient product manufacturing and assembly services through the integration of internal resources and utilization of a comprehensive component supply chain.

Through innovation and integrity, we provide customers with comprehensive and in-depth integrated services. By combining our team's creativity, professional expertise, processes and equipment, we are able to meet customer needs and provide customers with the latest and market acceptable products and services across various cultures and regions.



Wistron Quick Facts

- Established in 2001
- Industry category: Information and Communications Technology (ICT)
- Services provided: Technology Service Provider (TSP) of ICT
- 2010 revenue over US\$21 billion
- Major customers are global brand-name IT companies
- Headquarters located in New Taipei City, Taiwan, with multiple operating sites in Asia, North America and Europe
- Over 50,000 employees worldwide as of December 31, 2010



Products & Services



Company Profile

Wistron designs and manufactures a wide range of ICT products including notebook computers, mobile communication products, network servers and storage systems, desktop personal computers, and other consumer electronics.

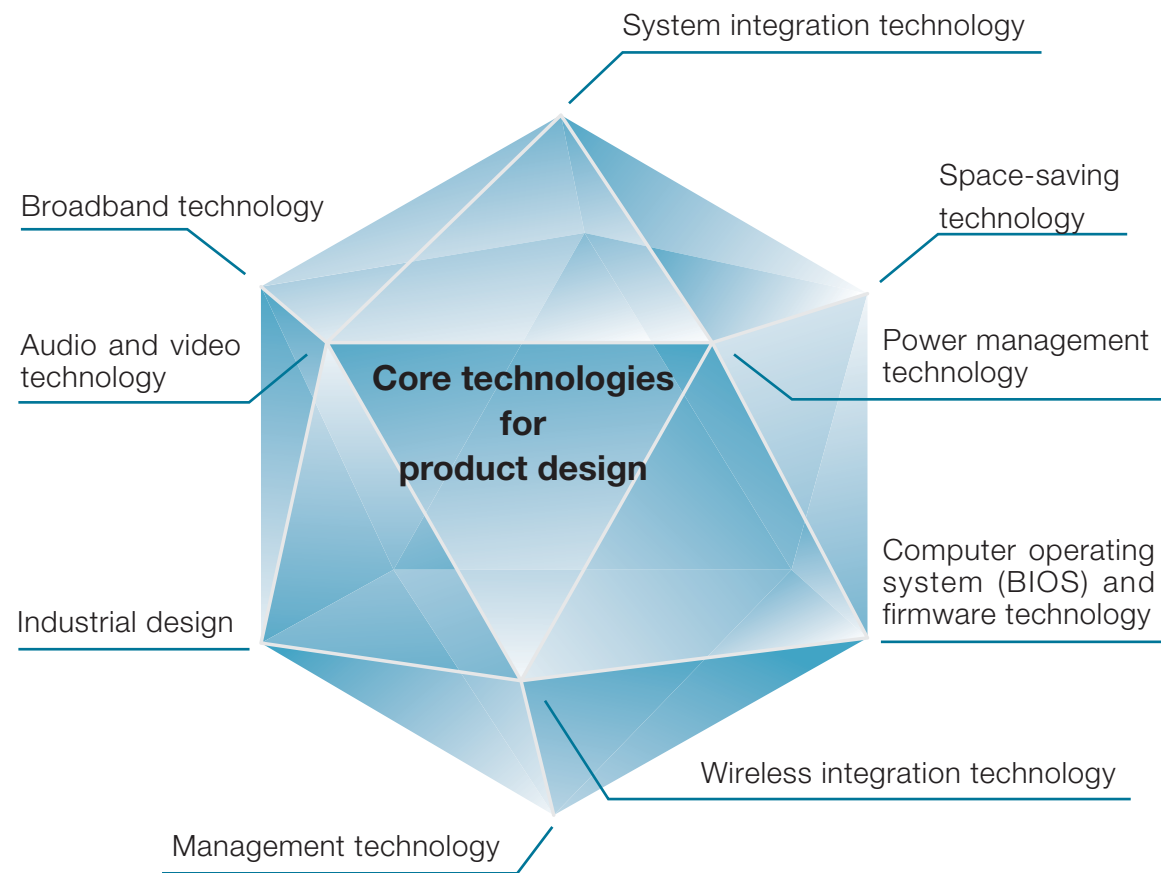
Product portfolio

- Notebook computers, netbook computers, rugged mobile computers, tablet PCs
- Desktop computers, industrial PCs (IPC), application PCs
- Workstations, server, storage systems
- Smart phones and handheld devices
- Voice over Internet Protocol (VOIP) phones
- LCD TVs, monitors, set-top boxes and information appliances





● Industry-leading core technologies for product design

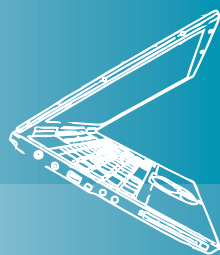


● Sales Value in the Most Recent 2 Years

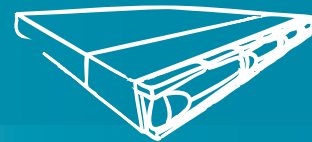
Quantity Unit: piece/each
Volume Unit: Million NT\$

Year	2010				2009			
	domestic		export		domestic		export	
Major Sale	quantity	volume	quantity	volume	quantity	volume	quantity	volume
NB Computer	150,077	3,955	27,517,144	400,580	102,467	3,118	25,654,774	407,906
Desktop PC	57,893	301	7,000,872	40,396	200,806	688	6,272,167	28,045
Other	319,786	2,862	19,548,708	98,533	302,417	2,105	12,153,279	81,254
Total	527,756	7,118	54,066,724	539,510	605,690	5,912	44,080,220	517,205

Note: Data source is from non-consolidated financial statement



Notebook Computers,
Desktop Computers.



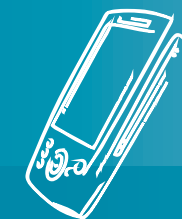
Server,
Storage system.



Broad-band
Communication,
VoIP Phones.



Digital Home
Products,
Set-top Boxes



Hand-held Devices



LCD TVs,
Monitors



Services

Design

Wistron provides integrated product design services to address related engineering challenges, such as material/styling considerations, component selection, functionality, testing challenges, high volume manufacturing, packaging, and environmental impact. Our ICT products are manufactured using specially designed comprehensive thermal, power consumption, structural, and reliability engineering services to achieve product quality certifications in global and specific markets.

Manufacturing

Wistron's manufacturing facilities offer a complete set of manufacturing services from Printed Circuit Board Assembly (PCBA) production to system assembly. From the receipt of incoming components to out-of-box (OOB) QA, a full suite of tests and analyses assures the quality of overall production processes and systems.



After-sales service

Wistron offers diversified and customized after-sales services. Service centers and service activities include hub-to-hub field replaceable unit (FRU) swaps, hub-to-ASP FRU swaps and customer replaceable unit (CRU) support products, all of which are produced by Wistron as well as other companies. In addition, our integrated IT platforms link all levels of the service chain for effective management of reverse logistics, material management, and reporting systems.



Company Profile

Coordinated and integrated through our corporate headquarters in Taiwan, Wistron has established operation sites around the world to provide customers with a network of professional design and manufacturing services. Taking advantage of the cost and scheduling efficiency of our global sites, we are able to support customer demands for a variety of product development and design needs.

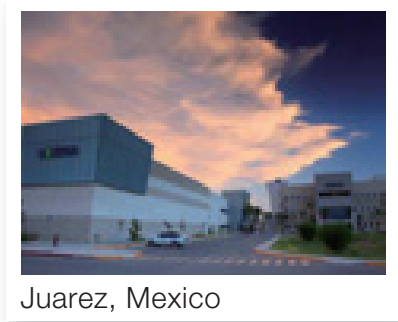
- Design, manufacturing, R&D and customer service centers: mainly located in North America, Europe and Asia, provide comprehensive product development and customer services.
- Manufacturing sites: located in Taiwan, China, Mexico and the Czech Republic.
- Regional logistics centers: direct or outsourced management of over 50 regional logistics centers worldwide.
- R&D centers: located in Taiwan, China and the Netherlands.
- Customer service centers: located in Taiwan, China, the United States, the Czech Republic, the Netherlands, Japan, Singapore, India, Philippines, Turkey, and Brazil; capable of providing immediate and efficient after-sales services on three continents.

Global Operations





Global Operations





Financial Performance

● Concise Income Statement

Unit: million NT\$

	2010		2009		2008	
Operating revenue	615,185	100%	546,666	100%	445,118	100%
Gross profit	34,524	5.6%	29,949	5.5%	24,870	5.6%
Operating expenses	20,765	3.4%	19,200	3.5%	16,253	3.7%
Operating Income	13,759	2.2%	10,749	2.0%	8,617	1.9%
Net Profit before tax	15,345	2.5%	11,496	2.1%	8,857	2.0%
Income tax	3,305	0.5%	2,325	0.4%	1,958	0.4%
Consolidated net profit after tax (including minority shareholders)	12,040	2.0%	9,171	1.7%	6,898	1.5%
EPS	6.15		5.23		4.57	

For more information on our financial performance, please visit the Wistron website/Investors:
<http://www.wistron.com/>

Awards & Recognition



Company Profile

3 March

- Selected by Vision Magazine as one of "Top 65 Companies in CSR"

5 May

- Selected by Forbes Asia as one of the "Global 2000" and "Global High Growth Performance Companies"
- Ranked 6th in CommonWealth Magazine's "Top 1000 Manufacturing Companies" for 2009 revenue



6 June

- Ranked 6th in US Business Week's "Top 100 Tech Companies in Taiwan"

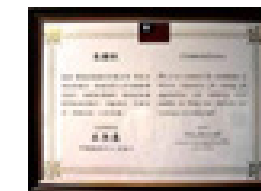
7 July

- Ranked 10th in CommonWealth Magazine's "Global Corporate Citizenship Award" (Large Companies Category-revenue exceeding NT\$ 10 billion)



8 August

- Became a member of the Electronic Industry Citizenship Coalition (EICC)



9 September

- Passed review as an Authorized Economic Operator (AEO), and certified as a Safe and High Quality Company by the Directorate General of Customs of the Ministry of Finance



11 November

- Conferred the "Employment Contribution Award" for the Agricultural and Industrial Sector by the Premier of the Executive Yuan



Accountable Management



Accountable Management

Wistron has a long-standing commitment to superior corporate governance practices. We have endeavored to

- develop innovative mechanism to enhance our practices
- protect benefits of shareholders
- improve the structure of our board
- increase the responsibilities of our board members
- respect the rights of minor stakeholders
- enhance the transparency of disclosures coupled with the introduction of Ethics Code of Conducts to consistently engage with superior corporate governance practices with ultimate business goals to maximize shareholders' values and pursue prosperity of the business

Our board deeply believes that strong board structure is the cornerstone of good corporate governance practices. Since we went public in 2003, our board always has had two independent directors and one independent supervisor, all acknowledged with outstanding reputation and respectful experiences in our industries. Their qualification and leadership have fostered a strong culture in good ethics and business conducts which further contribute to Wistron's



Corporate Governance



phenomenal growth in business in past years. In 2009, the board has taken another major step to enhance our corporate governance practice. It decided to replace the supervisory board with audit committee which will solely consist of independent directors. The proposal has won overwhelming supports of our shareholders. The audit committee will be regulated by both board and audit committee by-laws. The creation of an audit committee has taken Wistron to the next stage to demonstrate our strong commitments in pursuing superior corporate governance practices.

Board

In accordance with the articles of incorporation, our board shall consist of seven to nine members. Each member serves for a term of three years and is eligible for re-election without term limits. Currently our board is composed of nine members including five non-independent and four independent directors. Mr. Simon Lin (Hsien-Ming Lin) is the current chairman and CEO along with four other non-independent directors including Mr. Stan Shih(Chen-Jung Shih), chairman of iD Softcapital Group, Mr. Haydn Hsieh(Hong-Po Hsieh), Vice Chairman and CEO of Wistron NeWeb Corp., Mr. Robert Huang(Po-Tuan Huang), President and COO of Wistron, and Mr. Philip Peng (Chin-Bing Peng), the representative of Acer Inc. The four independent directors include Mr. Michael Tsai (Kuo-Chih Tsai), vice chairman of Powerchip Semiconductor Corp., Mr. James K.F. Wu (Kuo-Feng Wu), Partner in-Charge of Audit Practice, KPMG Taiwan, Mr. John Hsuan (Min-Chih Hsuan), Emeritus Vice Chairman of United Microelectronics Corp. and Mr. Victor C.J. Cheng(Chung-Jen Cheng), Professor, Institute of Patent in National Taiwan University of Science and Technology. The chairman shall be elected by the entire board. He or she is asked to fulfill fiduciary obligations in good faith while serving as a major representative of our company. Please refer to our website and annual reports for the detailed biography of each member.

The board shall hold at least one meeting a quarter. The main functions of the board include the appointments of senior officers and the developments

of long-term strategies. The board will also oversee the management team to ensure that it strictly abides by all regulations, enhances the transparency of communications and continuously contributes to society to build a better future. Another duty for board members is to participate in the decision-making process using personal expertise to protect shareholders' benefits and maximize their wealth. To facilitate communication, the board is authorized to invite officers to attend board meeting and provide updates on operations, strategic planning and other relevant issues.

Another major duty of the board is to ensure an alignment of our company's performance and compensation. Our principle philosophy is to maintain a compensation system that will provide competitive incentives to retain, motivate, and attract employees to support long-term success of our business. At the end of each fiscal year, the board will review the company's overall performance and average pay practices of our industry to determine the sharing of employee bonus and director compensation and then submit their decisions for shareholders' approvals. For senior executives, compensation is composed of salary, bonus, and performance-based awards including cash, stocks, and options. The merits of salary and bonus are benchmarked to the average level of our peers. Performance-based remuneration that accounts for the majority of our executive's total compensation is determined by both individual's and company's performances which thresholds were established and communicated at the beginning of each performance period. Those thresholds include revenue targets, profit margins, growth rates, and other measurements to operation efficiency and strategy executions. All decisions on performance thresholds and payouts will need the final approval of the chairman of the board.

Audit Committee

One major function of our audit committee is to develop a risk management system and to oversee potential risks facing the company. The assessment includes: verify the adequacy and accuracy of financial statements, meet



with certified accountants without management presence to ensure its independency and effectiveness, oversee the integrity of internal controls, and evaluate management performance to ensure strict compliance of laws and comprehensive assessments of potential risks in place. In addition, the committee is empowered to invite senior officers of accounting, certified accountants and auditors to attend the committee's meetings at least once every quarter to report the progress of internal audit, financial performance as well as the most recent developments in regulations.

The audit committee is also authorized to hire external lawyers, auditors and (or) consultants to seek independent advise. The audit committee with its discretion may directly communicate with internal auditors, certified accountants and (or) management teams. The audit committee is required to hold a meeting at least once a quarter.

Compliance

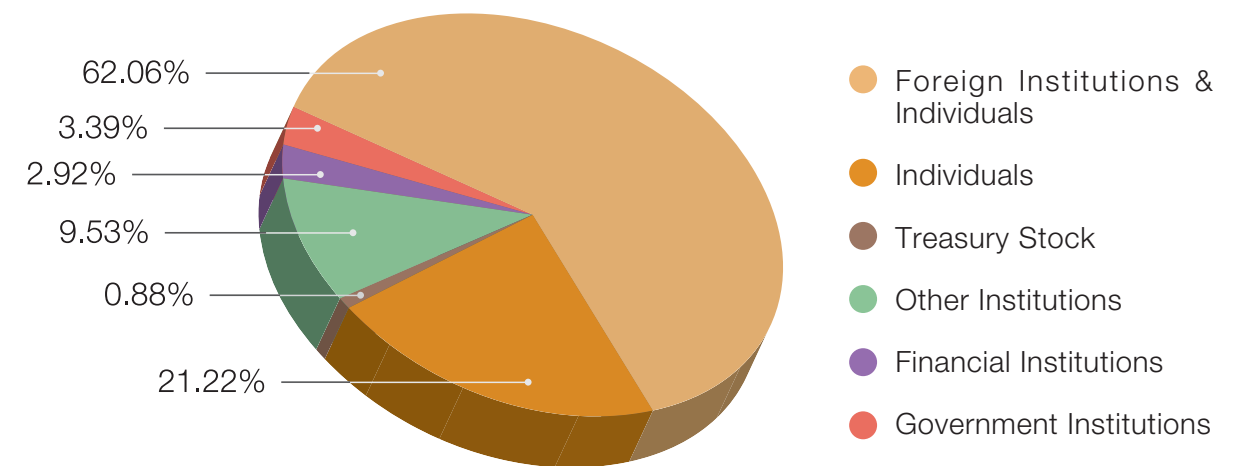
Since the spin-off from Acer Inc., we have been diligently complying with all stipulations promulgated by Financial Supervisory Commission (FSC) for public companies. After listing, we have closely tracked the developments of new regulations and have asked all subsidiaries to strictly abide by. In addition, to strengthen our core values, maintain high level of integrity and further integrate those standards with individual's daily responsibilities, inspire all employees to enhance the reputation of our company, and reinforce the faith of clients, suppliers and general publics, Wistron has developed an Employee's Codes of Conduct and has asked all employees including chairman and chief executive officer to strictly comply. As of today, Wistron has never received any comment letters from FSC nor Taiwan Stock Exchange (TWSE) resulting in any financial or non-financial losses.

Anti-corruption

Integrity is not only the core value of our business but also the most

fundamental element to support our daily operation. At Wistron, we have strived to establish a strong culture with the integration of ethics issues into individual's performances and responsibilities. We have designed and implemented a robust internal ethics program and required all our employees to have thorough awareness and compliance. We have also maintained strict confidentiality agreements with our clients and we do not allow our employees receiving gifts or perks. We further extend our ethics standards to our clients, suppliers, business partners and any entities associated with business relationship with us. With respect to board meetings, directors are asked to be absent when the discussion involves concerns of interest conflicts. In such a circumstance, directors are prohibited from executing voting rights either in person or in representative.

Shareholding Structure (2011/04/24)



Note: For ownership structure in detail, see section on "Company Shares and Fund Raising" in the 2010 Annual Report translation.

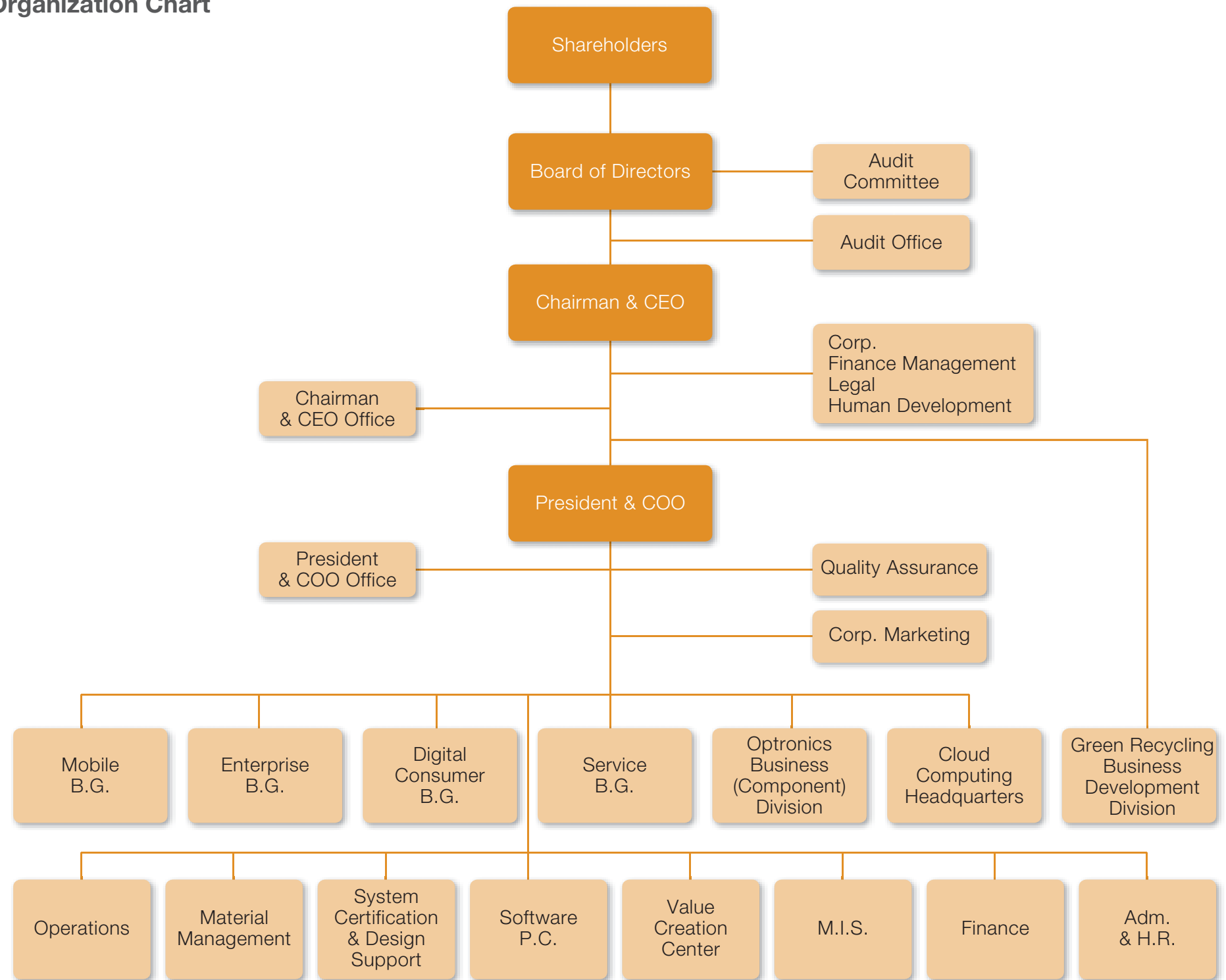


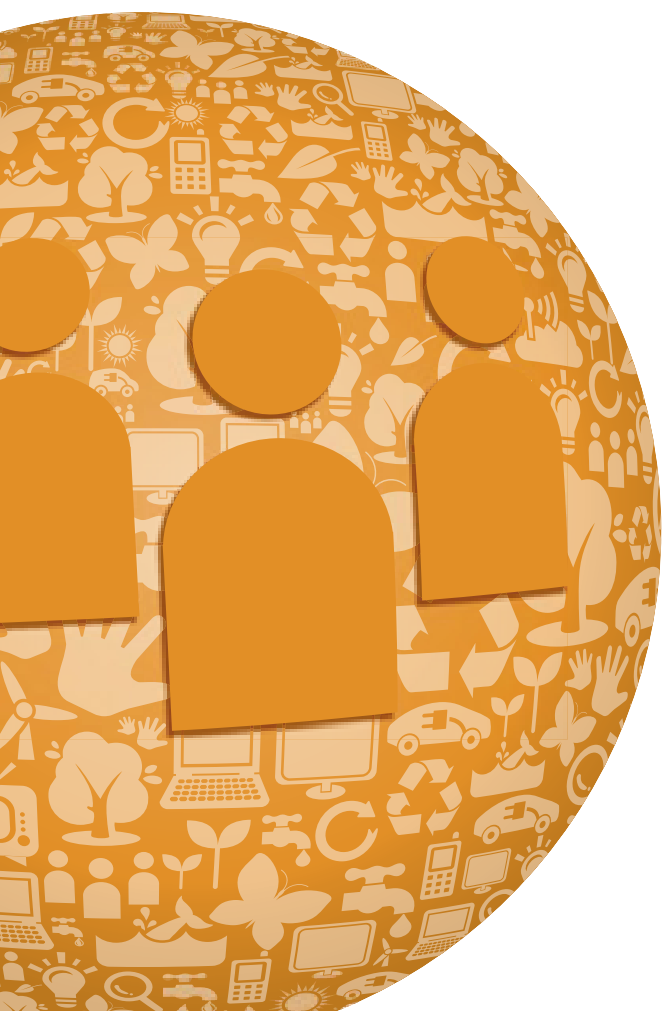
In order to improve information transparency and establish a sound, reasonable and effective communication mechanism for disclosure of all material information relating to company operations, in addition to information disclosure in the company website and Market Observation Post System (MOPS); non-financial performance information will also be disclosed through the annual publication of the CS2R report. Through this report, Wistron's implementation status on its corporate sustainability and social responsibility can be disclosed to all shareholders and interested parties.

Wistron's shareholder structure consists mainly of foreign investors (62.06%) and domestic institutional investors (15.84%), together they account for 77.90% of share and considered a healthy ownership structure. In the future, we will continue to strengthen corporate governance and operating performance, in order to provide excellent performance to our shareholders. For more information on our investment, please visit Wistron website/Investors: <http://www.wistron.com/>

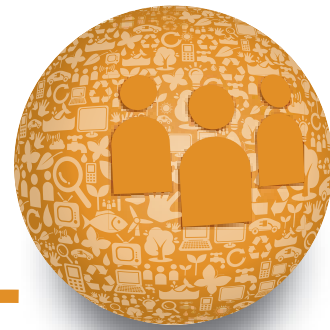
The information on the implementation status and compliance to relevant corporate governance bylaws or regulations are located on the company website. Please refer to the Wistron website/Investors.

● Organization Chart





Risk Management



Accountable Management

Wistron bases the assessment and implementation of risk management on the concept of maintaining and enhancing stakeholder value and interests. Through evaluation and management of a variety of operational and financial risks, we strive to effectively control risks and minimize loss due to uncertainty.

For the manufacturing industry, energy and climate change has become an important risk factor; escalating energy costs and climate change triggered natural disasters are increasing production costs and creating significant impacts to our operations. On the positive side, these risks also create innovation and new market opportunities for Wistron.

In this regard, we have considered energy and climate change issues to be important risk factors that must be included in the risk assessment and management process. Through regular review and inventory of internal actions and performance, we have strived to control the possible impacts caused by these issues on our operational and financial performance.





In terms of implementation, in line with relevant laws/regulations and our internal requirements, we have established standard operating procedures to actively promote and implement risk management practices through an internal management system, as well as education and training activities to enhance our employees' conceptual awareness. In addition, our internal audit system regularly checks the status of risk management, and implements the rigorous requirements of the Six Sigma strategy to ensure the proper implementation of the following risk management mechanisms.

Financial Risk Management

Due to rapid change in global financial markets, currency exchange rate fluctuations make our business operation even more challenging, because a single misstep can greatly erode our profits and seriously affect shareholder equity. Therefore, our funds management department has established guidelines for currency management and implemented specific tools and decision-making processes.

As export products account for approximately 99% of Wistron's revenue, and most exported products and foreign raw material purchases are quoted in U.S. dollars, most of our foreign currency transactions are offset by regular payments for incoming material purchases to achieve automatic currency risk hedging. The remaining currencies are converted to New Taiwan Dollars based on our financial requirements.

In the future, we will strengthen automatic currency hedging using claims and liabilities, as well as using auxiliary tools such as derivatives and other financial products to conduct risk hedging in accordance with the proper risk management requirements.

Operational Risk Management

In recent years, Wistron has not engaged in any high-risk or highly leveraged investment activities, but is continually assessing the risks and benefits of introducing new technologies as an operational strategy for our long-term development. In response to risks of increasing costs due to the ever-changing





nature of the technology industry, we are performing the following activities: 1. enhancing product features; 2. reducing product costs; and 3. strictly controlling operating costs.

Climate Change Risk Management

Since 2009, Wistron has responded to the Carbon Disclosure Project (CDP) questionnaire, in voluntary disclosure of our climate risks, as well as opportunities for future development, emissions information and management strategies. With the integration of a carbon management mechanism through the CS²R Implementing Committee, we are able to fulfill implementation of internal risk management for climate change and to enhance future development opportunities.



	Risks	Effects/Impacts	Opportunities
Operational Risks	Electricity instability or restriction Extreme climate, e.g., heat waves causing excessive use of air conditioners, or increasing heating needs during winter cold snaps, may drastically increase electricity consumption causing rolling blackouts.	<ul style="list-style-type: none"> Production line shutdown Temperature instability affects instruments and equipment, may even lead to immediate damage 	<ul style="list-style-type: none"> Pre-adjustment of production capacity, and commitment to improve manufacturing efficiency
	Extreme local weather events Such as flooding and destruction caused by heavy rains or super typhoons.	<ul style="list-style-type: none"> Affect employee commutes and travel Production shutdown Loss of human life and property Costs of reconstruction (time, manpower and money) 	
	International climate anomalies Such as the 2008 East China snowstorms and 2010 volcanic ash cloud event in Europe.	<ul style="list-style-type: none"> Affect transportation, ground flights Increase transport time and costs 	<ul style="list-style-type: none"> Evaluate how to collaborate with suppliers to improve packaging and transportation efficiency
Regulatory Risks	Product energy efficiency regulations and standards (e.g., Energy Star, ErP, etc.)	<ul style="list-style-type: none"> Increase costs of procuring raw materials and spare parts 	<ul style="list-style-type: none"> Introduction of green supply chain Seek opportunities for green innovation (such as packaging reduction and recycling, etc.)
	Taiwan GHG Reduction Act (under legislative process)	<ul style="list-style-type: none"> As electricity use remains the main source of GHG emissions for the ICT manufacturing industry, increase in production will also increase GHG emissions 	<ul style="list-style-type: none"> Provide key performance indicators for assessment of design simplification and standardization, and improving production, and manufacturing efficiency



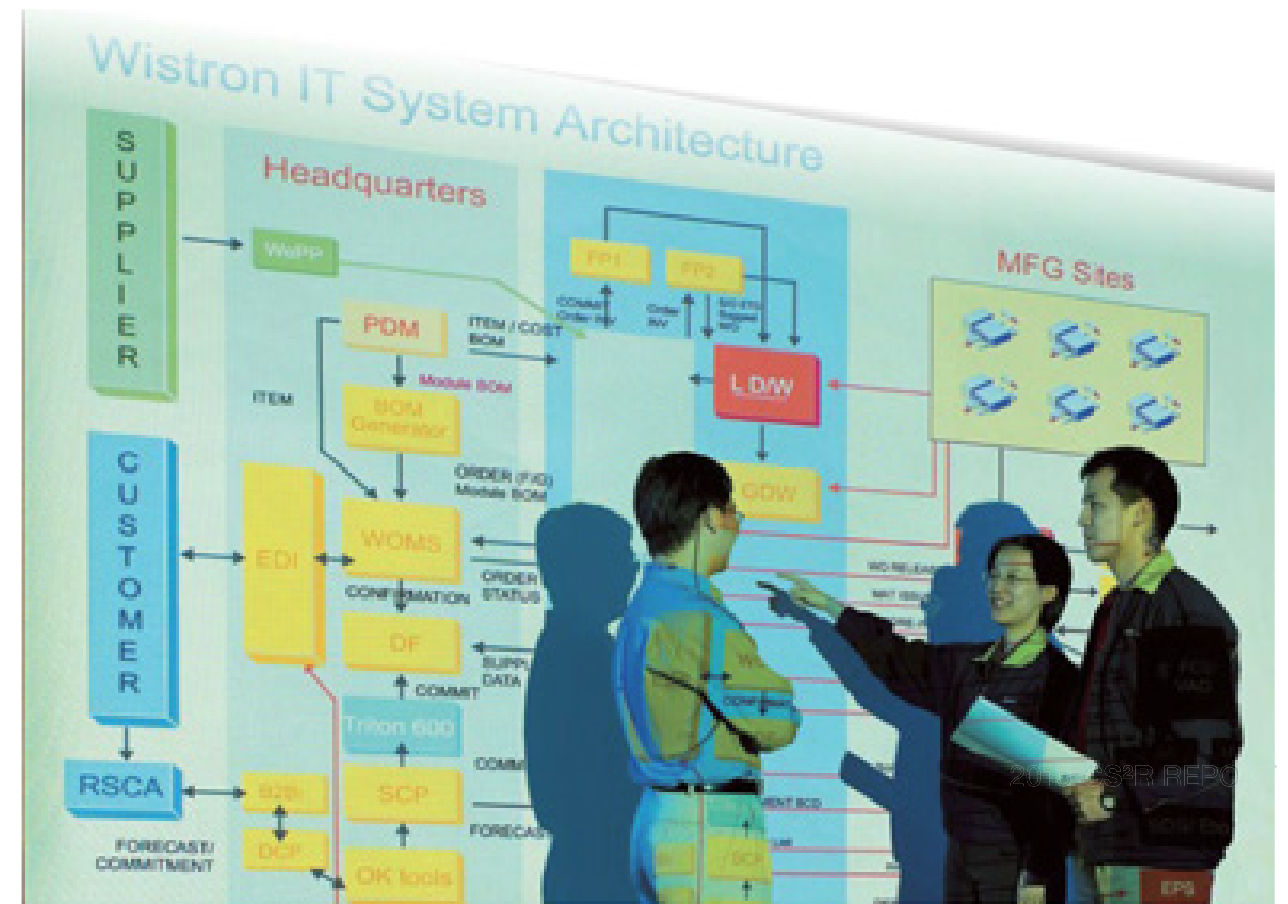
Accountable Management

Corporate Sustainability & Social Responsibility Management

In March 2010, Wistron's board of directors adopted the "Code of Practice for Corporate Social Responsibility." The Chief Operating Officer (COO) of Wistron will regularly report to the board at least once a year on the implementation and performance regarding Wistron's corporate sustainability and social responsibility.

Wistron set up a Corporate Sustainability and Social Responsibility Implementing Committee (hereinafter "CS²R Implementing Committee") at the corporate headquarters. The CS²R Implementing Committee is the highest internal unit in managing Wistron's CS²R affairs. Serving as Chairperson of the committee, the COO is responsible for setting policies, objectives and directions, as well as conducting management review.

At present, the committee routinely convenes monthly management review meetings and requests each business unit to present its report. Since 2010, each unit's greenhouse gas emissions and trends have been included as





a report item in the meeting agenda, so that management can control the promotion and implementation of carbon and energy reduction activities.

In addition, sub-CS²R Implementing Committees were also established at the main operating sites, including the Hsinchu, Zhongshan and Kunshan sites.

CS²R Management Systems

In order to ensure the policies and resolutions of the CS²R Implementing Committee are implemented, Wistron has established five corresponding management systems in response to the five key issues of quality, green products, environmental protection, occupational safety and health, and social responsibility. Through these management systems, Wistron strives align itself with international standards, acquire relevant management system certifications, and integrate sustainability and social responsibility policies and objectives into daily business operations.

Quality Management System

Quality is the foundation for product manufacturing. To ensure product quality, we have adopted the ISO 9001 Quality Management System and TL9000 Telecom Quality Management System and passed all certification audits conducted by international certification organizations since 1992. In addition, we have also introduced other quality systems based on customers' product manufacturing requirements, such as the ISO/TS 16949 Quality Management System for automotive production and parts organizations, and ISO 13485 Medical Devices Quality Management System in line with recent trends of using electronics in medical devices.

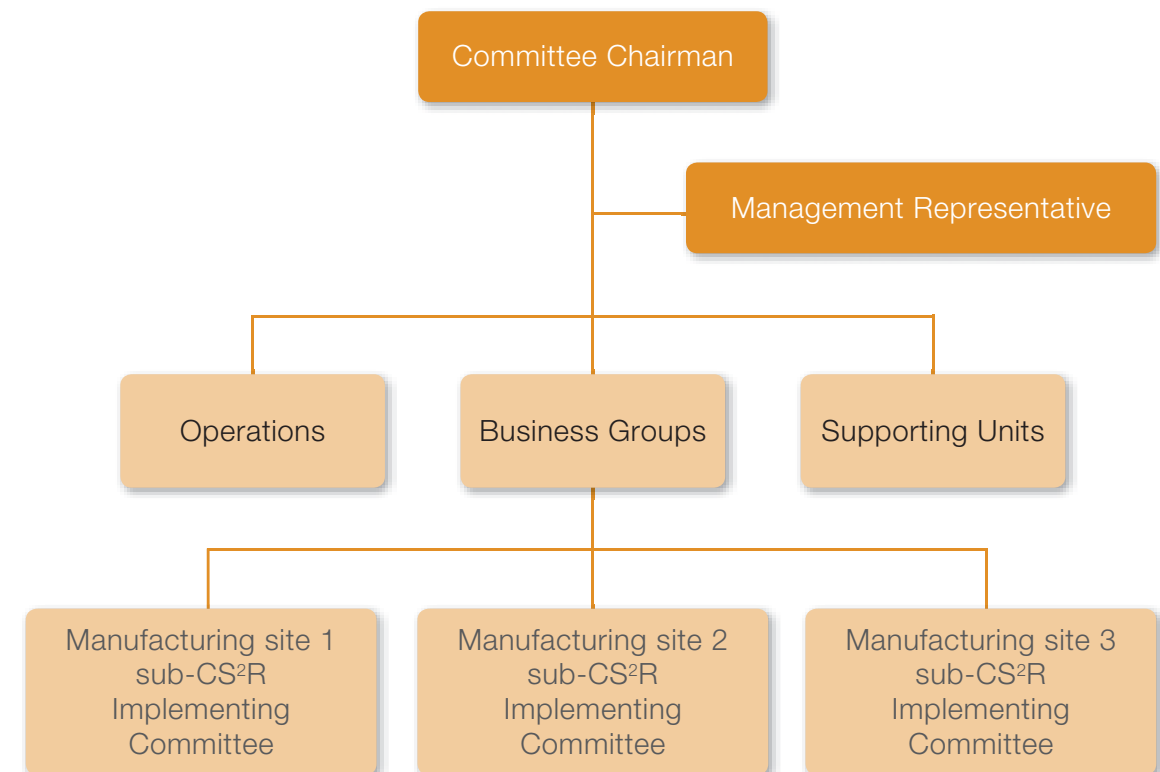
Green Product Management System

In response to the EU's Restriction of Hazardous Substances Directive (RoHS), we have reviewed our product life cycle and redefined our management

“Wistron Corporate Sustainability and Social Responsibility (CS²R) policy”:

Wistron is committed to establishing a Corporate Sustainability and Social Responsibility Management System. To suitably uphold stakeholders' rights and interests, Wistron will adhere to ethical standards exceeding local legal requirements as we continuously develop high-quality green products/services and focus on the environment, employee health and safety, and human rights.

Organization Chart for Wistron's CS²R Implementing Committee





system, from design, manufacturing and testing to supply chain management, in order to take effective control measures to establish the corresponding management system. Our new management system can now ensure that from research and design, raw material acquisition, and product manufacturing to product packaging and shipment, all our products comply with regulations and customer demands for green products.

Since implementing our Green Product Management System in 2003, we have successfully passed the annual audits initiated by our customers and obtained the OEM Green Partner Certificate. In 2006, our global manufacturing sites have all completed audits conducted by international certification organizations and obtained the IECQ QC080000 Hazardous Substance Process Management System Certificate.

Environmental Management System

We are committed to minimizing impacts to the environment due to our operations. The ISO 14001 environmental management system was introduced to Wistron in 1997, and we have since been implementing the ISO 14001 in all our manufacturing sites. All our manufacturing sites are now ISO 14001 certified. Wistron was not subject to any penalties in 2010.

In response to climate change and to meet our customers' demand for disclosure of greenhouse gas emissions information, we have also introduced and implemented the ISO 14064 greenhouse gas quantification and verification standard at all our manufacturing sites to ensure the completeness and accuracy of our disclosure of greenhouse gas emissions.

Occupational Health and Safety Management System

We have established the OHSAS 18001 Occupational Health and Safety Management System to reduce the risks of hazards in our workplaces. All our manufacturing sites are currently OHSAS 18001 certified.

Social Responsibility Management System

In order to improve labor relations and enhance the rights and benefits of our employees, we have followed the SA8000 Social Accountability management system standard, and the Electronic Industry Citizenship Coalition (EICC) Code of Conduct in establishing a social responsibility management system for our global manufacturing sites.





Accountable Management

Wistron has compiled a list of stakeholder's concerned issues based on the daily responses we received from our stakeholders. Representatives on behalf of each business unit then evaluated the impacts to our business and assessed each issue's relative importance. Information related to selected issues, including "corporate governance/risk management," "carbon information disclosure," "implementation of corporate social responsibility," "green products," "supply chain management," and "participation in social services," are then disclosed in the report, and feedback comments are incorporated into the operation improvement plan.

Stakeholders





Stakeholders		Issues		Means of Communications	Frequency of Communications
Investors	<ul style="list-style-type: none"> • Individuals • Institutions • Rating agencies 	<ul style="list-style-type: none"> • Profitability • Stock value • Corporate governance/risk management • Transparency of information disclosure • Implementation of corporate social responsibility • Reinvestment • Growth of market share 		<ol style="list-style-type: none"> 1. Investor conferences 2. Annual shareholder meeting 3. Online Investor conferences 4. Road shows 	<ol style="list-style-type: none"> 1. More than 100 meetings a year 2. Once a year 3. Twice a year 4. On average five times a year
Customers	<ul style="list-style-type: none"> • Existing customers • Potential customers 	<ul style="list-style-type: none"> • Product quality • Service quality • Price competitiveness • Performance of delivery • Supply chain • R&D/engineering capability 	<ul style="list-style-type: none"> • Green products • Carbon footprint, carbon disclosure • Restricted substance management • Risk management 	<ol style="list-style-type: none"> 1. Regular business reviews with key customers 2. Customer satisfaction surveys and feedback 3. Customer audits and customer questionnaire responses 4. Meet customer requirements and improvement requests on environmental and social responsibility 	<ol style="list-style-type: none"> 1. Quarterly or every six months 2. Quarterly or every six months 3. According to customer requirements 4. According to customer requirements
Personnel	<ul style="list-style-type: none"> • Employees • Contractors 	<ul style="list-style-type: none"> • Ethics/ integrity management • Workforce diversity • Human rights • Training and development • Working environment/ conditions • Compensation/ benefits • Health and safety • Career management • Work-life balance 		<ol style="list-style-type: none"> 1. Quarterly business briefings held by the company management to communicate directly with employees. 2. One-on-one coaching 3. Performance communication 4. Communication meeting with newcomers 5. Employees can communicate through internal channels, such as the company website, or express their opinions and suggestions to employee representatives. The representatives will communicate with management directly. 	<ol style="list-style-type: none"> 1. Quarterly 2. Monthly 3. Biannual 4. Quarterly 5. Tomato Meeting Quarterly
Suppliers	<ul style="list-style-type: none"> • Raw material suppliers • Contract assembly plant • Construction contractors • Cleaning/ maintenance companies • Waste disposal companies 	<ul style="list-style-type: none"> • Price competitiveness • Stable supply • Supply chain management • Meet all regulatory requirements • Technical capacity • Raw material choice • Work environment and health 	<ul style="list-style-type: none"> • Machine/equipment safety • Carbon management • Choice of raw materials • Training and evaluation • Collaboration of logistics, transport efficiency (such as packaging reduction and recycling, etc.) 	<ol style="list-style-type: none"> 1. Annual supplier seminar/conference 2. Supplier consulting and auditing 3. Cooperate with suppliers on issues related to corporate social responsibility and greenhouse gas emission inventory 	<ol style="list-style-type: none"> 1. Once a year 2. Once a year 3. Three projects in 2010 (supplier audit for corporate social responsibility, greenhouse gas inventory on supplier, and carbon footprint inventory)
Local communities	<ul style="list-style-type: none"> • Local community associations • Local community organizations • Local government agencies • Local media 	<ul style="list-style-type: none"> • Environmental impact(e.g., air pollution and sewage disposal) • Compliance with laws and regulations • Corporate image • Economic contribution • Social care • Community support • Talent Cultivation 		<ol style="list-style-type: none"> 1. Employees actively participate in charitable activities 2. In close cooperation with government agencies and non-profit organizations in environmental protection and various forms of charitable activities. 	See Case 2.





Participation in external organizations

Wistron has memberships or cooperation relationships with a wide spectrum of industry or professional organizations, such as those involved with hardware/software design, environmental protection, industry promotion, and research and exchange of new technology, in order to maintain our international perspectives and continued growth. Below are examples of organizations with whom we have participated:

- 3D Interaction & Display Alliance
- American Society for Quality (ASQ)
- Association of Industries in Science Parks
- Chinese Association for Industrial Technology Advancement (CAITA)
- Electrostatic Discharge Association (ESDA)
- High Density Packaging User Group International, Inc (HDPUG)
- Information Service Industry Association of R.O.C.
- IPC China - Association Connecting Electronics Industries
- Nanotechnology and Micro System Association
- Taipei Computer Association (TCA)
- Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)
- Taiwan MEMS Industrial Alliance
- Taiwan Thermal Management Association
- Electronic Industry Citizenship Coalition (EICC)

Case 1 Stakeholder: Shareholders

Taiwan's Company Law stipulates the shareholder proposal right, giving shareholders the right to introduce an issue proposal to the shareholder meeting for consideration or vote. We will be announcing the shareholder proposal information on the Market Observation Post System (MOPS). In addition, shareholders may also be able to obtain such information from our shareholder service hotline.

Case 2 Stakeholder: Local community



1. Employee participation in charitable activities:
Wistron volunteers regularly participate in Fuyang Eco Park's guided tour activities.

2. Maintain close cooperation with governmental or non-profit organizations in environmental protection and social welfare fields:

- Maintain communication and contact with non-profit organizations 2 to 4 times per month; for long-term cooperation projects, schedule annual mid-year and year-end progress reports. Request Wistron-sponsored non-profit organizations to communicate with government agencies 2 to 4 times per month.
- Gather or seek donation of second-hand goods once a month. Donate gathered second-hand goods to thrift shops operated by domestic charitable organizations, such as Kuang Jen Store.
- Through the charity website of Wistron's Employee Welfare Committee, make small donations twice a month to purchase auctioned goods from charitable organizations.
- Collect invoices that are provided by employees, and donate them to Taiwan charitable organizations once a month.



Customers Satisfaction

Customer Satisfaction Management

“Customer-orientation” is one of Wistron's four beliefs. We treat meeting customer needs as the top priority for our business. We also developed the “Wistron Customer Satisfaction Management Process” as the basis for providing customers with services. Through this management mechanism, we hope to provide services that exceed customer expectations, and that are able to maintain and even improve customer satisfaction.

To meet specific customer needs and respond to customer expectations, we have assigned dedicated staff to gather information on customer feedback from relevant departments every month, and placed such information in our system database. The information is reviewed during our regular monthly review meetings and Quarterly Business Reviews to determine customer satisfaction. Each business unit is also required to propose corrective measures for unresolved issues and conduct performance tracking on improvement progress to ensure that the goal of 100% customer satisfaction has been achieved.

Wistron's management indicators for customer satisfaction include quality as well as technical engineering, delivery management and control, after-sales service and corporate social responsibility performance. In particular, the issues of supply chain management, labor rights, environmental management and greenhouse gas emissions have become the focus of customer communications in recent years. Therefore, we treat the response to and communication of corporate social responsibility as the focus of our interaction with customers, in addition to traditional product quality and service issues.

We will continue to listen to our customers and develop more goals in line with customer demand for products and services, and strengthen close cooperation of our various departments to maintain high customer satisfaction.



Protect customers' confidentiality

"Protect customers' confidentiality and adhere to the principle of good faith" is our commitment to maintaining customer privacy and confidentiality.

For information provided by customers, we have a strict policy and internal control mechanism in place to protect their confidentiality. In addition to subjecting all hardware and software containing technical information, and customer information involving customer intellectual property to strict control, we also sign confidentiality agreements with customers and suppliers to ensure the safety of our customers' confidential information.

Moreover, when conducting new employee training, we place protection of customer confidentiality into the training curriculum, and ensure that every employee adheres to our confidentiality policy when making contact with customers and their information. Due to our strict control mechanism, in 2010 there has been no violation of customer confidentiality or customer data loss that could have damaged the interests of our customers.

Integrity Principle

Integrity is one of Wistron's core values and the foundation of our business operations. We emphasize a business model based on good faith, so that we can construct an ethical working environment and atmosphere for our employees to work with peace of mind in carrying out their duties.

In order to ensure our corporate values and culture were based on integrity and credibility, we developed the "Code of Ethics," "Wistron People Management Guidelines," "Corporate Sustainability and Social Responsibility Policy," and "Procurement Personnel Behavior Rule Guide," which expressly defined the code of ethical conduct for Wistron employees in conducting their work. In the

Zhongshan site, we provide additional training and tests for public awareness of ethics to ensure that employees clearly understand and follow company requirements.

With our broad global customer base, we strictly respect and adhere to confidentiality agreements we have signed with our customers. In our overseas manufacturing sites, we emphasize these requirements to indirect employees in the procurement, supply chain, materials management, and other administrative units. We require our major suppliers to sign an agreement upholding the high ethical standards required in doing business with Wistron.

When an employee is aware of any violation, he/she has the duty to inform the manager or responsible government agency, and we will protect that employee from any unfair treatment or retaliation. If a violation occurs, we will consider the severity of the violation, and conduct proper action or issue an announcement based on the "Guidelines on Employee Award/Disciplinary" to emphasize our strict requirements on integrity.



Sustainability

“In the quest for sustainability, Wistron not only stays with sustained corporate development but also makes effort to reduce the impact on the global environment to allow our children to inherit a healthy planet.”

— Wistron Chairman & CEO, Simon Lin



Climate Change



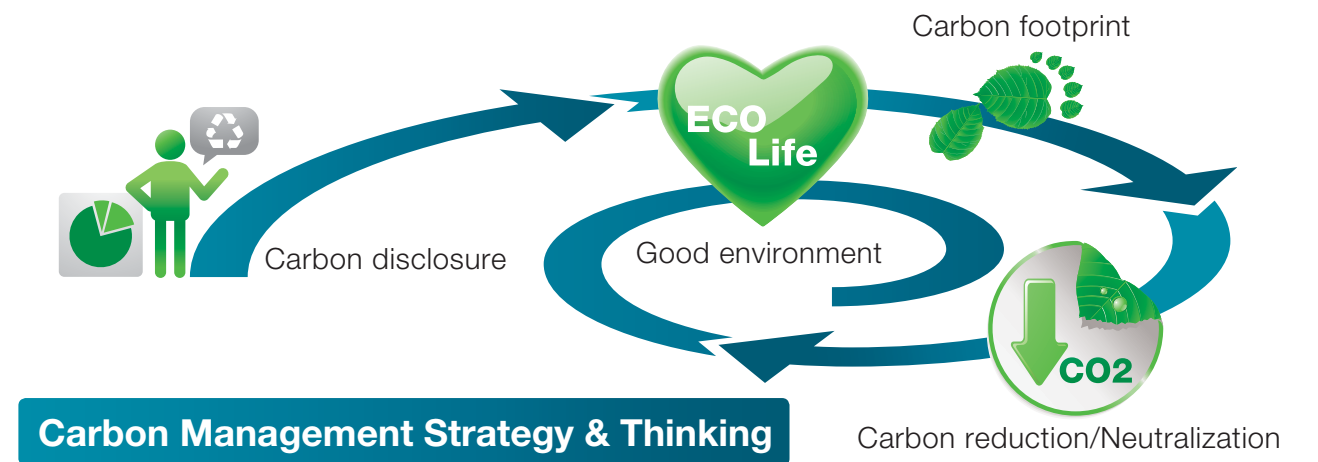
Sustainability

The Information and Communications Technology (ICT) industry has significantly changed the way we live, work, study, and entertain ourselves. ICT products have become a part of our daily lives, and for many developing countries, the ICT manufacturing industry is a strong part of their economic growth and momentum.

With our current business model, greenhouse gas (GHG) emissions will continue to grow as we increase our product production, while our ICT products will help other industries or businesses reduce their energy use and improve their energy efficiency. Through smart ICT products, new types of business, lifestyle, work, study and travel patterns can also be integrated to help users achieve carbon reduction targets.

In this regard, we have adopted the two-pronged “self control” and “green design” strategy. On the one hand, we are committed to optimizing the manufacturing management system to reduce energy consumption; on the other hand, we strive to enhance green design through supply chain management in order to reduce harmful substances used in products and improve product energy efficiency. Through such positive actions, we are able to assist global users of ICT products to gradually move towards a more intelligent and low-carbon working style and lifestyle.

- Wistron Carbon Management Strategy & Thinking





To achieve our 2010 goal of reducing “unit revenue GHG emissions by 1% when compared with 2009,” we have launched corresponding actions in the following three areas:

Product design

- Consider the idea of “reduce” from raw material selection to reducing the number of design parts and design standardization.
- Enhance process energy efficiency.
- Reduce packaging to increase transportation efficiency; conduct logistics planning, including optimization of transport to storage sites to shorten transport distances.
- Promote energy-saving measures in planning for new green buildings.



Mutual cooperation

- Cooperate with suppliers: Implement supplier carbon management education and training, conduct inventory of carbon emissions on suppliers, require suppliers to re-use and recycle packaging materials.
- Cooperate with customers: Disclose greenhouse gas emissions and reduction information through EICC Carbon Reporting System, assist customers in assessing their product carbon footprint and seek emission reduction opportunities.



Daily operations

- Promote low-carbon concepts to employees at all levels of the company: retrofit energy efficient lighting system in offices, factories and dormitories; turn off lights when leaving rooms and cut off energy supply to unused areas.
- Develop carbon reduction criteria for meetings: distribute meeting and conference materials primarily in electronic file formats, encourage employees to bring their own cups and chopsticks and reduce use of disposable cups and chopsticks.





Reduction of greenhouse gas emissions

Energy saving = less carbon = cost savings

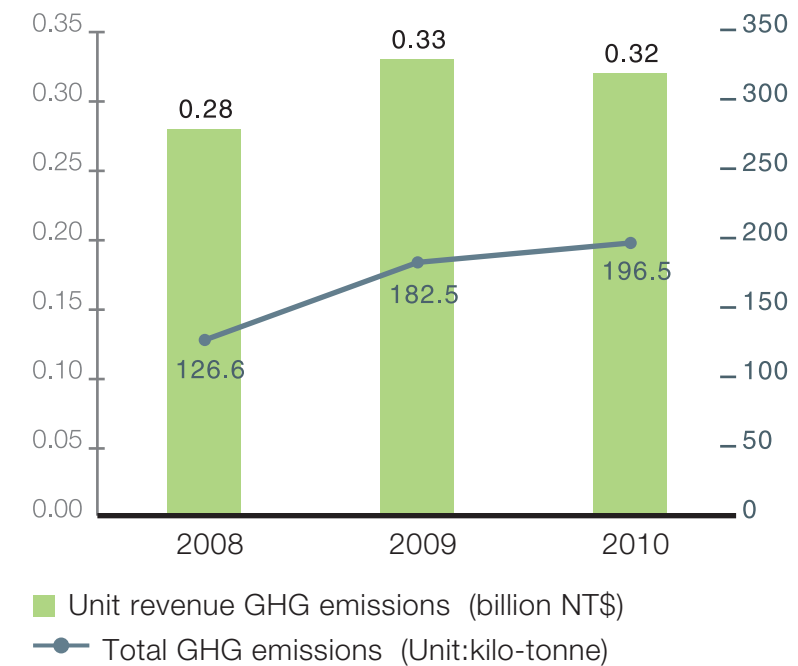
In order to understand the status of our overall greenhouse gas emissions, since 2007, we have established the "Greenhouse Gas Inventory Information Platform," initiated a GHG emission inventory, and began to systematically collect and track GHG emissions from our Hsinchu, Zhongshan and Kunshan sites. The purpose of such action is to understand and analyze major emission sources and plan the direction of future emission reductions.

Wistron's GHG Emissions

Unit : kilo-tonne CO₂e

Site	2010	2009	2008
Total Emissions	196.55	182.5	126.6
Hsichih Office	8.59	9.11	8.91
Scope 1	0.32	1.36	1.34
Scope 2	8.27	7.75	7.57
Hsinchu Site	6.64	7.45	7.93
Scope 1	0.03	0.03	0.12
Scope 2	6.61	7.42	7.81
Kunshan Site	88.85	78.73	59.47
Scope 1	6.54	6.96	3.29
Scope 2	82.31	71.77	56.18
Zhongshan Site	92.46	82.50	42.96
Scope 1	2.85	3.82	0.62
Scope 2	89.61	78.68	42.34
Unit revenue GHG emissions (billion NT\$)	0.32	0.33	0.28

Trend of GHG Emissions, 2008-2010



Due to the complexity of our manufacturing business model, there are currently no objective and internationally accepted indicators to evaluate GHG reduction performance. After two years of analysis, we decided to adopt the "greenhouse gas emissions per unit revenue" as the indicator for our greenhouse gas control and reduction targets.

However, with improvement in product market penetration and fierce market competition continually driving down average product selling prices, a company is often forced to increase production just to maintain established business revenue goals. In order to maintain stable growth in turnover, our overall greenhouse gas emissions will also increase with a rise in product shipments.

In this regard, in 2010, we have substantially increased the energy efficiency goals of our product design and manufacture, and strived to achieve our preset commitments to emissions reduction.



Carbon Disclosure

In addition to improving manufacturing efficiency and technology, through transparent reporting, we also communicate information about our organization, supply chain and carbon emissions with our stakeholders. Since 2009, we have responded to the Carbon Disclosure Project (CDP) questionnaire, and regularly disclosed information concerning our greenhouse gas emission inventory, management and emissions reduction results.

● Wistron's Responses to CDP Survey

Structure of CDP Questionnaire	Wistron's responses
Governance	Establish organizations to discuss and view the results of carbon management on a regular basis.
Risks and Opportunities	<ul style="list-style-type: none"> • Create better operating efficiency; the pursuit of healthy and profitable growth is our development strategy; better management of climate risk management increases chances of success. • This issue is related to future scientific and technological innovation, cost savings and competitive advantages of new business opportunities. • Natural disasters (such as downpours) caused by climate change will affect daily operations at our plants.
Emissions	Please refer to Wistron's GHG emissions inventory (P.35).
Information Communication	Regularly publish CS ² R report to disclose information related to GHG emissions and enhance information transparency.

Energy saving measures

Since energy consumption by employees and equipment is centered at our large-scale production centers, we focused our energy conservation measures in the energy management of our large manufacturing centers, and adopted the following measures and strategies based on the conditions of each site:

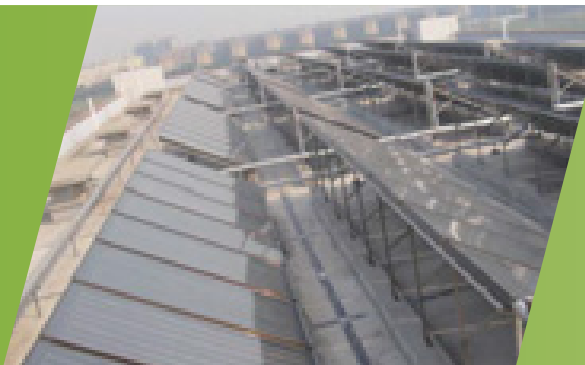
Strategy Site	Electricity management	Air-conditioning management	Energy efficiency improvement	Changing user habits
Hsichi Office	<ul style="list-style-type: none"> • Set timer on lunchbox steamer. • Require prior approval for holiday electricity use. • Set timer on regional power switches. 	<ul style="list-style-type: none"> • Maintain air temperature at 26-28 °C. • Conduct regular maintenance of air conditioning equipment. 	<ul style="list-style-type: none"> • Use energy-saving lamps. 	<ul style="list-style-type: none"> • Ask employees to turn off lights, air conditioning when not in use.
Hsinchu Site	<ul style="list-style-type: none"> • Conduct regular inspection of electricity areas and turn off unused power. 	<ul style="list-style-type: none"> • Maintain room temperature at 26-28 °C. • Use air conditioning cooling systems in phases to save electricity. 	<ul style="list-style-type: none"> • Improve operational efficiency of air compressor system and reduce ineffective operation. 	<ul style="list-style-type: none"> • Strengthen energy conservation promotion.
Kunshan Site	<ul style="list-style-type: none"> • Manage use of electrical equipment based on working days and hours. • Promote awareness of energy conservation. 	<ul style="list-style-type: none"> • Adjust air conditions according to working hours and worker movement. • Send outdoor air through the underground space for natural cooling/warming, preheat air during winter and pre-cool air during summer, and reduce air conditioning energy consumption. 	<ul style="list-style-type: none"> • Use fan to discharge heat generated from the device to outdoor directly. • Use solar energy to produce hot water to reduce load on the boiler. 	<ul style="list-style-type: none"> • Control air-conditioning system depending on the season; only allow use of air conditioner when temperature reaches a preset temperature.
Zhongshan Site	<ul style="list-style-type: none"> • Establish Environmental Management Committee • Manage use of electrical equipment based on working days and hours. • Apply user fees to dormitory electricity use. • Reduce use of equipment with low demand. 	<ul style="list-style-type: none"> • Install air conditioning system controller to maintain the office temperature at 28 °C; maintain the production zone temperature at 26 °C. 	<ul style="list-style-type: none"> • Eliminate high gas-mileage company vehicles; adopt small and high efficiency company vehicles. • Change hostel's hot water boilers from diesel to natural gas and solar energy. • Introduce intelligent power system energy management services. 	<ul style="list-style-type: none"> • Purchase energy-saving equipment.



Site energy-saving measures



1 Use ventilator fan to directly vent heat from UPS equipment to outside and reduce load on air conditioner. (Photo: Kunshan)



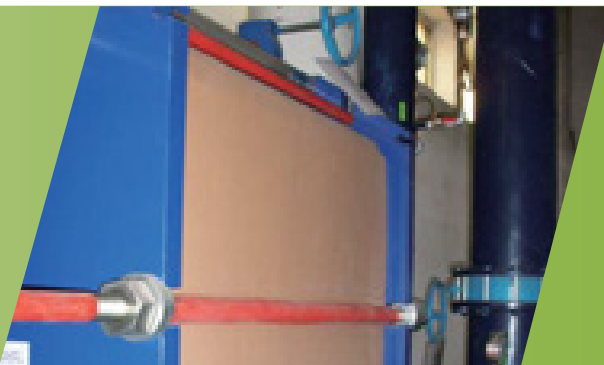
2 Use solar water heater to supply hot water and reduce load on boiler. (Photo: Kunshan)



3 Use infrared sensors to detect movement of people to automatically determine when to turn on/off lights. (Photo: Kunshan)



4 Increase supply of chilled water from central chiller to the oven of the reflow machine in the SMT area, to reduce the spread of heat from the oven to the production area. (Photo: Kunshan)



5 During winter, use outdoor air to conduct heat exchange directly between water in air-conditioning system and air-conditioning cooling water, to reduce the need to turn on chiller. (Photo: Kunshan)



6 Install large water-cooler to reduce temperature and humidity; improve cooling efficiency. (Photo: Kunshan)



7 Use energy-saving lamps; install T5 fluorescent tubes and LED energy-saving lamps. (Photo: Hsichih)



Environmental Management

We aim to become a leader in sustainable development and social responsibility. In this regard, Wistron has long been concerned with environmental issues, and remains committed to controlling and reducing our impact to the natural environment as a result of our operations.

● Key Environmental Performance Indicators

Indicators	Unit	2010	2009	2008
GHG emissions		196,548	182,514	126,579
Scope 1	tonne CO ₂ e	9,744	12,820	6,339
Scope 2		186,804	169,694	120,240
Water consumption	m ³	2,871,079	2,790,697	2,320,757
Waste production	tonne	20,208	18,570	12,964
Environmental training	hr	1,759	N/A	N/A
Environmental cost	million NTD	47.65	42.12	N/A



2010 Achievements

- Joined the Electronic Industry Citizenship Coalition (EICC); gradually extended the “ethical supply chain management concept” throughout the whole supply chain system.
- Completed inventory of product carbon footprint, and jointly supported low-carbon economy concept with our brand-name customers.
- Established Wistron CS²R Information System to regularly collect and track environmental information.
- Reduced greenhouse gas emissions of unit revenue by 1% when compared with 2009.

Focus of environmental action in 2011

- Conduct electronic waste recycling
- Green product design
- 2011 GHG reduction targets: 1% (Total GHG emissions/total annual revenue)

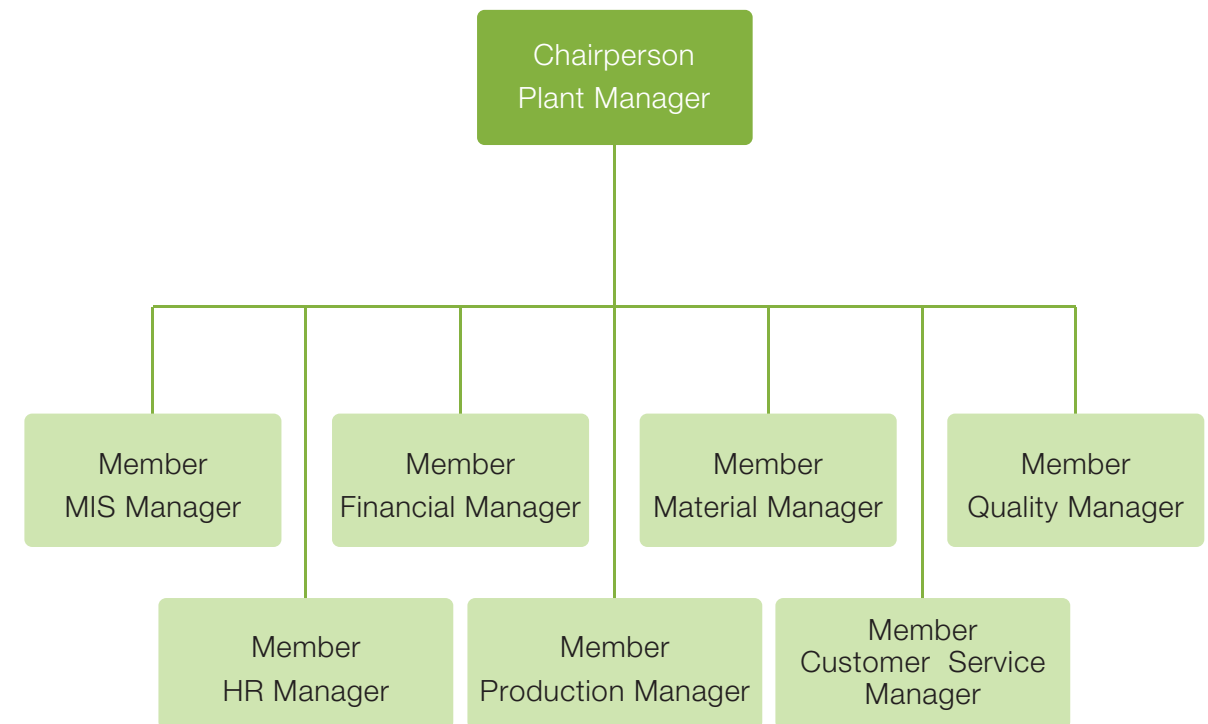
In order to implement environmental protection and pollution prevention measures, we have introduced the ISO 14001 Environmental Management System (EMS) to all our sites. Our corporate headquarters initiated the environmental policy for implementation at all sites. Each site will use the corporate environmental policy to develop their corresponding environmental objectives and targets in a systematic manner as part of their daily operations.

Roles, responsibilities and authorities

1. Plant manager: Serves as chairperson of EMS committee; develops policies, objectives and directions.
2. Department representative: Serves as a member of EMS committee; proposes goals and programs.
3. Department manager: Serves as the enforcer for actionable measures; responsible for planning, communication and implementation of internal audit activities in the department, assists in the completion of corrective and preventive measures.



Wistron environmental management organization chart





Enhance education, training and awareness

1. Internal communication: Implement employee pre-job, on-the-job and job-transfer training and retraining system. Training methods: internal face-to-face, video learning, websites, billboards, environmental actions cards. Proposal system: Employee Relations Association, Mess Hall Committee, knowledge management website, CS²R IT System, wall-mounted TV, manager tea party, bulletin board.
2. External communication: Customer audits, questionnaires, third party audits, governmental agencies.

● **Environmental education and training**

Environmental Training	Hsichih Office	Hsinchu Site	Kunshan Site	Zhongshan Site
Time (hr)	3	20.6	1,513	222



Audit

Every year, we commission an external third party certification body to conduct an audit of our environmental management system, to ensure that our internal system complies with all standard requirements. In addition, we will perform an internal audit at least once a year to track each site's status of EMS implementation. In 2010, there were 54 nonconformities found and subsequently corrected.

● **2010 Results of ISO 14001 internal audit**

ISO14001 audit	No. of internal audits	No. of non-conformities found during internal audits	Result of external audit
Hsichih Office	1	15	passed
Hsinchu Site	1	2	passed
Kunshan Site	1	7	passed
Zhongshan Site	1	30	passed

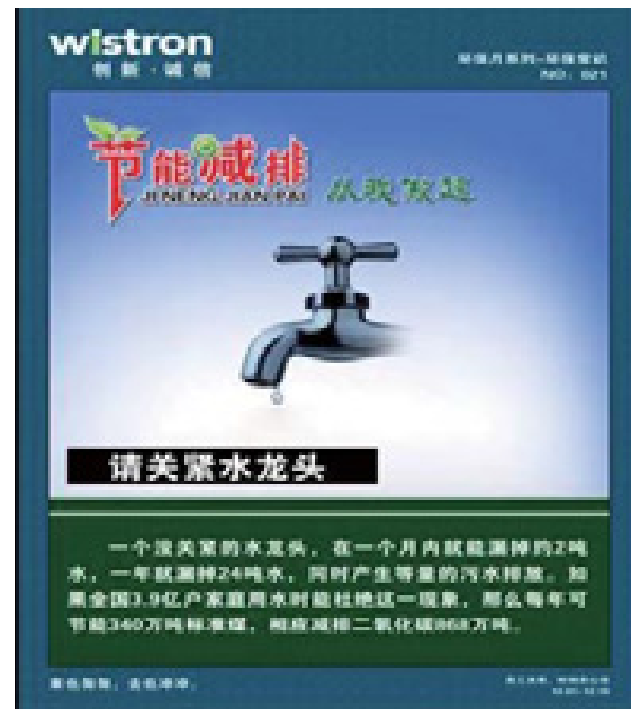


Water Resources Management

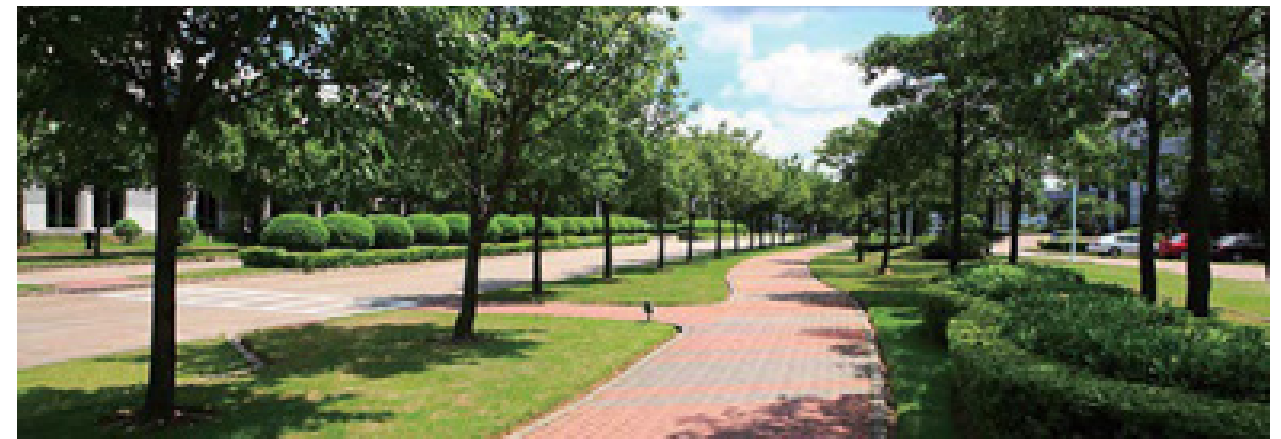
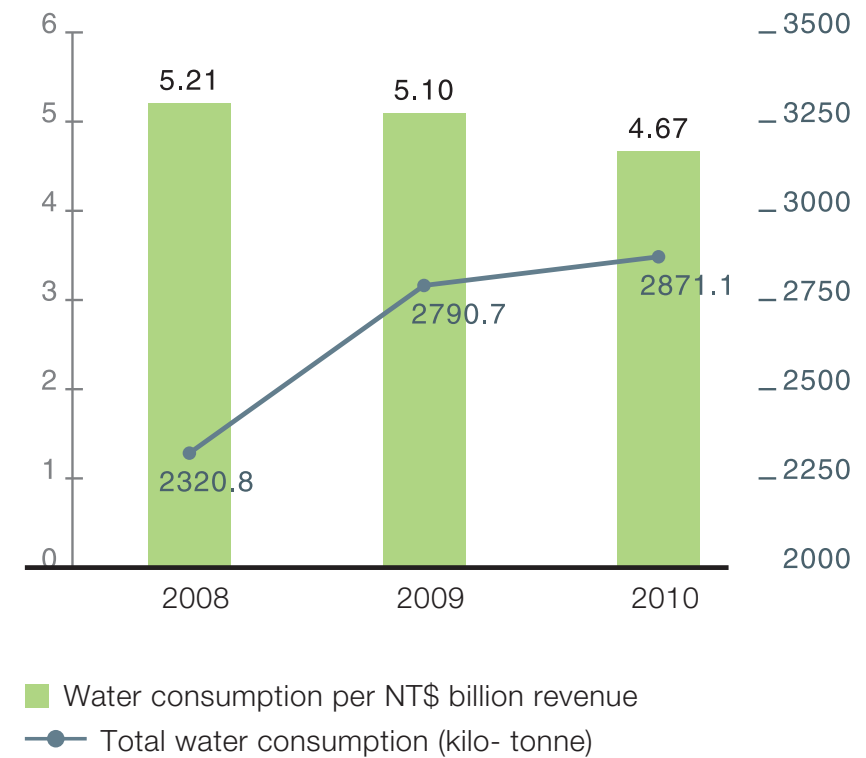
Climate change due to global warming is increasing significantly and has made global water resources retention and distribution an important issue. For us, even though our production processes do not require the use of vast amounts of water, we are keenly aware of the importance of water conservation. Thus, we strive to reduce water consumption in our daily operations and encourage all our sites to manage their water use properly and practice water recycling and reuse.

Wistron's wastewater comes mainly from domestic water use; therefore, we have set up grease traps in company restaurants and mess halls, to reduce the load on wastewater treatment facilities. The small amount of wastewater generated by our production is properly treated in accordance with local government regulations.

Use posters to promote water conservation measures and demonstrate proper methods to operate water saving devices. (Photo: Kunshan)



2010 Wistron Water Consumption





Our water resource management thinking focuses mainly on reuse of recycled water and water conservation, including the following:

1. Enhance equipment operating methods and conditions.
2. Improve wastewater recovery rate.
3. Increase installation of water conservation and water reuse facilities.

● Measures for office/site water resource conservation

Site	2010 Water consumption (tonne)	2011 Water Conservation Measures
Hsichih Office	70,302	Installed water saving taps
Hsinchu Site	64,171	2011 goal: conserve air conditioning cooling water
Kunshan Site	1,609,554	<ol style="list-style-type: none"> 1. New plant will be equipped with rainwater tanks for watering green plants 2. Adopted energy-saving sanitary facilities
Zhongshan Site	1,127,052	<ol style="list-style-type: none"> 1. Building new plant with water storage and recovery equipment 2. Domestic wastewater from the Science Park will be incorporated into the municipal wastewater treatment system; existing wastewater treatment pond will be converted into rainwater tanks for use in park greening



1. Install water faucets with auto on-off sensor. (Photo: Kunshan)
 2. Install urinals with auto-flushing infrared sensor. (Photo: Kunshan)
 3. Install water-saving toilets. (Photo: Kunshan)



Waste Management and Recycling

Our efforts in waste management focus mainly on process waste reduction and pollution prevention. In addition to strict compliance with relevant waste management and pollution control regulations, we also implemented our waste management system in order to achieve the goal of sustainable resource use. Where technically and economically feasible, we also uphold the 3R (reduce, recycle, reuse) waste management principles to reduce waste generation.

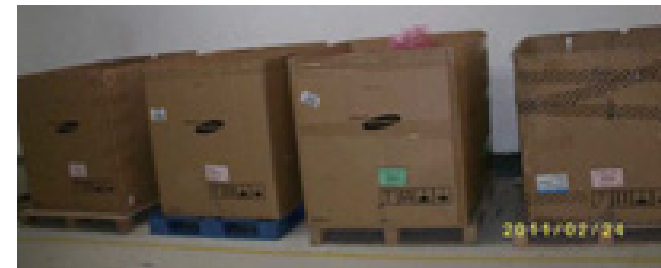
In addition, we also promote the principles internally to ensure that our employees will practice resource recycling and reduction.

To waste recycling, concentration, re-use.



Waste Category	Contents	Collection Methods
General waste	Household waste, non-recyclable waste.	<ul style="list-style-type: none"> Contract waste management company to provide regular reports of industrial waste quantities and types to environmental protection agencies.
Recyclable waste	Separate recyclable waste from general waste, e.g., plastic bottles, paper, aluminum foil, steel cans, aluminum cans, cardboard boxes, plastic bags, batteries and kitchen waste, etc.	<ul style="list-style-type: none"> Place recycling bins at different locations to collect paper, iron, aluminum cans, PET bottles, aluminum foil, etc.; Conduct occasional pick-up and weighing; Place in temporary storage areas; Wait for regular pick up by resource recyclers.
Hazardous waste	Waste generated during manufacturing process, such as tin slag, waste metal, waste IC, scrap iron, scrap, waste PCB edges, organic solvents, solvent cleaning paper, fluorescent tubes, solvents, empty barrels, packaging materials.	<ul style="list-style-type: none"> Uphold principles of waste disposal, uniform collection, transportation, disposal, storage, measures Uniform collection, collation, report to respective environmental protection department Contract government certified waste management companies for clearance and transportation Conduct regular audit on quality and treatment of waste management contractors to ensure waste disposal follows waste management principles

Promote waste separation and strict implementation of sorting to enhance recovery; assign dedicated personnel for auditing.

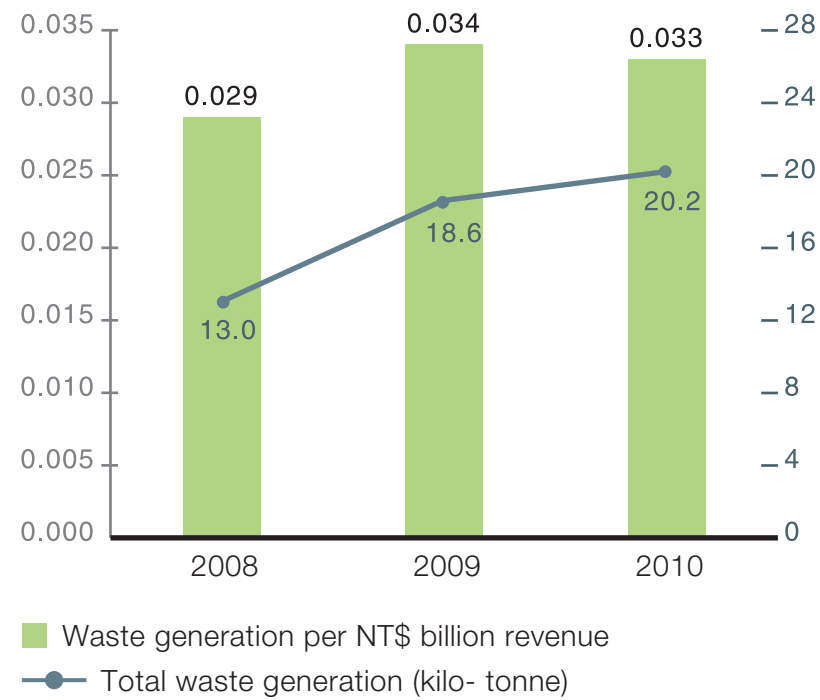


Hazardous waste recovery area.



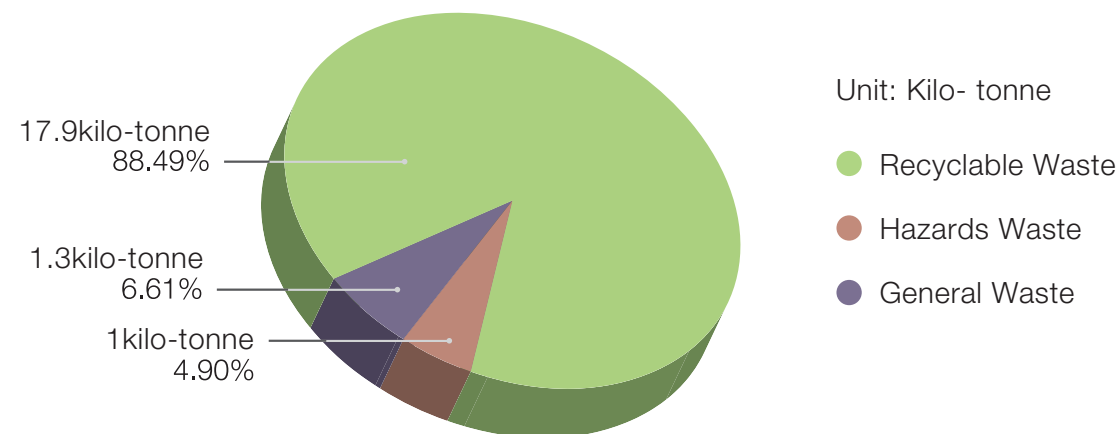


2010 Total Waste Generation



1. Recycling packaging materials through cooperation with suppliers: Production line workers sort packaging materials at the end of the production line for collection by suppliers for recycling and re-use.
2. Recycling of tin slag through cooperation with suppliers: During cleaning of soldering oven, our workers extract and store the tin slag for collection by suppliers for recycling and reuse.
3. In addition, we are working to create new value for waste materials through the following measures:
 - Remanufacture and reuse trimmings of printed circuit boards;
 - Develop standard operating procedure for extraction of scrap tin to improve the recovery rate of scrap tin;
 - Recover kitchen waste to reuse as compost;
 - Reuse wood from pallets i.e. for an outdoor trail (Photo: Zhongshan).

Total Waste Generation





Biodiversity Management

All our manufacturing sites are located in industrial parks. Prior to developing these parks, environmental impact assessments (EIA) were required and completed by the park development organizations. Companies inside the parks were told by park management to implement committed actions in accordance with the EIA reports to maintain the integrity of the environment, thus the presence of our operations within the parks should not cause any adverse impact to local ecological systems or flora and fauna.



Case: Ecological Diversity Action



Inside Wistron's Zhongshan Site, Fortress Hill, (also known as Water Island Mountain), is known for its unique history and culture by local people. As an environmental protection initiative, management at

Wistron Zhongshan strived to integrate local culture into Wistron culture by implementing control measures and introducing them to all employees and visitors.

1. Prohibit placement of toxic and radioactive chemicals in surrounding areas;
2. Prohibit climbing Fortress Hill and unauthorized removal of vegetation;
3. Prohibit littering and random use of fire;
4. Maintain surrounding flowers through routine care;
5. Regularly clean up decaying branches;
6. Protect different species in the area.



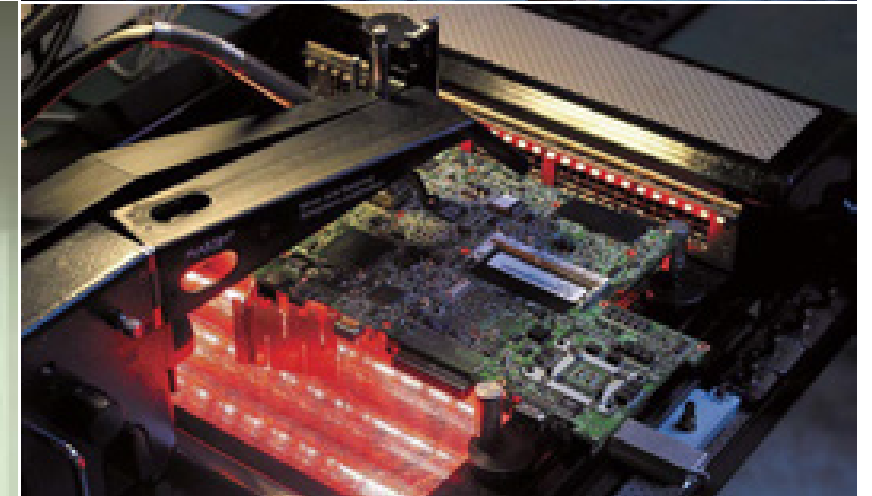
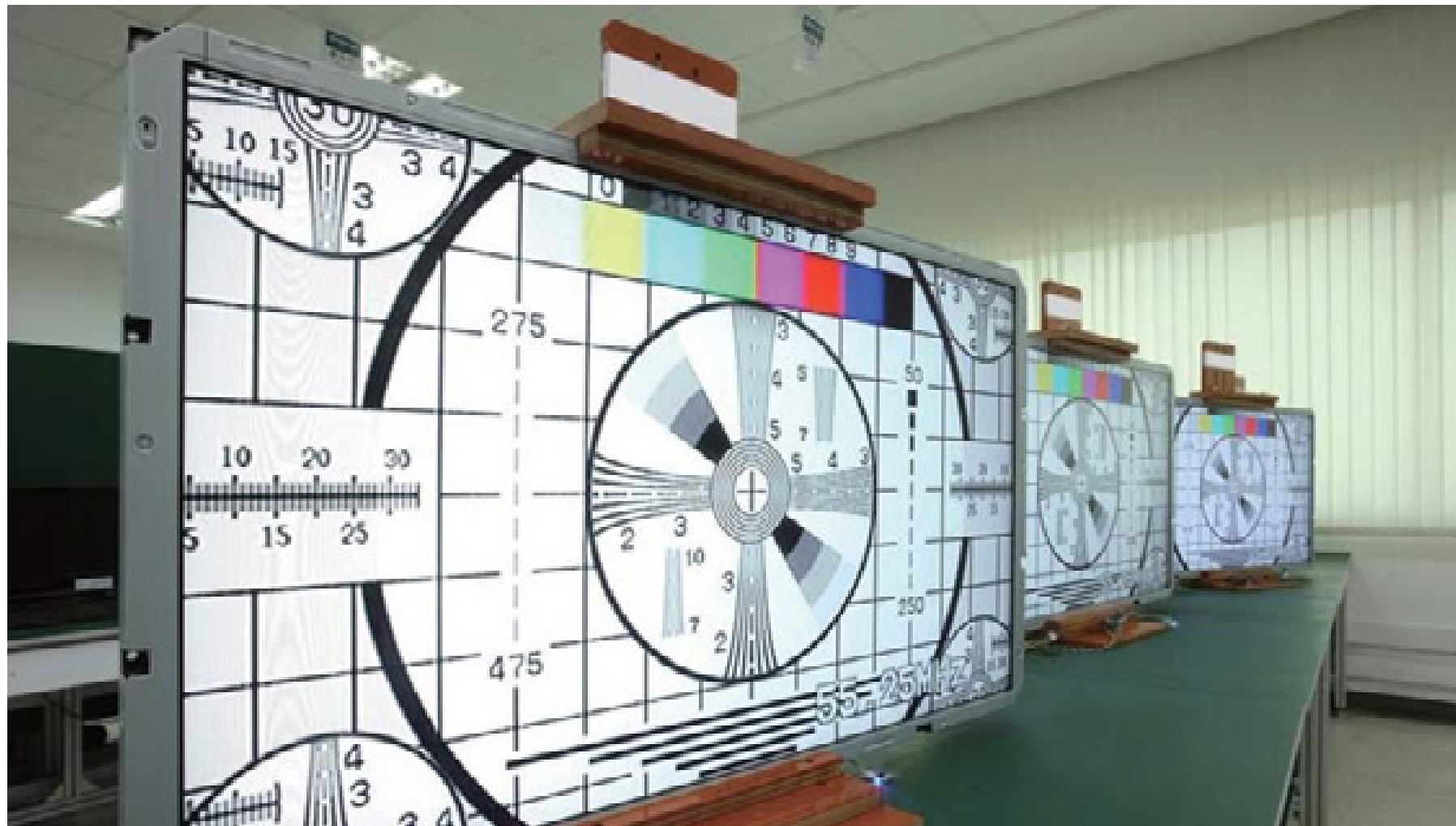
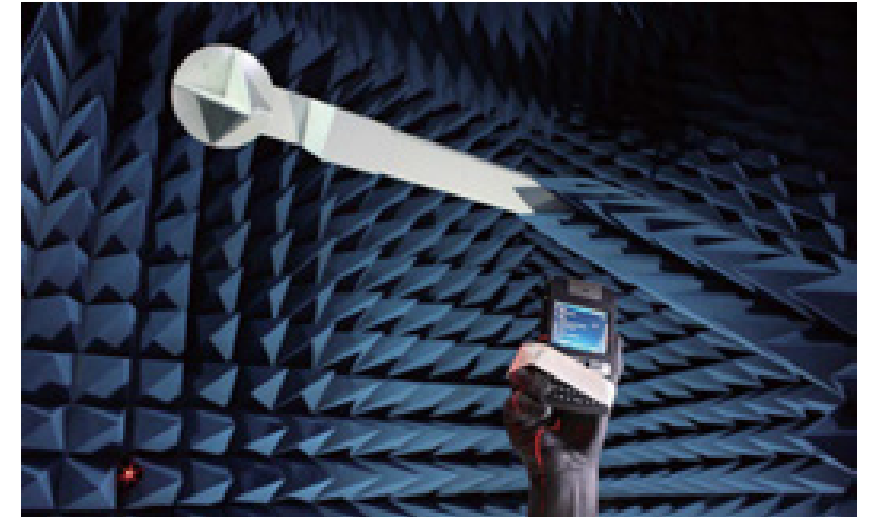
Innovation

“Innovation is not just a matter of advancement in the research and development of product technologies. It also entails the search for a balance between the Company and its stakeholders”

— Wistron Chairman & CEO, Simon Lin



Although Wistron's products are mostly designed and developed based on our customers' requirements, the huge quantity of products produced also brings environmental impacts, thereby reminding us of our environmental responsibilities. We believe that applying better environmental considerations in our product design process can significantly reduce the adverse environmental impacts caused by ICT products. In this regard, our research and development team closely cooperates with our customers, component suppliers, technology platform vendors and relevant research organizations in developing more environmentally friendly green products through the use of creative thinking.





Innovation

Our product design philosophy adopts the life cycle analysis concept as its foundation. In this aspect, we have applied comprehensive life cycle assessment studies beginning from product proposal, planning, research design, laboratory testing, engineering trials, production testing and mass production to product waste disposal, to conduct detailed analysis of our products and processes, and to help our R&D team understand the complex environmental factors related to our products.

We expect the products we develop to meet customers' environmental specifications and all legal requirements, as well as reduce their life cycle environmental impacts. During the product development cycle, we follow the precautionary principle in the Rio Declaration in carefully selecting our materials in compliance with all international regulations and legislation. In order to effectively manage the environmental process in our product development, we established the "Green Product Management (GPM)" system to carry out reviews of components' environmental specifications and management of our suppliers' environmental quality, so that the design and management of our green product development process could be more efficient.

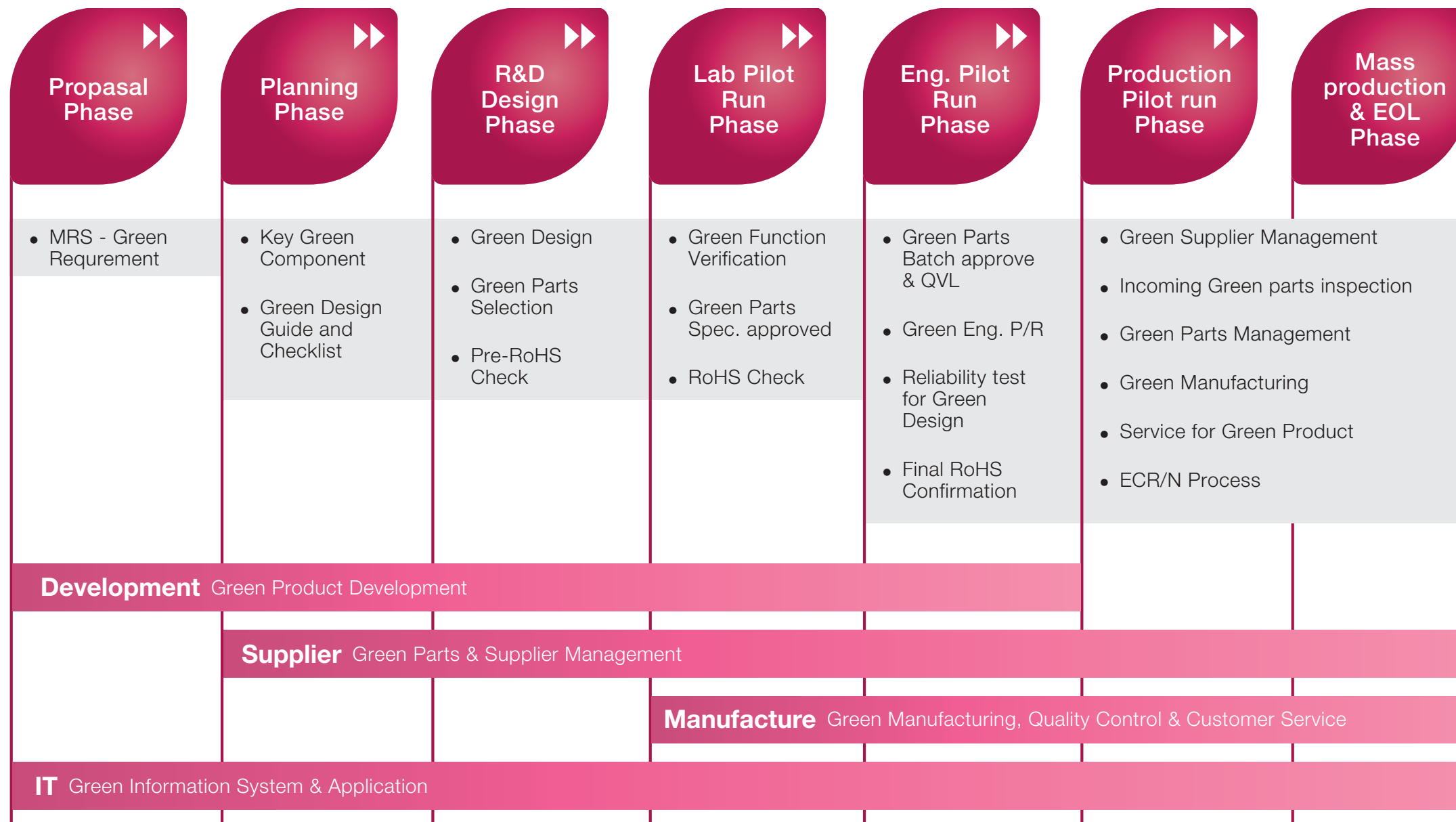
In addition to meeting the environmental requirements of our customers, we are also actively seeking eco-label certifications for our products to improve product value. Our products are certified with many eco-labels including EPEAT, Energy Star, TCO, IT-ECO, and Taiwan Green Mark.



Sustainable Design



● Wistron's product development life cycle and processes





Our sustainable product design efforts are focused on five major areas: 1) improvement of energy efficiency, 2) material reduction, 3) recovery and reuse, 4) reduction of hazardous substances, and 5) easy disassembly and easy recycling.

Improvement of energy efficiency

Carbon emissions of a computer during the usage stage account for about half of the emissions of its entire life cycle. Knowing this, we have strived to develop and improve the energy-saving design of our related products. During the product design and development stage, the R&D team will consult international references, such as Energy Star, ErP Lot 6/Lot 7, E-standby, China CECP and other energy-related regulations and standards, to seek reductions in product energy consumption. In addition to providing a variety of power saving modes and low power standby modes, we also try to improve the efficiency of power conversion to save more energy.

Moreover, for related products that may be subject to EU regulations, we will require our R&D department to incorporate these standards and requirements into product design specifications, and prepare technical documentation and declarations of compliance, to ensure that our products comply with all relevant standards and legal requirements. In 2010, there are no violations of regulatory requirements and related occurrences for any of our products.



Material reduction

The main purpose of product packaging for electronics is to ensure product safety during shipping and delivery, thus when users get the products, packaging materials can be discarded. In this regard, we adopt environmentally friendly, non-toxic, restricted-materials-free, and recyclable materials as packaging materials for our laptop computers and handheld devices. At the same time, for product labeling and manuals, we also cooperate actively with our customers, including promoting the use of recycled paper and electronic manuals.

Recovery and reuse

Electronic products contain metals, plastics and other hazardous substances. Thus after they reach the end-of-life stage, if not treated properly, besides polluting the surrounding environment (air, groundwater, soil) and affecting human health, they will often incur social costs during waste disposal which are often higher than the product value.

In this regard, we have incorporated the source reduction and recycling concept into the product development and design stage, such as adopting modular design patterns, so that the dismantling and recycling of end-of-life products can become easier. In addition to meeting the requirements of WEEE, we will also use a certain percentage of recycled plastic materials and secondary materials according to different customer needs, so that we can reduce resource consumption from both ends of the product life cycle.

As for recovery of packaging materials, we practice systematic recovery of shipping containers and packaging materials after receiving shipments from our suppliers then return these materials to the suppliers for reuse, thus reducing the consumption of packaging materials by our suppliers.



Reduction of hazardous substances

In order to effectively reduce the use of hazardous substances in parts, we require all parts suppliers to pass our green parts certification, and confirm that they are in compliance with international environmental regulations, including the RoHS Directive, Packaging Directive, Battery Directive, and REACH (Registration, Evaluation, Authorization and Restriction of Chemical Substances) Directive. In addition, when designing products according to customers' specific requirements, we will avoid the use of certain hazardous substances in order to meet the BFR/CFR/PVC-free, PFOS, PAH and other specific requirements.



Easy disassembly and easy recycling

Reducing the use of screws and metal inlays through the product design stage can facilitate the easy disassembly of end-of-life products and reuse or recycling of separated parts. As for the parts, they can be designed to allow for easy dismantling with hands or widely available tools. Other measures also include not coating the surface of external plastic parts and measures such as:

- Avoid the use of external surface coating technology on plastic parts;
- Use a single material or easily separated materials on plastic parts weighing more than 100 grams;
- Use no metal inlays; if unavoidable, they should be easy to remove;
- Use buttons or snap-on design to replace screws.



Hazardous Substance Management

Wistron developed the “Environmentally Hazardous Substances Control Specification” to cover the requirements of the RoHS Directive, halogen-free and other customers’ substance restriction requirements. The goal is to ensure that all parts and materials used comply with all regulatory, customers’ and Wistron’s own environmental requirements. We also strictly require our suppliers to restrict or ban the use of hazardous substances and reduce the environmental impacts and health effects caused by electronic products. In the future, we will also update these requirements following latest international development trends and ensure that they are implemented and audited accordingly.

Wistron RoHS Laboratory

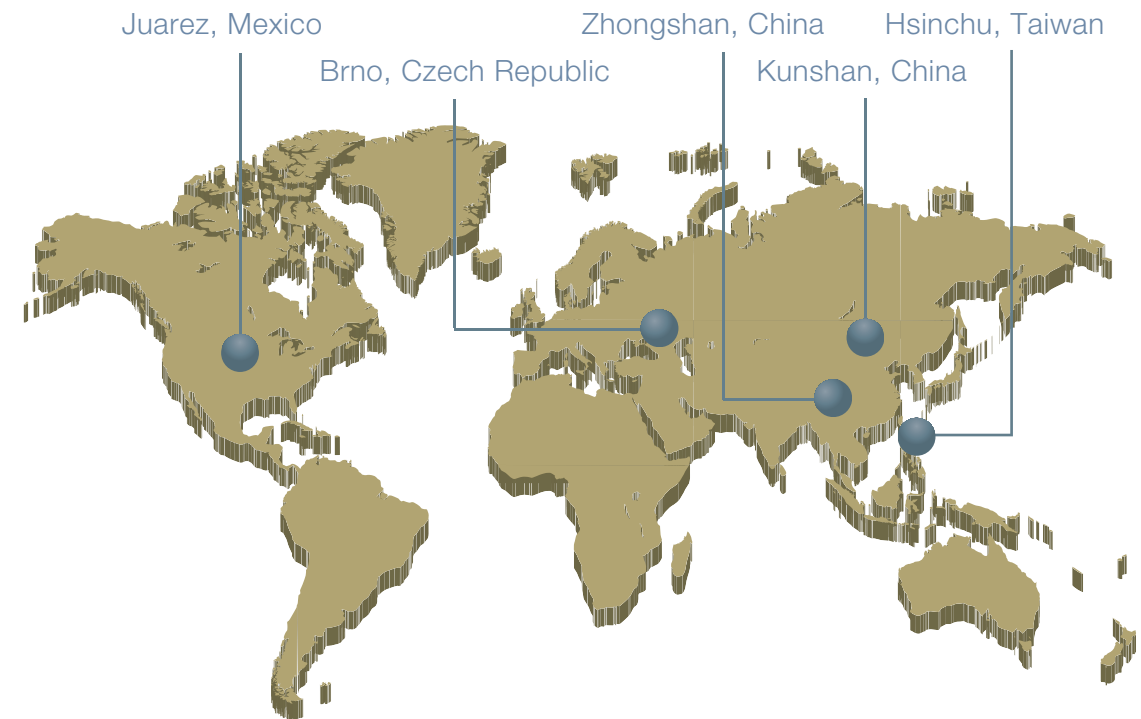
In order to ensure that materials supplied by our suppliers meet the required specifications, in addition to conducting promotion, education and auditing suppliers, we also established professional RoHS laboratories to examine and analyze incoming materials to ensure that they do not contain hazardous substances.

At present, RoHS laboratories are in operation at our Hsinchu, Kunshan, Zhongshan Mexico, and Czech Republic sites. Moreover, Wistron’s Zhongshan RoHS Laboratory is both ISO 17025 certified and Chinese National Accreditation Service (CNAS) certified.

Zhongshan RoHS Lab



Distribution of Wistron’s RoHS Laboratories



Wistron’s Zhongshan RoHS Lab received ISO 17025 and CNAS certifications



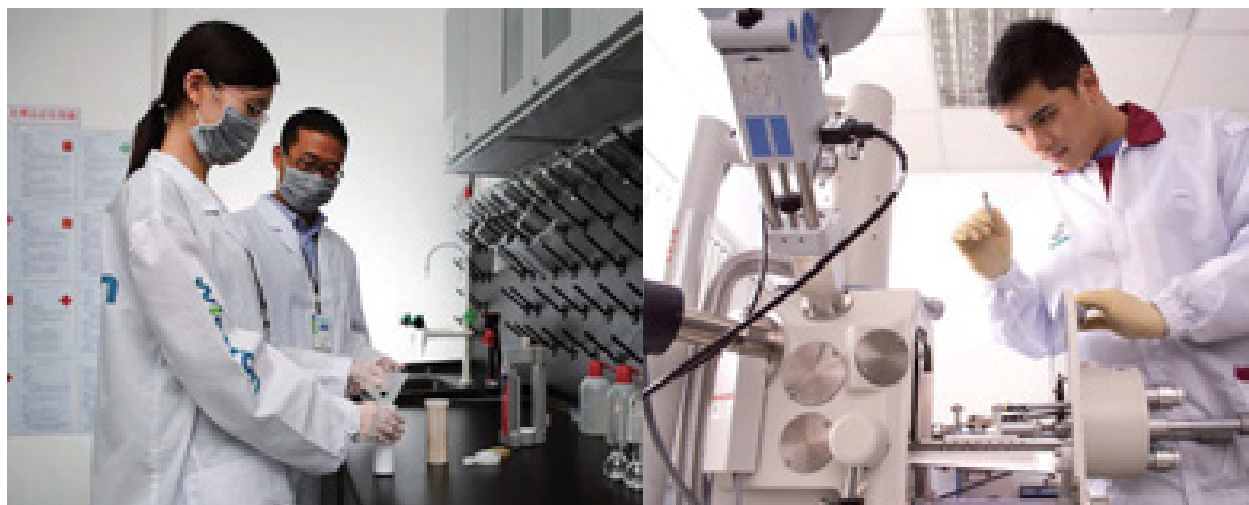


Information System

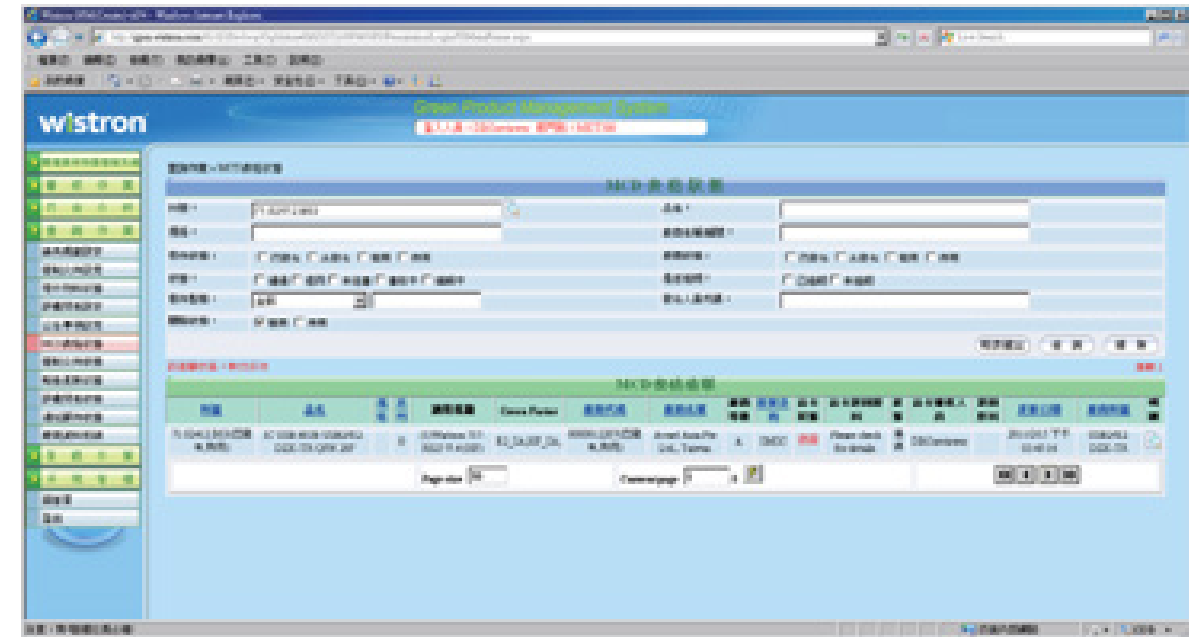
Our information management systems include the Product Development Management (PDM) information system for the R&D stage; the Green Product Management (GPM) information system for the confirmation of material environmental specifications; SAP, SCT, SFCS and other management information systems for the production stage; as well as the supplier management information system. The implementation of these systems can ensure 100% control of hazardous substances.

Management System

All our sites have introduced the Hazardous Substance Management System (IECQ QC 080000) to integrate various environmental regulations and customer requirements on the restriction of toxic and hazardous substances into our existing management system and make them a part of our daily operations. At the same time, we will conduct internal and external audits every year to improve the operational efficiency of our management systems. In 2010, 2 non-conformities were reported and both have been corrected.

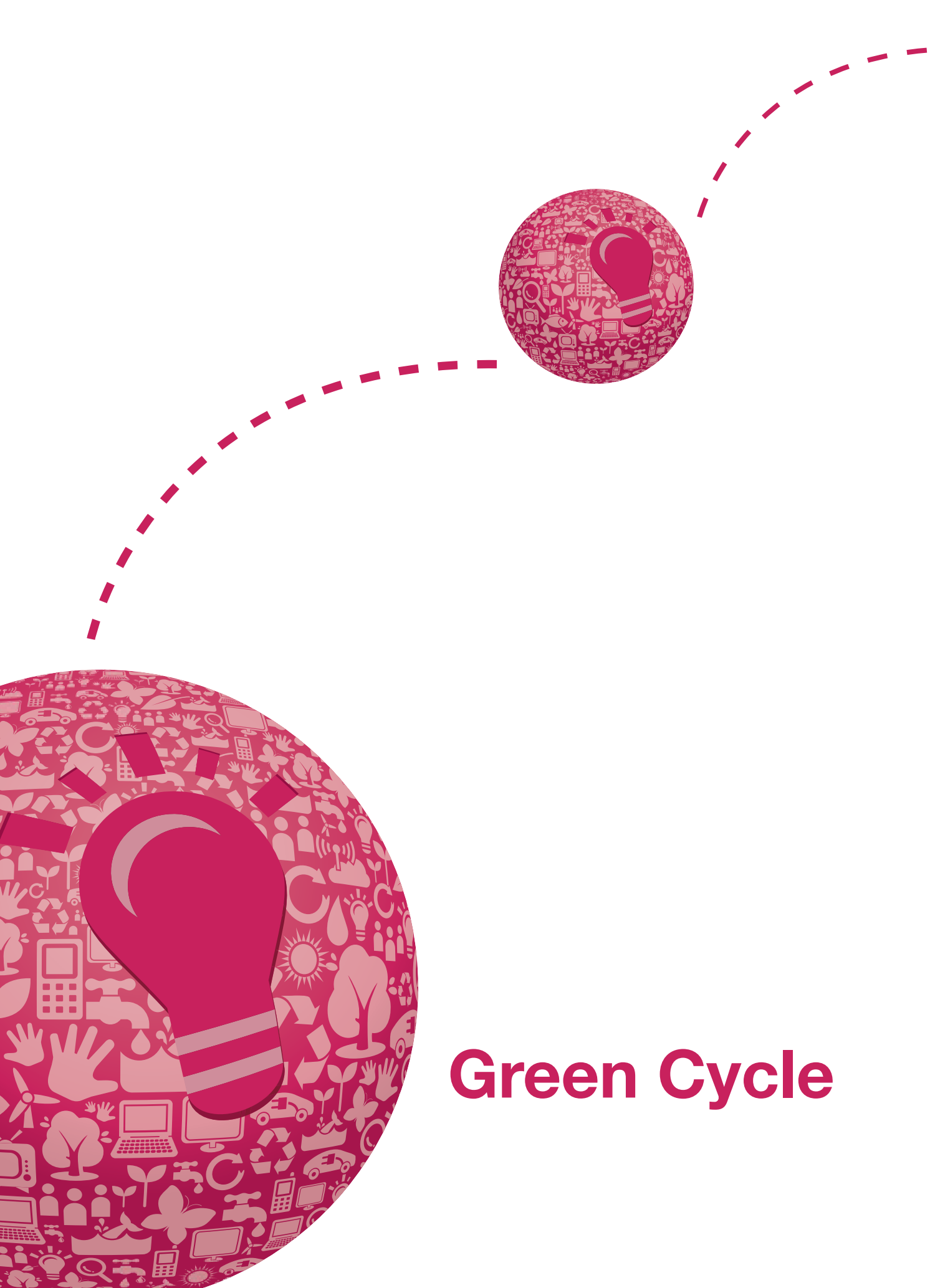


GPM system web page



Results of QC080000 Internal Audit

QC080000 Internal Audit	No. of internal audits	Nonconformities observed during internal audit	Result of external audit
Hsichih Office	1	0	Passed
Hsinchu Site	1	1	Passed
Kunshan Site	2	0	Passed
Zhongshan Site	1	1	Passed



Innovation

“Climate change is an existing risk, and disposal of end-of-life electronic products may have an indirect effect on climate change. Even though Wistron will not profit from devoting ourselves to this matter, it is something that will have a negative effect on us in the future if we fail to tackle it now.”

— Wistron Chairman & CEO, Simon Lin

The rapid growth and acceptance of electronic products helps create a life of convenience, speeds up progress in both industry and society and shortens the distance between people. Despite the many advantages derived from electronic products, there are significant risks associated with their use and “end-of-life” disposition. The problem of “e-waste” caused by improper disposal of electronics can cause environmental degradation and adverse effects to human health.

We have been concerned about this problem for some time, and are seeking suitable resource recycling modes for electronic scrap. Once developed, we believe these responsible and sustainable recycling practices will help achieve our goal of protecting the environment and recycling natural resources. These professional recycling practices also replace current methods, many of which are dangerous and cause health problems for workers and society in general.

Through applying advanced resource recycling technologies, scrap electronic products can be turned into high-quality raw materials. Utilizing our own electronic product development capability, and linking upstream and downstream industries, we can use those recycled materials to replace some of the raw materials we require and also reduce our dependence on extracting raw materials such as metals and crude oil, greatly benefiting the global environment.

Green Cycle

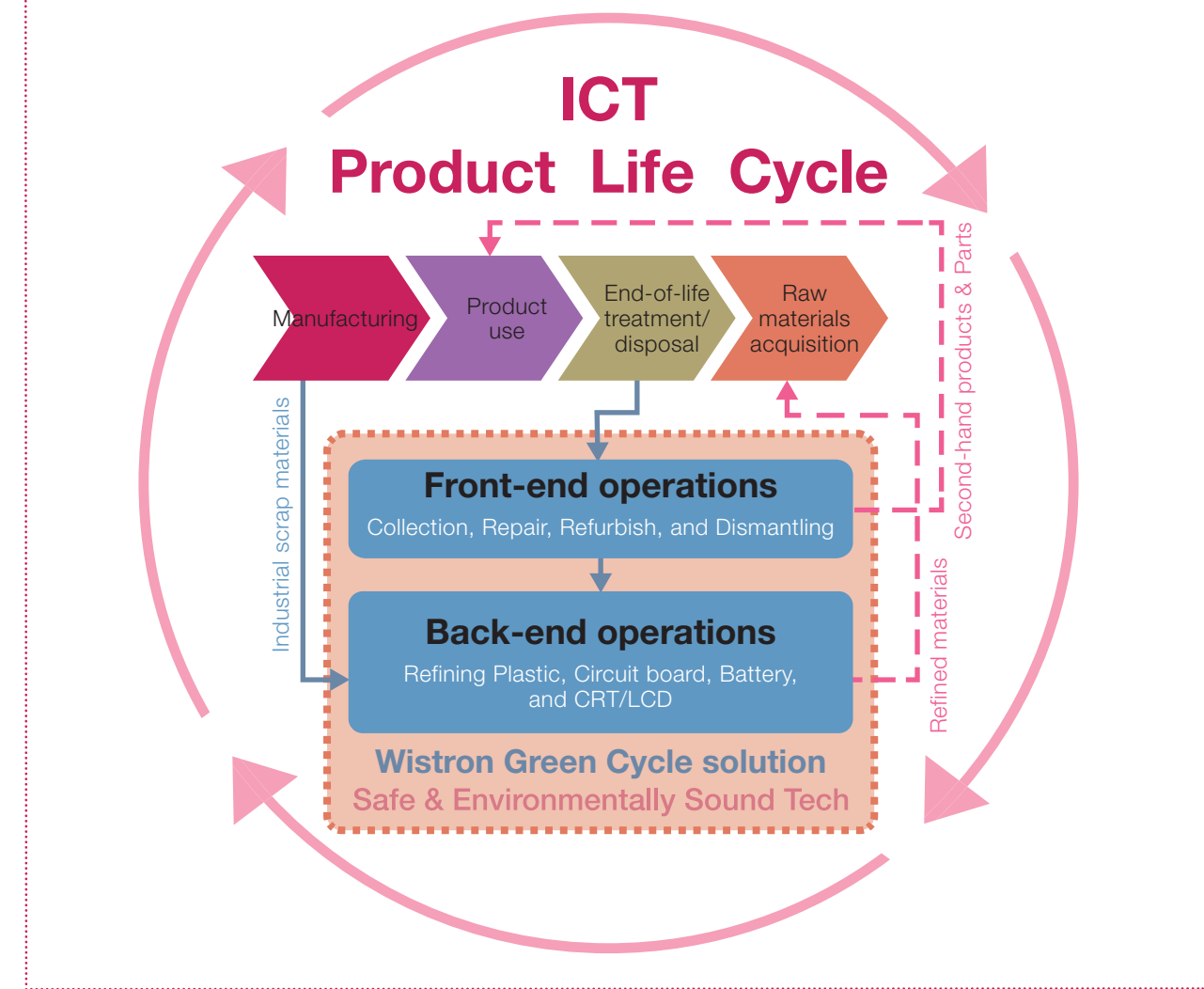


For us, the recycling of energy and resources in our product life cycle is more than an admirable concept. This concept is a realistic goal that we plan to achieve. Overall, the "Green Cycle Solution" is an approach to solve the e-waste problem and provide raw materials for use. This program can also achieve the balance of environmental protection and economic development.

In this regard, we formally established the "Green Recycling Business Development Division," and implemented the "Green Cycle Solution" for electronic products. Based on the four resource categories (plastics, circuit boards, batteries, and displays) which have "the biggest impact on the environment" and "the most recycling value," we offer an advanced refining process with the target of turning scrap materials into high-quality raw materials for new product production.

To achieve the above vision, we have planned for the front-end operations of collection, sorting, repair, refurbishment, and dismantling followed by the back-end refining process to facilitate the reuse, recycling, and recovery of end-of-life electronic products. In this way the goal of actual "Cradle to Cradle" resource recycling can be achieved.

Wistron Green Cycle Solution





Innovation

Wistron is a Technology Service Provider for ICT products with more than 1,200 vendors and manufacturing partners, in Taiwan, the United States, Japan, Korea, China and Europe.

While we task ourselves with providing high quality services and products, we also apply high ethical and environmental standards to our supply chain. In 2010, Wistron became a member of the Electronic Industry Citizenship Coalition (EICC). Through EICC, we are committed to working with our vendors in improving and enhancing environment protection, labor rights, and occupational safety and health, and expanding the supply chain social responsibility based on the Electronic Industry Code of Conduct.



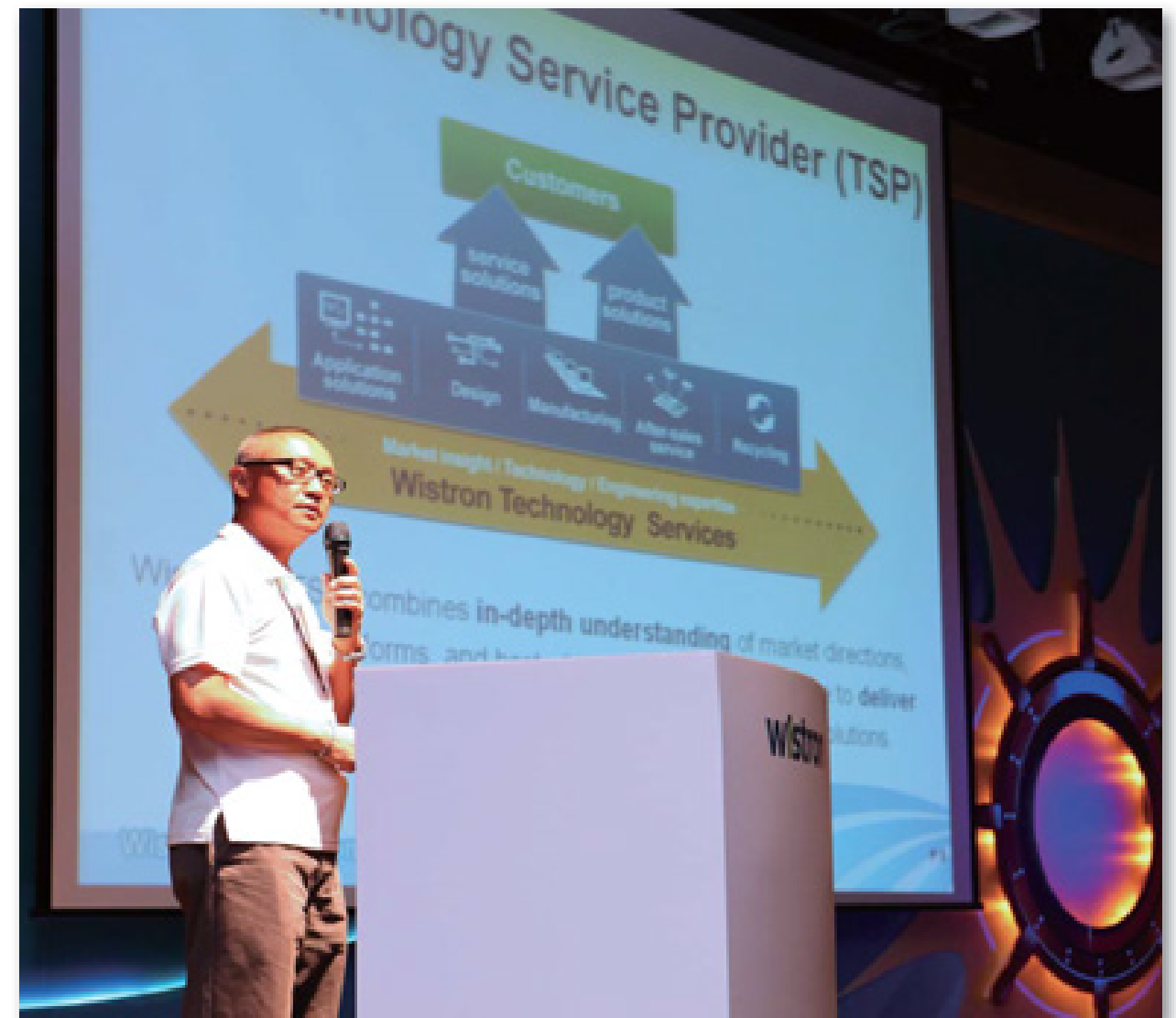
Supply Chain Management



Overview of Wistron supply chain management operations

1. All parts go through the GPM management system to determine their compliance with regulatory requirements.
2. For high-risk components, use XRF, ICP, UV-VIS and other testing equipment to conduct random testing; over 26,000 tests conducted in 2010.
3. For RoHS, require manufacturers to sign the “Declaration of Controlled Hazardous Substances Confirmation and Compliance” declaring no use of such substances; more than 500 vendors have signed and return the declaration.
4. Require vendors, especially new vendors, to sign the EICC Letter of Agreement declaration; more than 600 vendors have signed and returned the declaration.
5. Conducted 2010 annual CS²R vendor audits. A total of 240 vendors were audited.
 - Included 109 electronic component vendors; 34 key module vendors; 97 mechanical vendors.
 - Audit covered 145 check items in 12 categories: 39 EICC issues, e.g., labor, health and safety, environment; the other 106 issues were for environmentally hazardous substances, including quality system, incoming materials management and testing.
6. Conducted GHG inventory on 39 major vendors in 2010. Total GHG emissions for the 39 vendors were 7,452 K t-CO₂e.

7. In addition to expanding the work to conduct GHG inventory, in 2011, we will further require vendors to put forward measures and methods to reduce greenhouse gas emissions. Moreover, through consultation with external professional organizations, we will further develop our platform for carbon footprint management to better fulfill our corporate social responsibility.



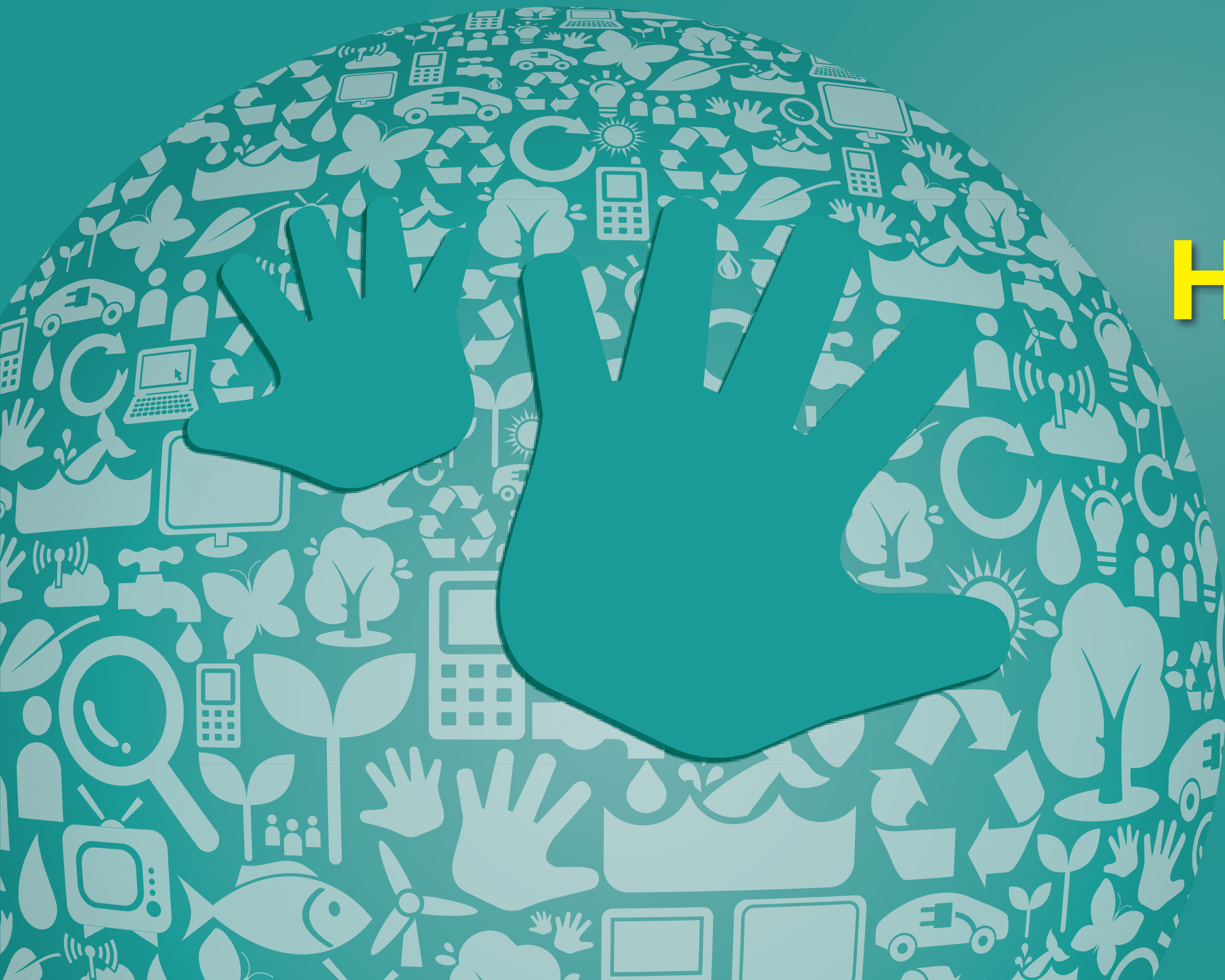


8. Promotion of new regulations/management system: Whenever there are new rules or systems for our CS²R management mechanism, in order to ensure that all vendors understand the requirements and impacts of new regulations, we will invite all key vendors to attend our annual vendor conference. Through this conference, we will advise them of Wistron's new directions and requirements, and explain the details of implementation of new specifications.

Wistron conducted GHG inventory on 39 major vendors in 2010, and the total GHG emissions were 7,452 K t-CO₂e.

Category of 39 Vendors

- Cables
- Connectors
- PCBs
- LCD panels
- Power devices
- Speakers
- ICs
- Thermal/fan/heat sinks
- Keyboards
- Injection molded parts
- Touch panels
- Packaging
- Antenna
- WLAN
- Passive components



Humanity

“Humanity remains a vital concern for Wistron. Wistron treats its employees and cultivates positive relations with its stakeholders while proactively upgrading its value to society.”

— Wistron Chairman & CEO, Simon Lin



Humanity

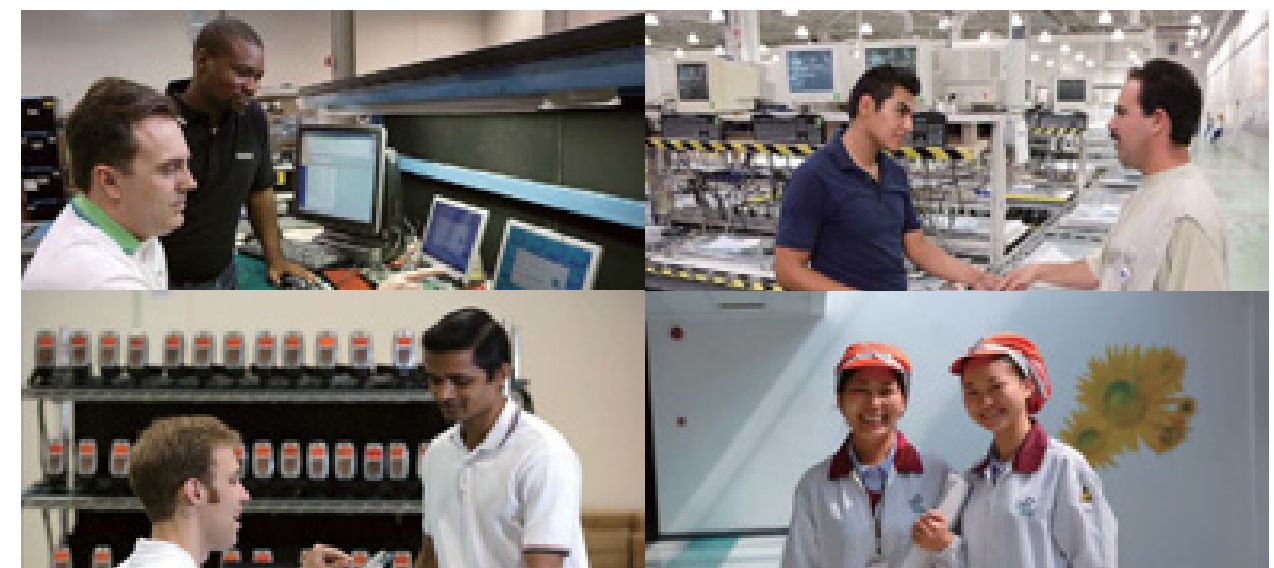
Wistron provides employees with remuneration and benefits balanced with the protection of their human rights. As such, employees are highly motivated and their potential is properly developed. In the short run, these will result in an upgrading of operation efficiency, which in turn contributes to corporate competitiveness. In the long run, these will contribute to more efficient use of overall social resources and as feedback to customer needs.

Workforce Diversity

In line with the rapid growth of our operations, Wistron continues to recruit talented people in various fields through our diversified recruitment channels, thereby increasing local employment.

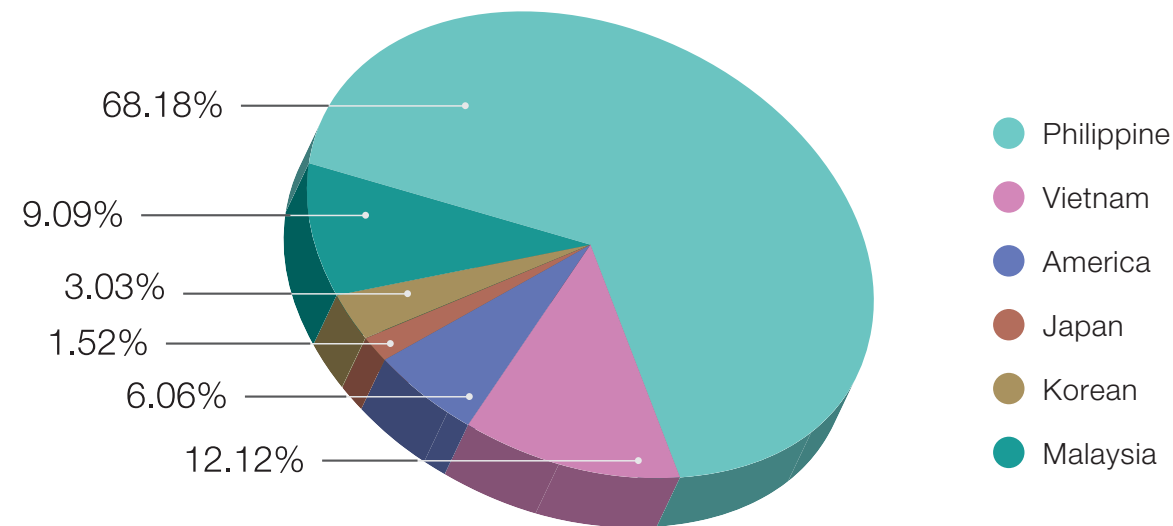
We hire employees based on their qualifications and actively employ local elite talent in our global manufacturing sites. As of 2010, Taiwan and China has nearly 70 foreign employees from the Philippines, Malaysia, the United States, Japan, Korea and other countries. By diversifying our employees, we provide our global customers with a more professional service that can meet different cultural requirements.

Employee Care





● Distribution of locally hired foreign employees

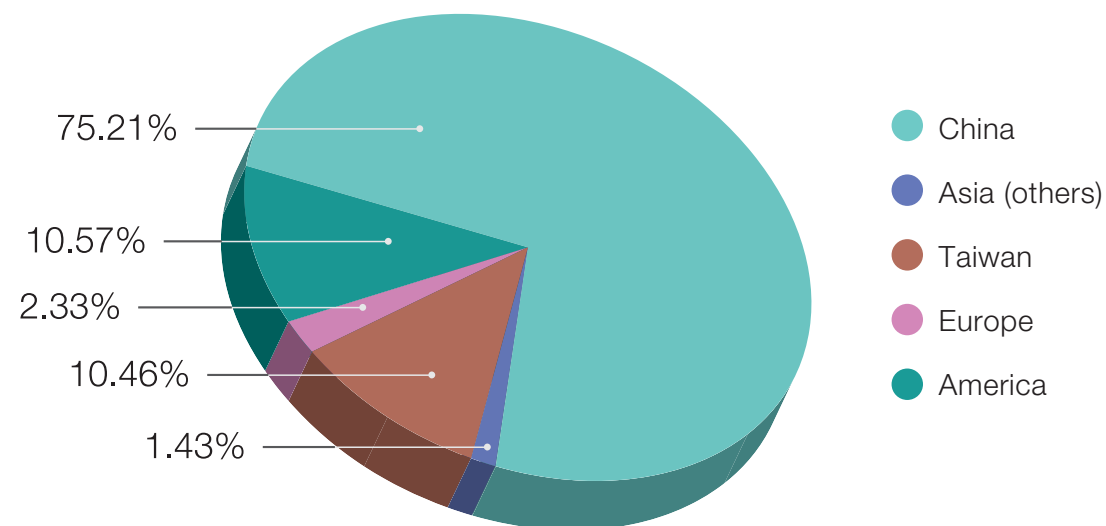


In 2010, we added more than 1,600 new employees in Taiwan alone, and were conferred with the “Job Creation Contribution Award” by the Executive Yuan. This award is presented to organizations that significantly contribute to creating employment opportunities or enhancing economic performance in Taiwan.

In addition to hiring local workers and creating local job opportunities, we also provide many career development and performance opportunities, and invite outstanding local employees to the Taiwan headquarters or other offices for training or job rotations to enhance their professional and management capabilities. In this regard, we launched the New Generation Program for local management, focusing on training local employees for managerial positions, so that we can continue to improve the ratio of local employees serving as managers.

After three years of implementing this program, the number of Taiwanese employees working in overseas offices has gradually decreased, accompanied by the rising number of employees in China serving as managers. This rise is most evident in the department or above managerial positions.

● Worldwide distribution of Wistron employees



Job Creation Contribution Award



Emphasis on Human Rights and Work Equality

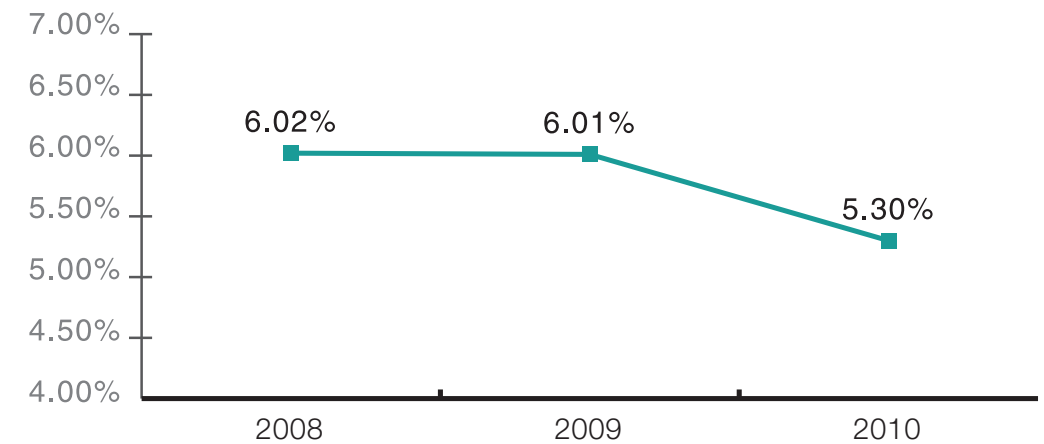
All managers shall adopt the equality principle in dealing with employee placement, promotion and other personnel functions, and shall not offer employees different treatment due to gender, age, nationality, race, religion, or marital status. Any harassment (including sexual harassment) is strictly prohibited.

The Philosophy for Wistron’s employees is based on being “people-oriented”, and emphasizes human rights and equality for workers. As an international business, we joined the Electronic Industry Citizenship Coalition (EICC) in 2010, and have strictly complied with relevant regulations and integrated human rights concerns into our daily operations in order to fulfill our responsibilities as employers. Please follow the link for information about EICC membership: <http://www.eicc.info/MEMBERSHIP.htm>

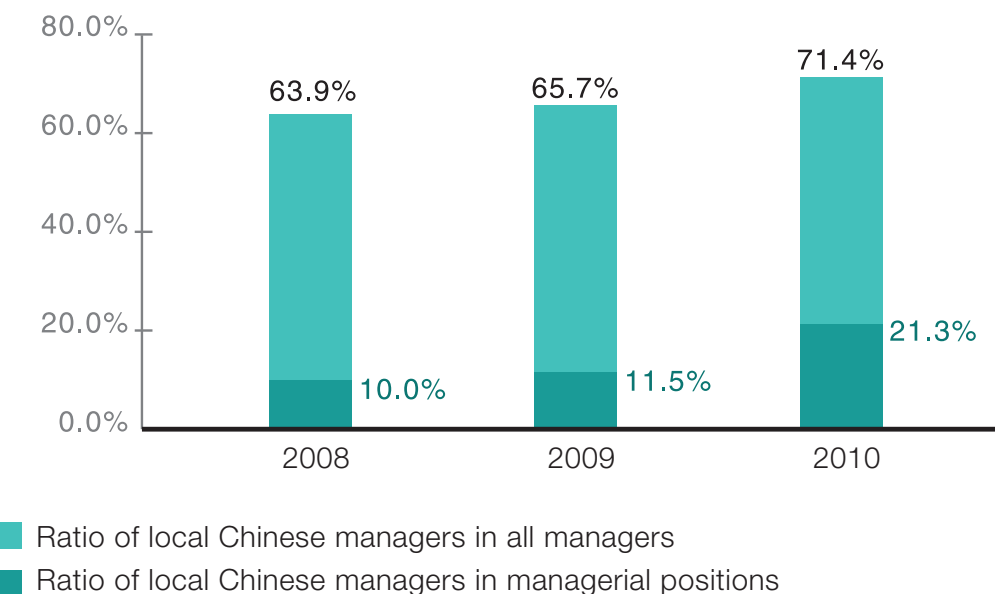
In addition to forming a CS²R implementing committee to promote human rights-related issues, we have also expressly stipulated human rights provisions in the “Wistron People Management Guidelines”. In these guidelines, we declared that we would “build our organization around people,” “treat our people fairly,” “maintain an environment free from discrimination and sexual harassment,” “manage our people with an open-door approach,” “respect each employee’s point of view,” and “stress safety and employee health.”

To emphasize the importance of human rights, we organize quarterly “new managers” and “target selection” training activities. We also actively promote human rights to all managerial levels to ensure that all managers and employees are familiar with Wistron’s human rights policy. Since the implementation of these activities, there has been no incidence of human rights violations or sexual harassment in 2010.

● Ratio of Taiwanese employees in China operations



● Ratio of local Chinese employees in managerial positions



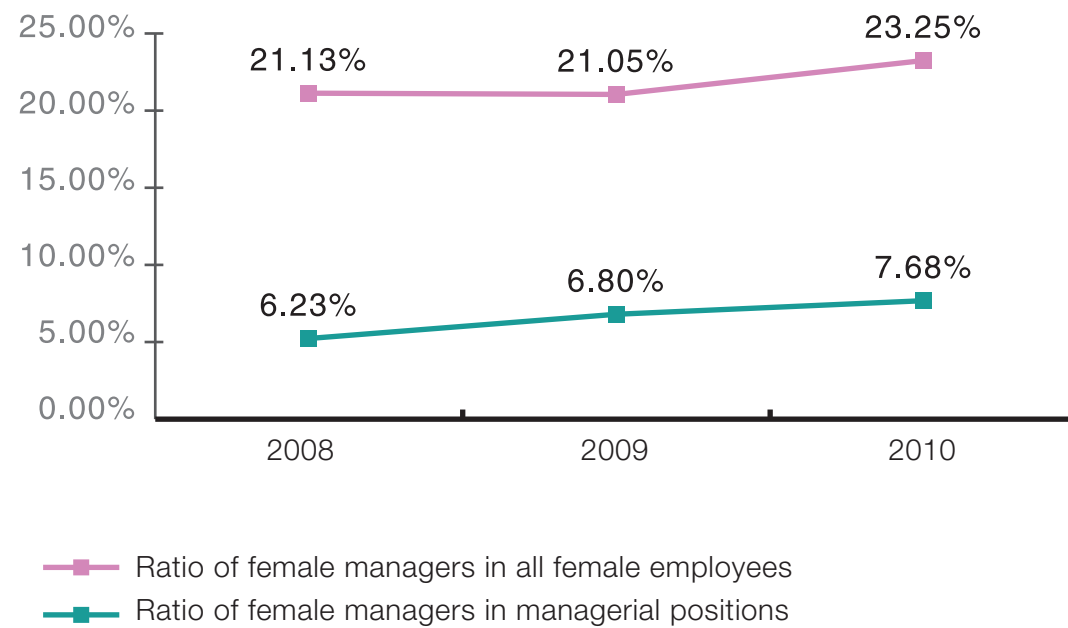
Note: Managerial position means the 1st tier manager under plant manager



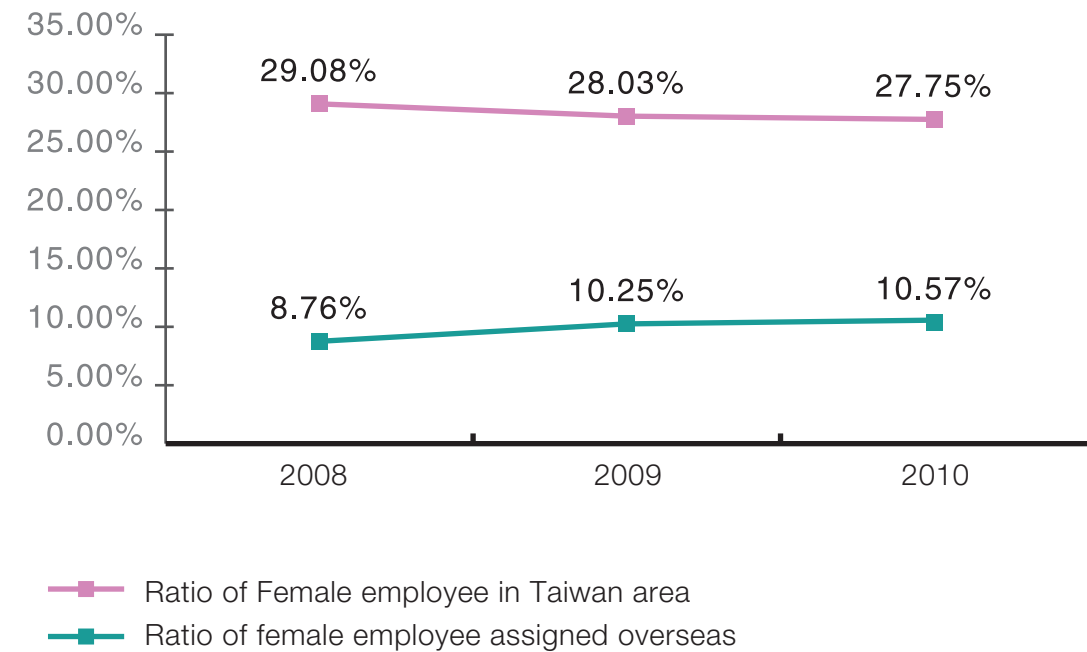
In terms of hiring disabled persons, as of 2010 in Taiwan, the proportion of employed persons with disabilities is 1.03% for all employees. This hiring ratio is well above the statutory requirement in Taiwan.

In the traditionally male-dominated high-tech industry, Wistron has maintained a 33% female employee ratio. The number of female managers and particularly the number of female employees working overseas have both been on the rise, highlighting the emphasis that has been placed on the career development of our female employees.

● Ratio of female managers in the last 3 years



● Ratio of female Taiwanese employees in overseas offices



Listen to employees' views

With over 50 thousand employees worldwide, the effective functioning of corporate communication is closely related with Wistron's ability to grow. To enhance communication between employer and employees, we provide employees with free and open channels to express their opinions. Whether the issues are benefits or management related, they could all be expressed freely.

Apart from holding regular labor relations meetings, we have also established an employee opinion mailbox, 24-hour hotline, and COO mailbox to receive



feedback from our employees. All opinions and comments from employees are processed and responded to promptly and adequately by dedicated personnel. In 2010, over 500 employee comments and suggestions were processed, including issues related to:

- Employee mess hall environment, dormitory, commuter bus arrangement and office environment
- Planning of public leisure space and living-related issues

We post responses to all recommendations and comments from employees on the company's internal website, so that employees may obtain real-time status information. As for performance-related communication, through the biannual self-assessment of performance, and 360-degree appraisal system, employees are provided with the opportunity to fully express their ideas and opinions, so that the performance assessment process can become more objective and transparent.

In addition, we also encourage managers and employees to conduct one-to-one interviews ("coaching"), and conduct Coaching Surveys once every six months. In 2010, on average each employee has 8 to 9 opportunities to engage in a one-to-one interview with his/her manager every 6 months. Through these interview opportunities, managers come to know each employee's working conditions and needs and improve the satisfaction of employee-employer communication.

Employee welfare system

Wistron has always attached great importance to employee welfare. In addition to meeting legal requirements, we are committed to taking care of employees' needs and providing them with various benefits and welfare measures. Employee Welfare Committees have been established at each of our offices worldwide to plan for employees' welfare activities. The company has also hired full-time staff to assist the committees with planning and implementing welfare services. The Employee Welfare Committees are critical in integrating company resources and employee benefit funds to ensure a balance between employee working hours and quality of life.

Encourage activity participation to release pressure

Rapid technological changes in the IT industry and intense competition all put great stress on our workers. Recent incidences of IT industry workers dying from fatigue have increased our attention to working hours and stress relief. In order to effectively relieve employee stress and enrich the diversity of life after work, Wistron's Employee Welfare Committees have been using break time during office hours to organize various leisure activities. For example, our Hsichih Office has held over 800 activities in 2010.





Warm and caring activities

Chinese New Year, the Dragon Boat Festival and the Mid-Autumn Festival are the three most important traditional holidays for Chinese. We often organize activities such as writing couplets, conducting lantern quizzes during the Lantern Festival and learning how to prepare dumplings during the Dragon Boat Festival to convey a feeling of warmth. During Mother's Day and Father's Day, we also encourage employees to express gratitude to their parents. Through these activities, we hope to build the power of caring through team actions and enrich employees' minds.



張麗珍 H304006
媽媽是上帝派來照顧每個人的天使守護天使！從小受到媽媽無微不至的照顧——聽了媽媽的教訓我們吃了媽媽做的菜餚；生病了媽媽照顧我們無微不至；我們這些子女深深感謝“有您我們想媽媽說‘媽媽您辛苦了’讓我們長大了讓我們更堅強！”



黃淑慧 H11000
我是因為媽媽去才開始學習寫字，也學會了媽媽給予深淵了學習母親的心情。當我已成為媽媽，才更發現自己應多像媽媽照顧。媽媽生子後，許多事都不停問媽媽的才開始學習，真的感謝媽媽一直以來對我的愛與支持，千萬萬感謝才開始學習的困難，在這特別的日子裡我會永遠感恩您，在未來的每一日我會以行動來證明我有多愛您。

我的媽媽

媽媽是上帝派來照顧每個人的天使守護天使！從小受到媽媽無微不至的照顧——聽了媽媽的教訓我們吃了媽媽做的菜餚；生病了媽媽照顧我們無微不至；我們這些子女深深感謝“有您我們想媽媽說‘媽媽您辛苦了’讓我們長大了讓我們更堅強！”

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Establish a "Mothers' Day Website" for employees to show their appreciation to their mothers.



Arrange lantern riddle program in the Lantern Festival to enrich the soul of the employees.



Arrange team leaders and their subordinates to participate external competitions to strengthen team spirit.



Promotion of leisure and life enrichment

After busy work days, we encourage our employees to place greater importance on vacations and leisure, and we have helped plan various leisure activities such as weekend movie enjoyment programs, Happy Farm farming experience days and holiday intellectual tours to encourage our employees and their family members to enjoy and have fun after work. We also encourage managers to take the lead in these activities, thus Wistron employees are never absent in large domestic leisure activities, such as the Taipei International Dragon Boat Championship, swim across Sun Moon Lake, Taipei Marathon, and Taipei 101 stair climbing. These activities not only expand our life horizon and experiences, but also create a mutual feeling and understanding among members of our working teams.



Arrange "Wistron Happy Farm Day" for employees and their families to experience the farming delightfulness.



Arrange canoeing and a variety of activities in the holidays and encourage our employees to participate actively.



Education, Training and Career development



Nurturing talent is the foundation for the sustainability of a business. In our pursuit of profitable growth, Wistron is also committed to helping employees grow with the company and has created a working environment to ensure their continuous learning and career growth. We have adopted integrating business needs with employee career development as our main operating direction, and provided employees with opportunities to enhance their professional skills. Moreover, in addition to helping employees find appropriate career development direction, we also list talent management and development as an important management indicator, so that employees can grow together with the company.

For example, in the performance evaluation indicators used by COO, for the people management and development category, the talent retention target is that the turnover rate for employees with the top 30% performance must be less than 5%, while the turnover rate for the bottom 5% performers should be

greater than 5%. This ratio is different from the turnover rate typically used in the IT industry. By doing so, we expect high performing employees to continue to do well, while poorly performing employees will be motivated to improve work performance and capacity enhancement through learning and development.

In this regard, we are actively promoting relevant education and training, and have divided our training program into 8 distinctive categories in three modes of “On-the-job learning”, “Off-the-job learning” and “Self learning”, so that our talent development can be conducted in a more oriented and systematic manner.

Wistron Training Structure





● Education training system

No	Training System	Notes
1	New employee orientation training	Mainly offered to new employees to help them better understand and identify with Wistron.
2	Professional skills training	Provide different training courses based on the unit's professional skill requirements; aim to promote the functioning of professional knowledge and skills; including marketing, research development, manufacturing, materials, marketing, finance, etc.
3	Management training	Training for general employees, new managers, mid-level managers, senior managers, line supervisors and group leaders to establish culture of consensus and management skills.
4	Quality training and CS ² R Training	For CS ² R-related employees and managers and employees and managers that have a direct impact on product quality, provide training on quality problem solving and customer satisfaction training, CS ² R -related training; establish company-wide quality process improvement and CS ² R concept.
5	ERP & IT training	For employees making direct use of Enterprise Resource Planning (ERP) systems, familiarize them with ERP systems and ensure they are capable of using work related software applications.
6	Internal Train-the-trainer Training	Provide internal train-the-trainer training to managers or employees with professional skills and selected by managers to facilitate the transmission of experience and knowledge within the company.
7	Advanced education training	Open to all employees; the main purpose is to improve employees' capability in engineering technology, management skills, and language proficiency.
8	Overseas expatriate training	For employees assigned or willing to go on overseas assignments, provide necessary training before assignments to assist them to better adapt to psychological and environmental issues.

Through the eight training systems, between 2005 and 2010, 434 employees have completed the Six Sigma training courses, 16 internal instructors were added, and 97 training projects have been implemented. The average return on investment for each project is NT\$15 million in savings.

Wistron Culture Workshop

Wistron Culture

We have organized the Wistron Culture Workshop based on the four Wistron Beliefs, to provide training to our new employees in helping them quickly adopt our corporate culture and create personal and corporate values.

In addition, in order to fulfill our customer-oriented concept, we have also introduced the Moments of Truth Program from IBM. Through combining organizational change management strategy/policy with full employee participation, this program is capable of creating team spirit, and cultivating personal mindsets and behaviors in service with a lasting influence.



E-learning platform

To assist our employees in achieving fast, systematic and real-time learning, Wistron has introduced an electronic learning management system. Through this e-platform, we are able to provide digital e-Learning courses to every employee. Within this e-platform, there are currently 10 new employee courses, and 38 R&D courses in our Hsichih office.



The Wistron Training and Development Center also assists relevant departments in establishing their own learning platforms and department-specific training courses, to meet the learning needs of different departments. Our effort on e-learning for employee has won us several awards from the government agencies. For four consecutive years, Wistron was conferred the Excellence in Enterprise e-Learning Implementation Performance Award. In 2010, we were invited by the Ministry of Economic Affairs to

serve as part of a jury in judging the "Employee Innovation Award" for large companies.

In addition to the internal e-training courses offered to our employees, through the online e-learning system we have also offered two courses, "Supplier Quality Engineering Training" and "Strategy and Actions to Product Compliance with RoHS," to all our component suppliers, in order for them to understand our quality requirements and delivery needs. This effort not only helps reduce the product defect rate and suppliers' costs of rejects, but also decreases our

need for human resources and time in incoming material inspection, and is thus a truly win-win action.

Wistron is currently investing over NT\$10 million in employee education and training each year. Including planning and offering of training courses, 99% of our courses are conducted by internal trainers. On average, each year we offer over 600 in-class and on-line e-learning courses with total training time of more than 2,000 hours, and over 60,000 employees have participated.

● 2010 Training Indicators

	No. of courses	Hours	Attendance	Training hours per person
Hsinchu Site & Hsichih Office	672	2,234	64,547	0.4
Zhongshan Site	11,492	21,474	314,926	1.5
Kunshan Site	25,390	154,206	445,396	7.4

● Breakdown by Quality Training and Management Training

Hsinchu Site & Hsichih Office	No. of courses	Hours	Attendance
Quality training & CS ² R training	76	235	3,521
Management Training	56	326	2,149



Nurturing future leaders

Facing the rapidly changing global business environment, fast rising emerging markets and the new global trend in competition, the hi-tech manufacturing industry is expecting to meet these unprecedented business challenges.

In such an environment, future senior managers will have to evolve from experts in a single discipline to masters of interdisciplinary knowledge. They also need to have international vision and business management capacity in order to lead in this changing environment and help businesses create new patterns to continue growth and development.



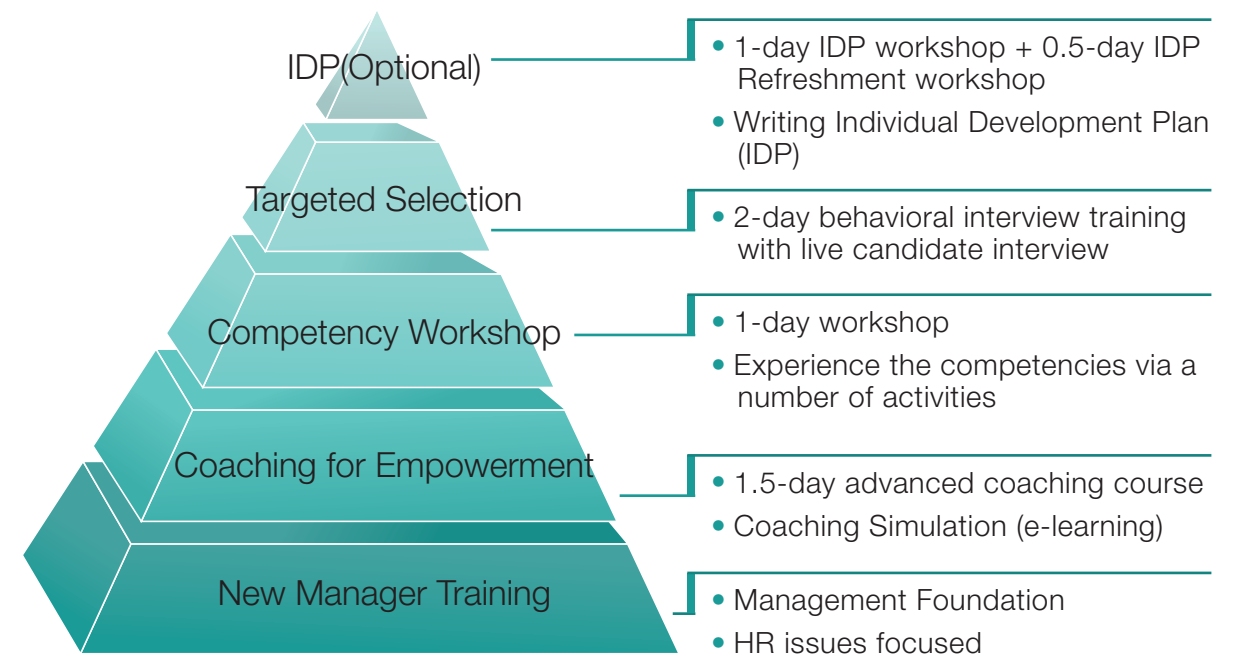
In response to the needs of nurturing future talent and outstanding leadership, we have included the cultivation of talent into the operating performance assessment standards. To nurture leaders, especially in the business and manufacturing management functions, the

key performance indicator Rotation-Readiness Rate is set to greater than 20% to ensure the effectiveness of nurturing future talent and leaders.

In this regard, we introduced the Management Core Competency Analysis, and applied it to management training courses. Courses such as Targeted Selection, Coaching for Empowerment and individual development plan (IDP) were all conducted by using the core competency approach. In addition, we have integrated the core competency with actual work content and assisted our employees in applying what they have learned during training to actual work practice.

After the five stages of management training and development, as of 2010, we have nurtured high-level business talent, and we will continue with this training approach and apply them continuously throughout the organization.

Management Training Roadmap

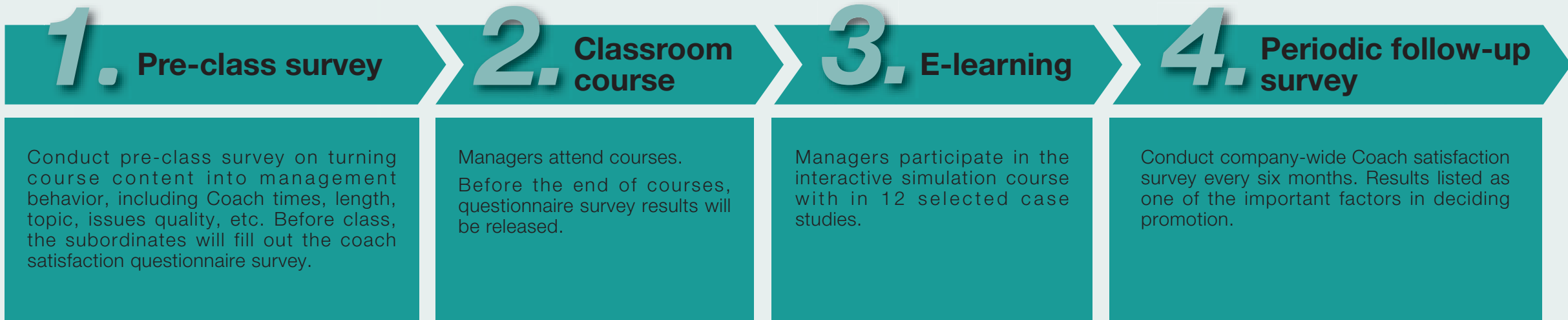
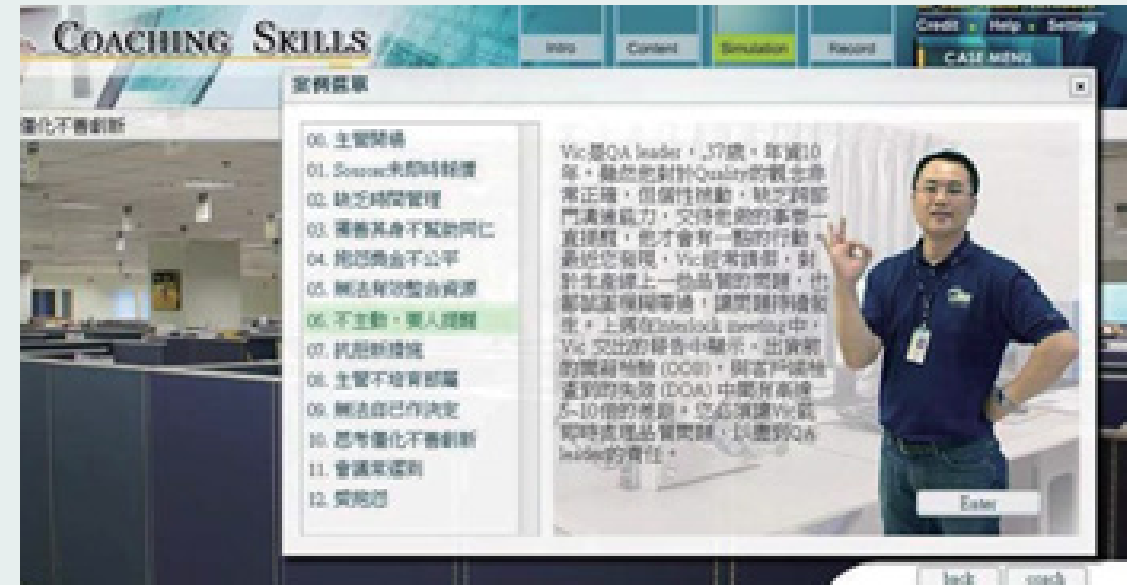




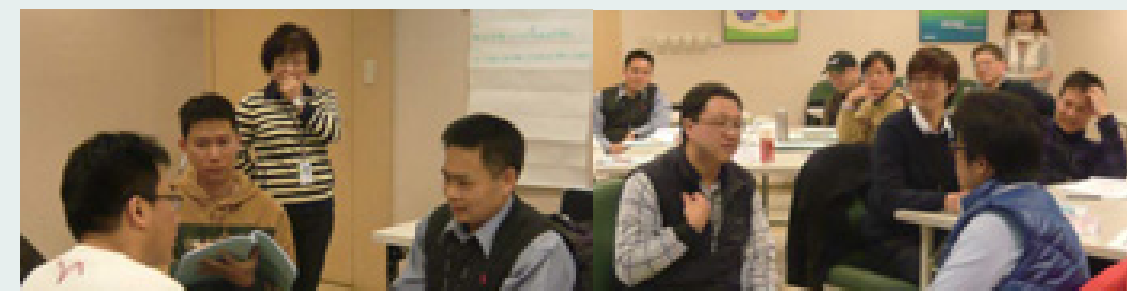
Coaching for Empowerment

After training, if there is no follow-up tracking measure in place, the results will usually not last long, and the investment in learning and development will be wasted. Therefore, in our planning for training, we will integrate classroom training with real job assignments and managers' daily coaching all together to establish an interconnected working and training environment.

During this process, managers' coaching to their subordinates becomes very important. Therefore, when managers are receiving the Coach for Empowerment training, they will need to go through the following four-step assessment process:



After two years of implementation, employees' satisfaction level in managers' coaching has improved from 4.02 points in 2008 to 4.05 points (out of 5 points) in 2010, showing that times of coaching and the quality of interactions between managers and employees have been improved and indirectly achieved the goal of talent retention.





Employee Health and Safety

Wistron treats occupational health and safety as the key issue in caring for employees and believes that operational efficiency is closely related to the ability to provide employees with a safe and healthy working environment. Thus, Wistron has placed occupational health and safety as the priority for management and strived to provide employees with a worry-free environment.

We comply with the provisions of the Taiwan Labor Standards Law in not hiring child (under 16 years old) labor. For interns and co-op students (16 to 18 of age), we avoid assigning them excessive or dangerous work. They also receive equal pay for equal work as our regular employees, and our in-plant instructors are available to provide immediate counseling, so that they can work in the same healthy and safe environment.

For pregnant employees, for example, the Kunshan site in China will regularly monitor their status, so that they can receive work safety assessments and



華南中山廠「陽光計劃」女性關愛活動，以“愛要負責”宣傳安全避孕的系列活動，向廠區全員宣導健康正確的安全避孕知識，將自我關愛及保護的生活理傳遞給全員。



Arrange a series of Sunny Program related to the caring for women's health at Wistron Zhongshan Site.

surveys. In-plant health clinics will also provide them with related health information and equipment, and ensure that they receive our full support. After the no-pay maternity leave (retain job position but without pay) period, one month before they are supposed to return to work, we will inquire as to their willingness to come back to work, so their employment rights can be maintained.

After a series of promotion and implementation measures, the number of employees taking maternity leave in our Taiwan sites has increased from six in 2009 to 12 in 2010.

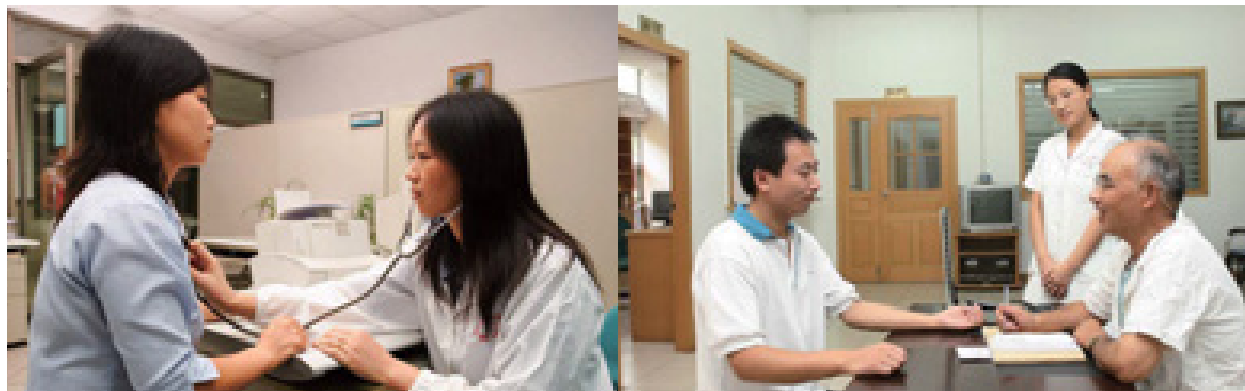


Health check-up and consultation

In order to effectively manage employee health issues, we often make special arrangements for our frontline workers to receive routine medical checkups according to their ranks and ages. We also work with external medical organizations in providing employees with medical advices and health consultation services, including:

- Wistron Health Information Network: Based on employee health needs, provide all kinds of health information.
- Medical Advice Hotline: Health information and advice service provided by external third-party organizations.
- 24-hour Emergency Medical Advice Hotline: Emergency medical consultation services provided by dedicated medical personnel.

Establish "Employee Clinic" and arrange lectures with health-related topics periodically to improve employees' self-medication knowledge.



給你健康活力 歡迎加入我們的行列

體力是工作的來源 健康是生活的基礎 歡迎加入我們的運動行列 給您健康和活力

費用
 月會員：700元/月
 季會員：1785元/季
 充電運動券：150元/次

服務時間
 12:00-13:00, 18:00-21:00

服務內容
 • 個人體適能檢測
 • 個人運動處方
 • 有氧課程
 • 運動課程
 • 復健諮詢

預約 洽詢專線
 1188 王儀儀 (Shirlin)

虎 年·走路有風 大家一起來運動

我們的目標
 一週運動三次，每次40分鐘以上。
 七月挑戰直上「七星山」的攻頂行動。

活動期間的月份每週舉辦
 日期 3/5 - 3/12 - 11/20 - 11/27
 專線 李淑華/1188 - 11:00-21:00

3月任務
 • 接受體適能檢測，取得個人運動處方。
 • 開始運動。
 • 認識健身與伸展。

4月任務
 • 開始運動。
 • 接受體適能課程的指導。

5月任務
 • 開始運動。
 • 參加團體課程。

6月任務
 • 開始運動。
 • 諮詢你找她。
 • 體適能檢測。

七星山主峰 Mt. Cising Main Peak 1120 M 台北市第一

Set in-house fitness centers in Taipei Office to encourage our employees to take up the good habit of exercise.

Health promotion

Adequate daily exercise is not only good for maintaining excellent physical health, but also help to release stress from work. In order to encourage our employees to take up the good habit of exercise, apart from setting up in-house fitness centers, we also organize all kinds of sports activities from time to time, and ask our managers to take the lead in participating these activities. In addition, the Employee Welfare Committee also organizes various health seminars and speeches on a regular basis. Through medical experts' sharing of health information in these activities, we seek to help our employees and their families do a better job in managing their health.



Ensure work safety

For a company, growing operations can bring both growth opportunities and many operational challenges. In order to identify and eliminate the sources of hazards and risks in our work place, and protect the safety of our employees, Wistron introduced the OHSAS 18001 Occupational Health and Safety Management System throughout our operations to ensure the safety of our employees through systematic and daily management activities. Presently, our manufacturing sites, including Hsinchu, Zhongshan and Kunshan sites, have all received the OHSAS 18001 certifications. In 2010, important implementation in this area includes:

- Developed “Worker Medical Checkup Procedure” and conduct annual employee medical examinations that are better than legal requirement.
- Developed “Explosion-proof Safe Room Safety Control Procedure” and conduct biannual fire drills to enhance workers’ fire escape skills during emergency.
- The main occupational hazards for Hsinchu are traffic accidents during commuting. In 2010’s protective group training, we treated traffic safety courses as a training priority.
- Established psychological counseling clinics in factories and dormitories to provide counseling for mental issues and help solve living issues.
- Set up medical clinics in employee dormitories to provide employees with quick and convenient health care services.
- Commissioned local “Center for Disease Control and Prevention” to conduct annual testing of workplace air quality, in line with the requirements of “Occupational Exposure Limits for Harmful Factors in the Workplace”.
- Identified and assessed risk factors and conducted improvement program after detected unacceptable risk factors.
- Conducted inventory of heat generating equipment for all work areas and implemented control programs.





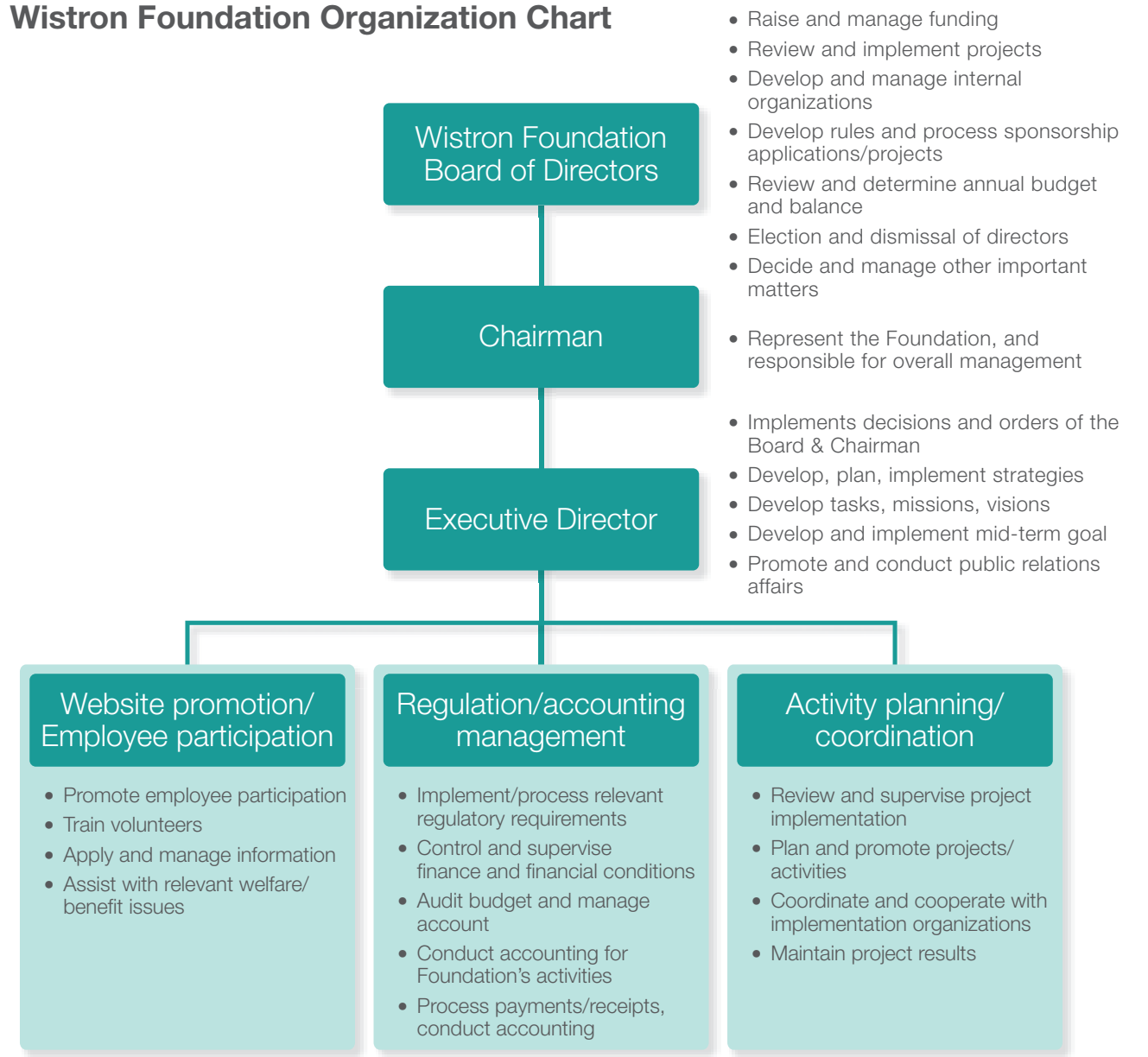
Wistron Foundation



Humanity

Through an endowment from Wistron, the Wistron Foundation was established in 2010 as a nonprofit organization, with Mr. Simon Lin serving as its chairman. Wistron Foundation's board consists of nine directors and three supervisors. Organization and functions of the Wistron Foundation and its board are described as follows:

Wistron Foundation Organization Chart





The objectives of the Wistron Foundation are to maintain environmental protection and ecological integrity, enhance human values and fulfill Wistron's corporate social responsibility. The main focus of these objectives is to seek a balance and harmony between man and nature, inspire Wistron to integrate creative scientific and technological development with the respect for nature in its pursuit of revenue and corporate growth, and create a unique corporate culture emphasizing humanity spirits.

Even before the Wistron Foundation was established, we were already actively involved in various social service activities. For example, since 2003, we have maintained an ongoing relationship with the Society of Wilderness in promoting a wide variety of natural and ecological related educational activities.

Our clear core values enable the Wistron Foundation to continue its work toward sustainability based on the company laid in early days. While focusing on the balance and harmony between humanity



Shuanglianpi Ecological Classroom



Ci-Xin Waldorf School

and nature, the Wistron Foundation is currently working towards its four themes and twelve projects for long-term investment and development. The four themes are: Care for Earth, Cherish Life, Quality Enhancement and Value Creation. Issues may evolve with time, but sticking to these themes allows the Wistron Foundation to stay on course and maintain the opportunity to work continually towards sustainability.



Wistron's Humanity Spirit





Care for Earth, Cherish Life – Practice environmental education and conservation

Since 2004, we have sponsored the Children's Nature Camp activities organized by the Society of Wilderness. In cooperation with the Association for the People with Disabilities and children welfare associations all over Taiwan, we have enabled over 3100 children from economically disadvantaged families and children with special needs to these nature observation activities and fieldtrips. In addition to the 2009 Nature Camp in Remote Areas, a 2010 Long-term Companionship for Children with Special Needs has also been organized. After the August 8 Flood, we also extended these natural experiencing activities into the disaster areas, as part of the soul healing process for the affected children.

Moreover, we have jointly adopted the Fuyang Eco Park with the Society of Wilderness in 2006, and cooperated in the natural conservation and maintenance efforts of the park. We not only continue to provide training of volunteers, setup working holidays for mountain protection and cleaning, conduct surveys of ecology and habitats, but also actively promote environmental education in local communities and schools.

Nature Experiencing Camps for Children



In 2010, we also worked with the Society of Wilderness in establishing and adopting the first environmental education base “Yilan County Shuanglianpi Ecological Classroom.” Utilizing rare world-class local wetlands as the core of the project, we are able to provide high-quality environmental education with an excellent outdoor leisure experience in line with trends in global environmental education.



Yilan County Shuanglianpi

Fuyang: Until 2010, over 130 nature guards trained for the Fuyang Eco Park; over 60 seminars conducted to promote eco preservation; over 3600 people attended guided nature tours; over 2000 elementary school children participated in outdoor education fieldtrips.





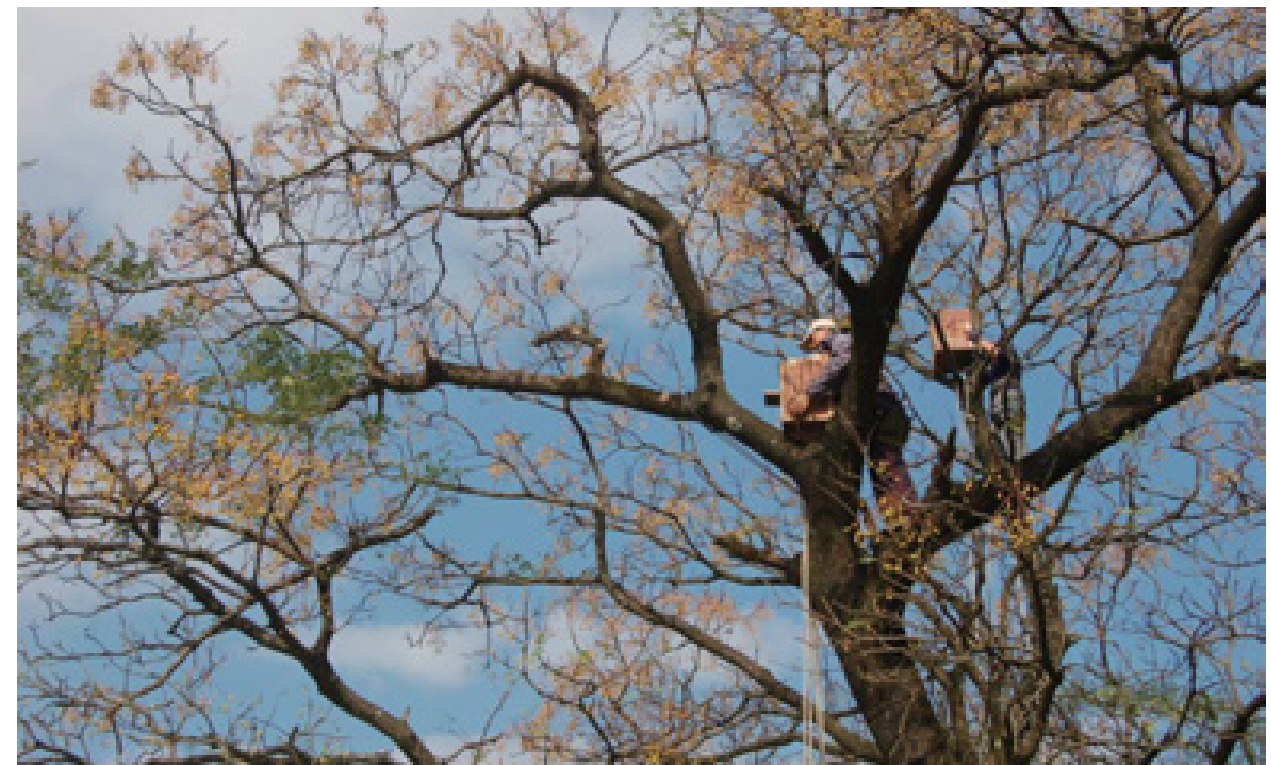
Quality Enhancement – Support diversified education and construct green sustainable campus

Wistron helped the Ci-Xin Waldorf School in Yilan County to promote education with special features, and sponsored the construction of an organic building in the school. Through the practice of diversified education, our next generations are able to look at life in equal value, care for nature and land, and learn to offer mutual assistance in reaching harmony with nature and freedom of life.

In addition, in order to create new value for rural schools' buildings and programs, Wistron helped establish and adopted the "Yue Ming Environmental Education Base" (a low carbon LOHAS school) to promote natural conservation and sharing among humanity. This activity is able to integrate the Wuwigang Waterbird Refuge into Wuwei Harbor Environmental Caring Base and combine local education with the eco-tourism industry and create a new paradigm in merging Taiwan's natural beauty with local culture.



Yue Ming offers a variety of environmental education courses for Children. ↑
Yue Ming provides outdoor environmental education program and practice. →
Wistron Foundation sponsored the construction of an organic building in Ci-Xin Waldorf School. ↓





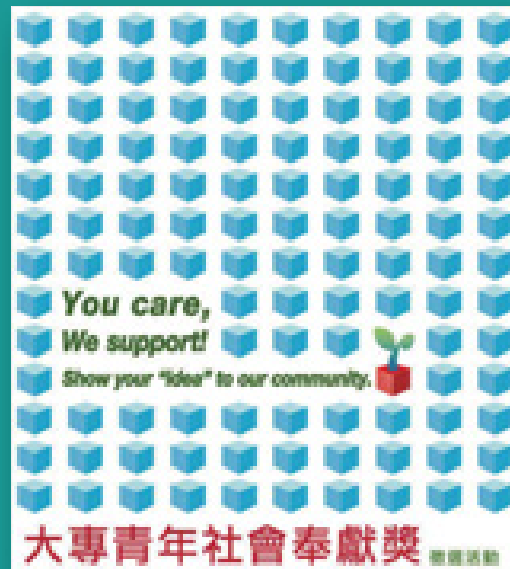
Value Creation – Sponsor ecology & humanity documentary to promote Taiwan experience

Smangus is Taiwan's most remote tribe and is unique in practicing the only joint land and property ownership scheme in Taiwan. The Wistron Foundation decided to sponsor the Taiwan Public Television Service in producing a documentary to tell the world the Smangus story, thereby inspiring common concerns for natural conservation and the human environment.

Humanistic care - "Wistron Award"

To encourage college youth creativity, actively participate in humanistic care and nature conservation, Wistron Foundation starts to promote the "Wistron Award" in 2010. We welcome applications on these areas: seeking to enhance the value of the humanities and the natural ecological balance.

We encourage young people acting on their passion and creativity to change the world. We want to encourage more young people to make positive contributions to their community.





Social Participation



Humanity

In addition to setting up the Wistron Foundation to support community activities, Wistron is also actively participating in other social service activities.

2010 Statistic of Social Investment

Unit: NT\$

Project	Amount
Corporate participation, social service sponsorships (including Wistron Foundation)	28,316,800
Employee Welfare Committee's charity activities	9,753,049
Employees' voluntary participation in company initiated social service activities	2,576,103
Total social investment	40,645,952

Establish social service area in our employee welfare website and encourage employees to contribute to charities

In the Taiwan office, we have established a dedicated social service area in our employee welfare website that continuously offer information on charity auctions and donations, in order to encourage active participation by our employees in these activities. Every year, our employees in Taiwan donate more than NT\$1 million to charity.





Community scholarships to help disadvantaged families

Wistron has manufacturing sites located in Kunshan and Zhongshan in mainland China. Based on the concept of giving back to the community and encouraging education, each year, we donate 750 thousand RMB in scholarships to assist the children of local needy families to receive a proper education.

Use company resources to support charity auctions

Our Employee Welfare Committee has widely adopted goods sold for charity as gifts in their activities. For example:

- ORBIS charitable moon cakes
- Apple charitable cakes to help children affected by the August 8 Flood
- Love puddings & love cakes from the Genesis Social Welfare Foundation
- Blanket made by recycled plastic bottles from the Tzu Chi Foundation.

Adoption of thrift store

Our employees collect second-hand goods monthly and donate them to stores run by domestic charitable organizations. In 2010, we donated to many stores operated by social service organizations in the Taipei area and adopted one of the five stores.

緯創人有愛相隨

中秋有愛 · 讓愛循環

緯創人今年的中秋很溫馨
因為我們認購

- 「奧比斯」愛心月餅
- 「大安庇護農場」手工香皂

幫助更多人重見光明、自力更生
緯創人有愛相隨 讓愛照亮全世界

緯創溫馨中秋禮

- ◎ 多功能保潔：醫療環保、拒絕紙盒包裝，請多用可重複使用的多功能保潔。
- ◎ 月餅2盒：香港知名奇華月餅贊助奧比斯的愛心月餅。
- ◎ 香皂1條：大安庇護農場學員親手製作的玫瑰精油手工皂。

緯創人有愛相隨 · 捐物資做愛心

舊物資 · 新價值

廢棄您家中不用的物品，無論是家電、家庭用品、廚浴用品、玩具、碗盤杯卷等，不論是全新或是二手皆可，我們將所得全數捐給光仁二手商店，不但物盡其用響應環保，還能把「舊愛變新款」，更能做愛心，一舉數得，邀請您熱情參與。

Establish "Wistron Second-Hand Webpage" and encourage employees to donate personal items to the Catholic Kuang Jen Social Welfare Foundation.

Assurance Statement

INDEPENDENT ASSURANCE STATEMENT

Introduction and objectives of work

BUREAU VERITAS Certification Taiwan has been engaged by Wistron Corporation to conduct an independent assurance of its "2010 Wistron CS²R Report". This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the "2010 CS²R Report" are the sole responsibility of the management of Wistron Corporation. Bureau Veritas Certification Taiwan was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on the accuracy and reliability of information included, and on the underlying systems and processes used to collect, analyse and review it.

Scope of work

Wistron Corporation requested Bureau Veritas Certification Taiwan to verify the accuracy of the following:

Data and information included in the 2010 Wistron CS²R Report -for the year 2010;

Evaluation of the Report against the main principles of the AA1000 Assurance Standard;

- Completeness (principle of inclusivity)
- Materiality
- Responsiveness

Evaluation of the Report against the principles of Accuracy, Accessibility, Balance, Clarity, Comparability, Reliability, Timeliness and Stakeholder Inclusiveness, as defined in the GRI Sustainability Reporting Guidelines G3.

Excluded from the scope of our work is any verification of information relating to:

Activities outside the defined verification period;

Positional statements (expressions of opinion, belief, aim or future intention by Wistron Corporation) and statements of future commitment;

The report does not assure the information comes from the location beyond Taiwan and China sites which places are not in the assurance scope.

Methodology

As part of its independent verification, Bureau Veritas Certification Taiwan undertook the following activities:

1. Interviews with relevant personnel of Wistron Corporation – 65 employees interviewed;
2. Review of documentary evidence produced by Wistron Corporation;
3. Site visit to New Taipei City and Hsinchu County in Taiwan; Kunshan and Zhongshan in China to assure the information correctness;

4. Review of performance data by sample-based reviewed the procedure that Wistron described in the report;
5. Review of Wistron Corporation systems for quantitative data and qualitative analysis by sample-based checks of the processes for gathering and managing the data included in the report;
6. Review the stakeholder participate process, but Bureau Veritas does not take part in the stakeholder engagement activity;
7. Understand and interview the policies, and review the relationship between the opinions from the stakeholder and the policies;
8. In accordance with the AA1000 APS, and assure the scope of work is compliance with the AA1000AS.

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance. For this assignment, we have used the International Standard on the GRI Reporting Framework and AA1000 Type II.

The work was planned and carried out to provide reasonable, rather than absolute assurance and we believe it provides a reasonable basis for our conclusions.

Our findings

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

1. The information and data included in the scope of our assurance are accurate, reliable and free from material mistake or misstatement;
2. The information is presented in a clear, understandable and accessible manner;
3. The "2010 Wistron CS²R Report" provides a fair and balanced representation of activities during the year 2010;
4. The information in the "2010 Wistron CS²R Report" allows readers to form a balanced opinion of Wistron Corporation activities and performance during the year 2010;
5. Wistron Corporation has established appropriate systems for the collection, aggregation and analysis of relevant information;
6. The Report properly reflects the organisation's alignment to and implementation of the AA1000 Assurance Standard principles of Inclusivity, Materiality and Responsiveness in its operations. Further detail is provided below:

Alignment with the principles of AA1000AS

Materiality

The Report addresses the range of environmental, social and economic issues of concern that Wistron Corporation has identified as being of material importance. The identification of material issues has considered both internal assessments of risks and opportunities to the business, as well as stakeholders' views and concerns. The performance is the result from their system management result.

The Materiality issue is concerning about the focus on clients.

Completeness

The Report accurately reflects the Wistron Corporation understanding and management of the material issues it has identified. All areas and activities over which the organisation exercises influence or control have been considered for inclusion, without undue omission. Completeness of information has been pursued via established governance, customer focus and risk management processes.

Responsiveness

Wistron Corporation is responding to those issues it has identified as material and demonstrates this in its policies, objectives, indicators and performance targets. The reported information can be used by the organisation and its stakeholders as a reasonable basis for their opinions and decision-making.

GRI report Structure

Wistron Corporation has provided information comprehensively at a level of GRI grade B+. All performance indexes can be cross referenced to respective GRI G3 provisions.

Key areas for ongoing development

Based on the work conducted, we recommend Wistron Corporation to consider the following:

Continue conduct the risk analysis process leading by top management to manage the important corporation sustainability issue.

Extend the stakeholder engagement process to formally capture stakeholders' concerns and views in a structured manner across the organisation (MATERIALITY).

A consistent approach to consultation with key stakeholders should continue to be a focus for improvement, to further reduce the possibility of unintentional exclusions to the scope of reporting (MATERIALITY).

The organisation should consider implementing Corporate Responsibility awareness raising through workshops and leadership programmes through all enterprise (COMPLETENESS).

The organisation should consider development of Key Performance Indicators against areas and issues of concern health and safety where they do not exist and incorporating or refining existing performance measures through the use of reporting guidelines such as the GRI G3 (RESPONSIVENESS).

The information system can consider enhancing the process how to collect and verify the information correctness from all over the sites.

Limitations and exclusions

Excluded from the scope of our work is information relating to:

- activities outside the defined reporting period and scope;
- statements of commitment to, or intention to, undertake action in the future;
- statements of position, opinion, belief and / or aspiration;

- additional content on www.wistron.com/about/cs2r;
- any information hyperlinked from the web-based Report.

Much of the operating financial data in this Report is taken from Wistron Corporation, Annual Reporting and accounts, which is separately audited by an external auditor and therefore excluded from the scope of the Bureau Veritas assurance.

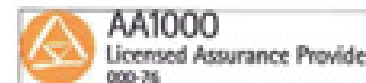
- This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with almost 182 years history in providing independent assurance services, and an annual turnover in 2010 of 2.9 billion EURO.

No member of the assurance team has a business relationship with Wistron Corporation, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities.



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

Technical Reviewer: 

Date: 22 / April / 2011

Assurer: 

Date: 12 / April / 2011

GRI Index

Profile	Items	Disclosure Items	Wistron's Responses
Strategy and Analysis	1.1	Chairman and CEO statement	P. 5, 6
	1.2	Description of key impacts, risks and opportunities	P. 21, 22, 23
Organizational Profile	2.1	Company Name	P. 2
	2.2	Primary brands, products, and/or services.	P. 8, 9, 10, 11
	2.3	Organizational structure	P. 20
	2.4	Location of organization's headquarters	P. 8
	2.5	Number of countries where the organization operates	P. 12, 13
	2.6	Nature of ownership and legal form	P. 17, 18, 19
	2.7	Markets served	P. 8
	2.8	Scale of the reporting organization	P. 8, 10
	2.9	Significant size, structure, or ownership changes	No major change
	2.10	Awards received in the reporting period	P. 15

Items	Disclosure Items	Wistron's Responses
Report Parameters	3.1 Reporting period for information provided	P. 2
	3.2 Date of most recent previous report	Published on June 2010
	3.3 Reporting cycle	Every year
	3.4 Contact person	P. 2
	3.5 Process for defining report content	P. 27
	3.6 Boundary of the report	P. 2
	3.7 Limitations on the report scope or boundary	P. 2
	3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities and outsourced operations	P. 2
	3.9 Data measurement techniques and the basis for calculations	See each indicators
	3.10 Explanation of any restatements of information in earlier reports	No significant changes
	3.11 Significant changes from previous reports in scope, boundary or measurement	No significant changes
	3.12 Location of the Standard Disclosures	P. 84
	3.13 Policy and practice regarding external assurance	Assurance statement, P. 82, 83

Items	Disclosure Items	Wistron's Responses
4.1	Governance structure of the organization, including Board of Directors committees	P. 17, 18
4.2	Indication of whether Chairman of the Board is also an executive officer	P. 17, 18
4.3	Independent and/or non-executive directors of the Board	P. 17, 18
4.4	Shareowner or associate mechanism to provide recommendations or direction to the Board	P. 28, 29
4.5	Link between compensation for the directors of the Board and executives and the organization's financial, social and environmental performance	No analysis data available for disclosure currently
4.6	Process in place for the Board to ensure conflicts of interest are avoided	P. 17, 18, 19
4.7	Board qualifications and expertise for guiding strategy on economic, environmental, and social topics	P. 18, 19
4.8	Mission, values, codes of conduct, and principles	P. 4, 6
4.9	Board process for identification and management of economic, environmental, and social performance	P. 21
4.10	Processes for evaluating Board performance, particularly with respect to economic, environmental and social performance	P. 21
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	P. 21, 22, 23, 48
4.12	External economic, environmental, and social charters, principles, or other initiatives	P. 23, 39, 57, 62
4.13	Memberships in associations and or national/international advocacy organizations	P. 29
4.14	List of stakeholders groups engaged by the organization	P. 27, 28
4.15	Basis for identification and selection of stakeholders with whom to engage	P. 27

Governance, Commitments, and Engagement

Items		Disclosure Items	Wistron's Responses
Governance, Commitments, and Engagement	4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	P. 28
	4.17	Key topics and concerns that have been raised through stakeholder engagement, and how to respond	P. 27, 28
Economic		Disclosure Items	Wistron's Responses
Economic performance	EC1	Direct economic value generated and distributed	P. 4, 14
	EC2	Climate change financial implications, risks and opportunities	P. 21, 23
	EC3	Defined benefit plan obligations	No analysis data available for disclosure currently
	EC4	Significant financial assistance received from government	No analysis data available for disclosure currently
Market Presence	EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	No analysis data available for disclosure currently
	EC6	Policy, practices, and proportion of spending on locally-based suppliers	P. 57, 58
	EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	P. 60, 61, 62, 63
Indirect Economic Impacts	EC8	Infrastructure investments and services provided primarily for public benefit	P. 75, 76, 80
	EC9	Understanding and describing significant indirect economic impacts	No analysis data available for disclosure currently

Environmental		Disclosure Items	Wistron's Responses
Materials	EN1	Materials used by weight or volume	No analysis data available for disclosure currently
	EN2	Percentage of materials used that are recycled input materials	No analysis data available for disclosure currently
Energy	EN3	Direct energy consumption by primary energy source	P. 35
	EN4	Indirect energy consumption by primary source	P. 35
	EN5	Energy saved due to conservation and efficiency improvements	P. 33, 34, 35
	EN6	Energy efficiency initiatives or renewable energy sources	P. 36, 37
	EN7	Energy use reduction initiatives	P. 36, 37
Water	EN8	Total water withdrawal by source	P. 42
	EN9	Water sources significantly affected by withdrawal of water	P. 41
	EN10	Percentage and total volume of water recycled and reused	No analysis data available for disclosure currently

Environmental	Disclosure Items		Wistron's Responses
Biodiversity	EN11	Location and size of land owned protected areas, and areas of high biodiversity value outside protected areas	No analysis data available for disclosure currently
	EN12	Significant impacts of activities, products, and services on biodiversity in protected areas	P. 45
	EN13	Habitats protected or restored.	P. 45
	EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	No analysis data available for disclosure currently
	EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations	No applicable
Emissions, effluents, & waste	EN16	Total direct and indirect greenhouse gas emissions by weight	P. 35, 38
	EN17	Relevant indirect greenhouse gas emissions	No analysis data available for disclosure currently
	EN18	Initiatives to reduce greenhouse gas emissions	P. 35, 36, 37, 39
	EN19	Emissions of ozone-depleting substances by weight	No analysis data available for disclosure currently
	EN20	NO, SO, and other significant air emissions by type and weight	No analysis data available for disclosure currently
	EN21	Total water discharge by quality and destination	No analysis data available for disclosure currently
	EN22	Total weight of waste by type and disposal method	P. 38, 44
	EN23	Total number and volume of significant spills	No spills occurred

Environmental		Disclosure Items	Wistron's Responses
Emissions, effluents, & waste	EN24	Weight of treated waste deemed hazardous under the Basel Convention Annex	No analysis data available for disclosure currently
	EN25	Identity biodiversity value of water bodies and related habitats significantly affected by the company's water discharges	No applicable
Products and Services	EN26	Initiatives to mitigate environmental impacts of products and services	P. 50, 51, 52, 53
	EN27	Percentage of products sold and their packaging materials that are reclaimed by category	No analysis data available for disclosure currently
Compliance	EN28	Significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations	P. 26
Transport	EN29	Significant environmental impacts of transporting products and other goods and materials and transporting members of the workforce	No analysis data available for disclosure currently
Overall	EN30	Total environmental protection expenditures and investments by type.	P. 38
Labor Practices & Decent Work		Disclosure Items	Wistron's Responses
Employment	LA1	Workforce by employment type, employment contract, and region	Decided not for disclosure
	LA2	Total number and rate of employee turnover by age group, gender, and region	Decided not for disclosure
	LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	Decided not for disclosure
Labor / Management relations	LA4	Percentage of employees covered by collective bargaining agreements	No trade union established
	LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	No trade union established

Labor Practices & Decent Work		Disclosure Items	Wistron's Responses
Occupational Health & Safety	LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	No analysis data available for disclosure currently
	LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region	Decided not for disclosure
	LA8	Education, training, counseling, prevention, and risk-control programs to assist associates, their families, or communities regarding serious diseases	P. 73, 74
	LA9	Health and safety topics covered in formal agreements with trade unions	No trade union established
Training and Education	LA10	Average hours of training per year per employee by employee category	P. 69
	LA11	Programs for skills management and lifelong learning	P. 67, 68, 69, 70
	LA12	Percentage of employees receiving regular performance and career development reviews.	P. 64
Diversity & Equal opportunity	LA13	Composition of governance bodies and breakdown of employees per category according to indicators of diversity	P. 60, 61
	LA14	Ratio of basic salary of men to women by employee category	Decided not for disclosure

Human Rights		Disclosure Items	Wistron's Responses
Investment and procurement practices	HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	No analysis data available for disclosure currently
	HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	P. 57
	HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	No analysis data available for disclosure currently
Non discrimination	HR4	Total number of incidents of discrimination and actions taken	P. 62
Freedom of association and collective bargaining	HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	No such circumstances
Child labor	HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor	P. 72
Forced and Compulsory labor	HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor	No analysis data available for disclosure currently
Security practices	HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights	No analysis data available for disclosure currently
Indigenous rights	HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	No analysis data available for disclosure currently

Society		Disclosure Items	Wistron's Responses
Community	SO1	Any programs and practices that assess and manage the impacts of operations on communities	No analysis data available for disclosure currently
Corruption	SO2	Percentage and total number of business units analyzed for risks related to corruption	No analysis data available for disclosure currently
	SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	No analysis data available for disclosure currently
	SO4	Actions taken in response to incidents of corruption	No such circumstances
Public policy	SO5	Public policy positions and participation in public policy development and lobbying	No participation in public policy development and lobbying
	SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	No political contributions
Anti-competitive behavior	SO7	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes	No such circumstances
Compliance	SO8	Significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations	No such circumstances

Product Responsibility		Disclosure Items	Wistron's Responses
Customer health & safety	PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement	P. 53
	PR2	Number of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle	No such circumstances
Product & service labeling	PR3	Type of product and service information required by procedures, and percentage of which subject to such information requirements	P. 48, 49, 50
	PR4	Number of non-compliance with regulations and voluntary codes concerning product and service information and labeling	P. 50
	PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	P. 30
Marketing communications	PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications	No applicable
	PR7	Number of non-compliance with regulations and voluntary codes concerning marketing communications	No applicable
Customer privacy	PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	P. 31
Compliance	PR9	Significant fines for noncompliance with laws and regulations concerning the provision and use of products and services	No such circumstances