



wistron

CS²R

Wistron Corporation
2014 Corporate Sustainability &
Social Responsibility Report

Editorial Policy

Editorial Policy

Welcome to the sixth 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 downloading (www.wistron.com). We hope that the greater transparency in this report will provide all stakeholders with a better understanding of Wistron's practices and achievements in fulfilling our CS²R obligations in 2014.

Period Covered

The Corporate Sustainability and Social Responsibility (CS²R) Report for the preceding year is published by Wistron on an annual basis. The previous report was published in June, 2014. This report covers Wistron's CS²R management policy, key issues, actions and performance for 2014 (January 1 ~ December 31, 2014).

Boundary and Scope

The scope of the information disclosed in this report covers performance in economic, environmental and social aspects. The organizational boundary of this report encompasses Wistron's operations in Taiwan and its global manufacturing plants but does not include the service centers and regional logistics centers. The scope covers the following affiliations:

- Wistron Corporation (Neihu Headquarters)
- Wistron Corporation (Hsichih Office Complex)
- Wistron Corporation (Hsinchu Plant)

- Wistron Corporation Zhongshan (Zhongshan Plant)
- Wistron Corporation Kunshan (Kunshan Plant)
- Wistron Corporation Chengdu (Chengdu Plant)
- Wistron Corporation Chongqing (Chongqing Plant)
- Wistron Corporation Czech Republic (Czech Plant)
- Wistron Mexico S.A. de C.V. (Mexico Plant)

Guideline for Report Preparation

The preparation of this report followed the Sustainable Reporting Guidelines Version G4 (GRI G4) published by the Global Reporting Initiative (GRI). The contents of this report have been verified by an independent third party based on the AA1000 standards and comply with GRI G4 core level requirements.

Contact Wistron

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Performance Summary

Aspects	Performance Indicators	Unit	2014	2013
Economic	Total Revenue	Millions of NTD	592,347	624,009
	Earnings per Share	NTD	1.5	2.51
	Total sales Volume	Per unit/Piece/ Items	108,563,994	79,034,575
Environmental	Total Greenhouse Gas (GHG) Emissions	Tons-CO ₂ equivalent (CO ₂ e)	252,756	246,684
	- Scope 1		11,833	11,170
	- Scope 2		240,923	235,514
	GHG Emission per Unit-revenue	Kilo-tons/Billion NTD	0.43	0.40
	Total Water Consumption	Kilotons	3,541,607	3,411,503
	Water Consumption per Unit-revenue	Kilotons/Billion NTD	5.98	5.47
	Total Waste Generation	Tons	31,979	26,105
	Waste Generation per Unit-revenue	Kilotons/Billion NTD	0.054	0.042
	Total Environmental Expenditures	Millions of NTD	209	194
Total Time Spent on Environmental Training	Man-Hours	198,245	86,040	
Social	Ratio of Local Employees Serving as Managers to All Managers	Percentage (%)	80.2	78.3
	Ratio of Local Employees in the Department Manager (or above) Positions	Percentage (%)	43	37.8
	Total Amount of Social Investment	Millions of NTD	39.68	46.28
	- Charity and Sponsorships		32.78	39.66
	- Charitable Activities of the Employee Welfare Committee/Company		3.48	4.56
- Employee Participation in Charitable Activities	3.42		2.06	

A Message from the Chairman

Wistron follows the business philosophy of "altruism" and concentrates on pursuing corporate sustainability and fulfilling our social responsibility. The definition of enterprise sustainable development is not only about profit, but also allowing stakeholders to benefit from the long-term performance of the business at the same time. In this vision, we actively transformed our role as an original design manufacturer (ODM) of information and communication products into a comprehensive technology service provider (TSP) of information and communication services. With this transformation we took a step beyond from being familiar with design and production, as well as supplier management, to also understanding end-users needs with advanced technological innovation. Those changes also provide us with more opportunities for creating increased value for interested parties and stakeholders.

In corporate governance, apart from having the strength of diverse thinking, we must assist and ensure that shareholders and managers help and cooperate with each other to improve corporate governance efficiency. We utilize a feedback mechanism to make information disclosure more transparent so that corporate governance is more systematic and organized. In the area of environmental sustainability, we invest and protect the environment, develop green resources, and promote the concept of green recycling and reuse of resources. In terms of innovation, we introduce more automated systems to improve efficiency and reduce costs, so as to further increase employees' functions performance in the overall manufacturing process and promote more value added.

In recent years, we prioritize employees' benefits during the process of balancing the profit of all stakeholders within the scope of the rational allocation based on performance capabilities. This is an important direction for Wistron to give priority to the interests of its employees who are a part of its sustainable development and social responsibilities fulfillment program. Placing importance on the workers' benefits is our pivotal direction to implement corporate sustainability and social responsibility. In our efforts to strengthen staff care, we establish not just a proper compensation and benefits system, but also focus on the intangibles such as staff education and training, spiritual growth, etc. We let the staff be personally involved in social welfare and

enhance their understanding of the value of life. After taking care of our employees, then we can satisfy the demand of our customers and other stakeholders, and even extend our effort to the whole community and the environment, finally reaching a state of harmony and common prosperity.

In 2014, the Humanity Division was founded to enhance employees' knowledge of humanities, as well as involve them with social concerns and public welfare. Using this center as a communication bridge we can promote the concept of corporate sustainability and social responsibility from inside out, to let the staff realize that their efforts could get a response and appreciation from society so that everyone can make a positive contribution.

Through past process of promoting corporate sustainability and social responsibility, Wistron profoundly realized that the main challenge is from the awareness and commitment of individuals and organizations. It is our goal to deeply root our promise of sustainability and social responsibility in every staff. In order to maintain sustainable development and demonstrate social responsibility better, we continue to uphold the philosophy of "altruism," "humane considerations," and "natural balance." This is the cornerstone of our actions with related organizations, systems, and regulations etc. in order to develop a positive value in the organization while pursuing stable quality and advanced technology, thus creating a more beautiful future for our society and the environment.

Simon Lin / Chairman & CEO
Wistron Corporation




A Message from the President

Wistron integrates the corporate social responsibility into daily operations. We are devoted to the improvement and balance of the economy, environment, and society, as well as cooperating with stakeholders so as to enhance our service value.

As for sustainable development, in recent years we have been devoted to transforming our role from an original design manufacturer (ODM) of information and communication products into a comprehensive technology service provider (TSP). With the development of cloud technologies, we built a total solution combining hardware such as computer, intelligent devices, and cloud data system based on software service platform to provide customers and end-users with a more convenient and suitable service with high value added.

Regarding GHG reduction and energy resource management, we continue to make reduction of electricity as our most direct and energy-saving direction. In 2014 we joined Taiwan Power Company's "green" electricity program in response to the national policy direction. Besides, in April of the same year, in order to learn the actual energy consumption status in the office areas to support promotion of energy-saving actions, Neihs Headquarter and Hsichih Office Complex implemented the power monitoring system integration, providing online inquiry, recording, and analysis of electric power information. For the production plant, which is the major power consumption source, we set the power-saving goal for 2014 at 7% reduction of total power consumption from 2013. Following the energy-saving program launched in 2013, we set individual improvement goals for air conditioning, production, and lighting.

For supply chain management, we shared with our suppliers our requirements and experiences in green purchasing, using products without harmful substances, GHG emission inspection, carbon footprint, conflict minerals, etc. In 2014, there was more than 10% growth in the number of suppliers disclosing GHG emissions, compared to that in 2013. The supplier social responsibility audit was shifted from quantity pursuit to quality improvement. In addition, we invited more than 30 strategic partners to join the EICC-ON information sharing platform in 2014.

As a member of the Electronics Industry Citizenship Coalition (EICC), we are committed to support and comply with EICC's Code of Conduct in terms of management system, business ethics, labor, health and safety, and environmental protection. We believe that since our initial 2010 annual CS²R Report we have continued to show our efforts on corporate sustainability and social responsibility, cumulative progress details, and our grand blueprint.

Robert Hwang / President & COO
Wistron Corporation

ROBERT Hwang



Company Profile

About Wistron

Established in 2001, Wistron is a global ODM(Original Design Manufacturer). It provides overall design, manufacturing, and service related to information and communication technology products. The company is headquartered in Taipei, Taiwan, with global manufacturing and service centers in Asia, America as well as Europe. Most of our customers are from global brand companies and major customers take up average proportions. We can provide customers with the most competitive, high quality products and service, by virtue of powerful R&D capability, perfect manufacturing technology, flexible global operating ability, along with customized after-sales solutions.

Our vision is to be a global leader in technical service and the provider of innovative ICT products, service and systems. In recent years, we have gradually transformed from being an ODM to a company that reflects the customer's demands. We have been investing our energy and resources into after-sales service, green recycling, vertical integration of display as well as cloud computing products and service. At the same time, we provide the overall solution of integrating innovative technology and commercial pattern, which distinguishes us and has been our driving force for a new level of operation growth.

“Customer Focus” , “Integrity” , “Innovation” and “Excellence” are Wistron's major philosophies and values, which are implemented earnestly in our operations and management systems, as well as work ethics and daily activities. For a long time, our staff satisfies our customers with an honest attitude, innovative spirit and a constant pursuit of excellence. All of these form Wistron's competitiveness, and help us win the trust of our shareholders, customers and employees.

Wistron Quick Facts

- Established in 2001.
- Industry: Information and Communications Technology (ICT).
- Services: Technology Service Provider (TSP) offering innovative ICT products, services, and system solutions.
- Revenue reached NTD 592.3 billion in 2014.
- Major customers are renowned global IT companies.
- Headquarters located in Taipei City, Taiwan, with global operating sites in Asia, North America and Europe.
- Over 70,000 employees worldwide.



Products & Services

As a whole, we consider providing the best quality as our core principle. We distinguish ourselves through innovation, so as to provide customers with the most comprehensive, efficient and trustworthy products and technical services. Customers can enjoy our one-stop service including specification, R&D, design, manufacturing, information management system construction, maintenance and global operating support.

Product Portfolio

- Notebook computers
- Tablet computers
- Smart phones/handheld devices
- Desktop computers/All-in One(AIO) computers
- LCD TVs/Monitors
- Servers
- Voice over Internet Protocol (VOIP) phones and network storage facilities
- Industrial application devices and rugged portable computer systems

Services

Design services

- Wistron offers integrated product design services to consolidate various demands in production, including industrial design, electronics, software, mechanical design and functionality, reliable engineering test and packaging/development considerations.
- Development of product heat conduction, vibration, radiation, power consumption, structure, and reliability design services for ICT products to ensure that product quality meets the standards of the global and target markets.
- Consideration of ideas, user interface, materials, styling, component selection, prototyping and engineering samples during product

development to embody environmental requirements of the green design concept.

Manufacturing

- Supply of a complete set of manufacturing services from printed circuit board assembly (PCBA) to system assembly.
- Rigorous control over production process and quality from incoming components to out-of-box (OOB) inspection, testing and analysis.
- Grasp of each link of the entire supply chain to obtain the most desirable procurement plan for a component and complete products delivery.

After-sales Services

- Provision of diversified and customized after-sales services. The service centers and other service solutions provide our customers center-to-center component swaps, center-to-authorized service center swaps, and customer replaceable units (CRU). All of the above services are also available for non-Wistron products.
- Through a consolidated IT platform, a service chain is formed to effectively manage reverse logistics, material management, and reporting systems.

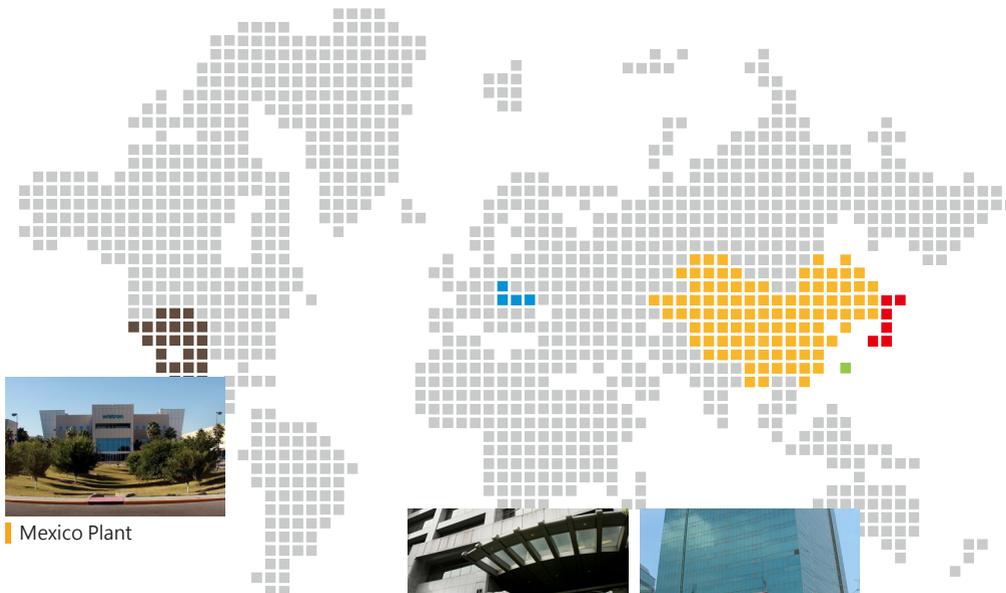
Customer satisfaction and the best product quality are our goals. We strive to maintain our existing customer base and expand the ratio of ODM business. Our short- and medium-term goals in business development include high efficiency, high capacity utilization and reasonable profits.

In the long term, we will continue to expand our investments into other businesses and products with higher gross profit margins. We have positioned ourselves as a global leader in technical service that offers innovative ICT products, services and system solutions. We will also continue to focus on providing innovative technical services that will boost value for our customers while increasing employee satisfaction to create long-term profits for our shareholders.



Global Operations

In order to reach out to the international market, our manufacturing, customer service and R&D centers are mainly distributed in North America, Europe, Asia, etc., which provide comprehensive product development and customer service. Through an excellent operating system supported by the R&D center based in Taiwan and every overseas operation site, Wistron grows steadily. For more details, please visit our website (www.wistron.com).



Mexico Plant



Czech Plant



Neihu Headquarters



Hsichih Office Complex



Hsinchu Plant



Kunshan Plant



Chongqing Plant



Taizhou Plant



Zhongshan Plant



Chengdu Plant

Awards & Recognition

Wistron actively strives for various certifications as well as meeting CSR-related rating and evaluations conducted by local organizations and governments, to promote corporate value and social image.

2014

- May**
 - Ranked among the Global Top 2000 Businesses by Forbes
 - Ranked No. 7 among Common Wealth's Top 1000 Manufacturers-Revenue Ranking
 - Ranked No.52 among Common Wealth Survey of Top 1000 Companies in Mainland China, Hong Kong, Macau and Taiwan
- June**
 - Won A+ level in the 11th Information Disclosure Rating of Listed Companies
- August**
 - Ranked No.25 among the major industries of the Common Wealth Corporate Citizen Award
- October**
 - Ranked No.20 among 2014 Channel News Asia Sustainability Ranking

Participation in External Organizations

Wistron establishes a good relationship or membership with cross-industrial or interdisciplinary organizations, and broadens communication and participation level, so as to grasp the international pulse and trends. Let us continue to grow and progress together.

The organizations that we have joined in 2014 are listed below:

- Chinese Association for Industrial Technology Advancement (CAITA)
- Allied Association for Science Park Industries
- Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)
- Taipei Computer Association (TCA)
- International Electronics Manufacturing Initiative (iNEMI)
- Information Service Industry Association of R.O.C. (CISA)
- Electronic Industry Citizenship Coalition (EICC)
- 3D Interaction & Display Association (3DIDA)
- Diagnostics and Healthcare Alliance (Dx-Hc)
- Taiwan Telematics Industry Association (TTIA)

Regulation Compliance

As a member of EICC, Wistron roots for EICC's vision and objectives. We promise that all global operation sites will coordinate and comply with EICC's codes of conduct. Furthermore, we will support and encourage the affiliated first level suppliers to adhere to the same codes. In conformation to the common goal, we will pertinently utilize EICC's methods and tools as much as possible.



Identifying Stakeholders and Significant Aspects

In order to communicate with different stakeholders effectively, we have initiated materiality analysis procedures since 2010. In 2014, the scope and boundary of identifying aspects were included by referring to GRI G4. The key steps are adjusted as follows:

Step 1 : Identify stakeholders

It is mainly performed by Wistron's Corporate Sustainability and CSR Promotion Committee. We refer to the five principles used to identify the stakeholders by AA1000 SES (Stakeholder Engagement Standards) (2011), including dependency, responsibility, influence, diverse perspectives and tension. Based on the average weight on each principle, the stakeholders are classified into 8 groups in total, including customers, employees, shareholders/investment institutions, suppliers, government units, non-profit organizations/communities, media and others.

Step 2 : Establish communication objectives

"Sustainability, innovation and humanity" is the main axis and essence emphasized and delivered by Wistron under the corporate philosophy of "altruism". It upholds the belief that "benefiting others is benefiting us sustainably". We practice and cultivate each level of sustainability, co-existence, innovative value and humanistic care in our practical actions and reports.

Step 3 : Collect sustainability issues

With the aspects of GRI G4 indexes as the foundation which is added with the important communication issues over the past years, we form the scope of sustainability issues in Wistron.

Step 4 : Conduct materiality analysis and determine priorities
We conduct materiality questionnaire survey on the identified stakeholders. A total of 165 questionnaires were collected in 2014, which were used to understand the concerns of the above stakeholders toward each issue. For the same issue, the questionnaire survey is also conducted among the committee members and internal participants. The impact on the company's operation is determined by taking the economic, environmental and social dimensions into consideration. Finally, 28 major aspects were summarized based on the ranking of high concern and high impact, which are the primary materiality issues to be discussed.

Step 5 : Identify the scope and boundary of aspects

According to the 28 critical aspects ranked above, the organization shall completely present the value chain covered by Wistron based on its activities, products, services and whether the relationship-related impact occurs internally or externally.

Step 6 : Review and discussion

After the materiality analysis results, the Report Compiling Team will conduct a discussion to determine the sustainability issues that should take the priorities for disclosure.



■ Boundary Identification of Aspects

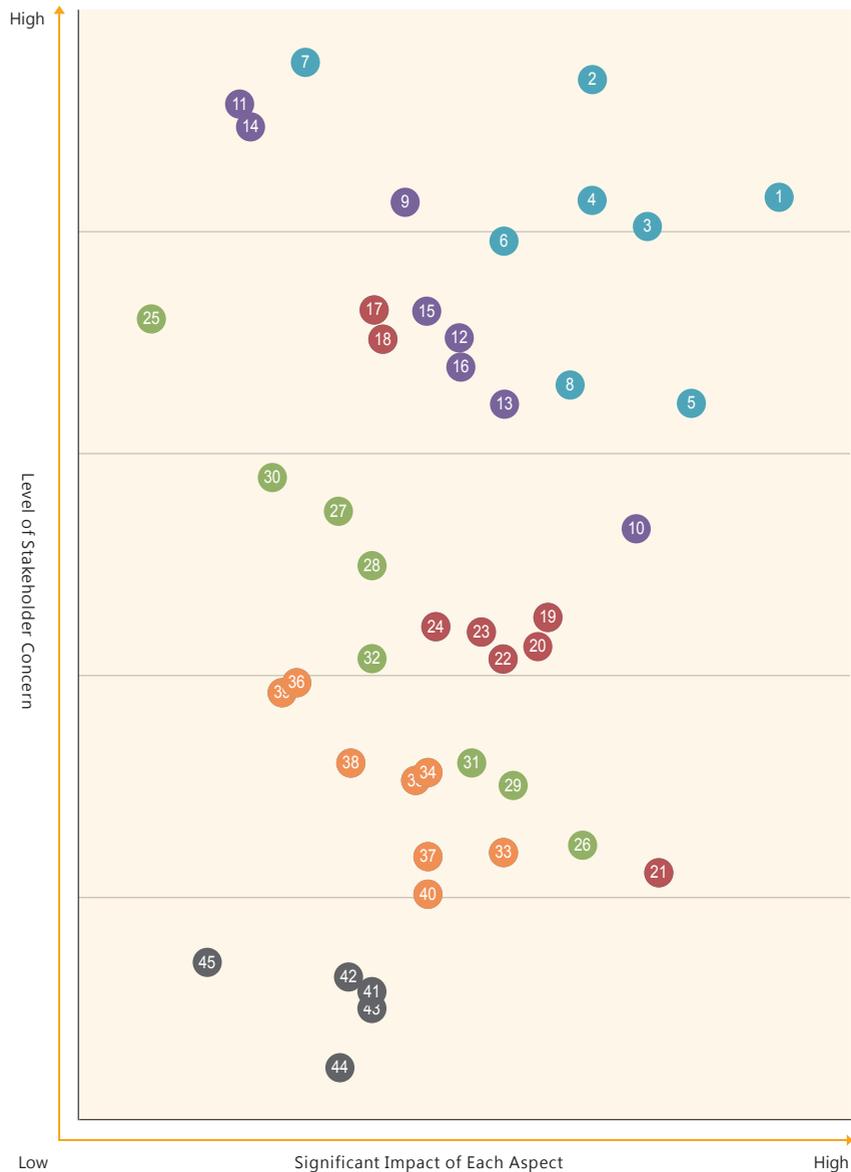
Category	Aspects	Boundary Identification											
		Within the organization									Outside of the organization		
		Taiwan			Mainland China			Overseas			Suppliers/ Contractors	Customers	Communities nearby
		Neihu Headquarter	Hsichih Office Complex	Hsinchu Plant	Zhongshan Plant	Kunshan Plant	Chongqing Plant	Chengdu Plant	Czech Plant	Mexico Plant			
Economic	Economic Performance	V	V	V	V	V	V	V	V	V	—	—	—
	Market Presence	V	V	V	V	V	V	V	V	V	V	—	—
Environmental	Materials	—	—	—	V	V	V	V	—	—	V	—	—
	Energy	V	V	V	V	V	V	V	V	V	—	—	—
	Water	V	V	V	V	V	V	V	V	V	—	—	V
	Emissions	V	V	V	V	V	V	V	V	V	—	—	—
	Effluents And Waste	V	V	V	V	V	V	V	V	V	—	—	V
	Products And Services	V	V	V	V	V	V	V	V	V	—	V	—
	Compliance	V	V	V	V	V	V	V	V	V	—	—	—
	Environmental Protection Expenditures And Investments	V	V	V	V	V	V	V	V	V	—	—	—
	Supplier Environmental Assessment	V	V	—	—	—	—	—	—	—	V	—	—
Social	Employment	V	V	V	V	V	V	V	V	V	—	—	—
	Labor/Management Relations	V	V	V	V	V	V	V	V	V	—	—	—
	Occupational Health And Safety	V	V	V	V	V	V	V	V	V	V	—	—
	Training And Education	V	V	V	V	V	V	V	V	V	—	—	—

■ Boundary Identification of Aspects

Category	Aspects	Boundary Identification											
		Within the organization									Outside of the organization		
		Taiwan			Mainland China				Overseas		Suppliers/ Contractors	Customers	Communities nearby
		Neihu Headquarter	Hsichih Office Complex	Hsinchu Plant	Zhongshan Plant	Kunshan Plant	Chongqing Plant	Chengdu Plant	Czech Plant	Mexico Plant			
Social	Freedom Of Association And Collective Bargaining	V	V	V	V	V	V	V	V	V	-	-	-
	Child Labor	V	V	V	V	V	V	V	V	V	-	V	-
	Indigenous Rights	V	V	V	V	V	V	V	V	V	-	-	-
	Supplier Human Rights Assessment	V	V	-	-	-	-	-	-	-	V	-	-
	Anti-corruption	V	V	V	V	V	V	V	V	V	-	-	-
	Public Policy	V	V	V	V	V	V	V	V	V	-	-	-
	Compliance	V	V	V	V	V	V	V	V	V	V	V	V
	Customer Health And Safety	V	V	V	V	V	V	V	V	V	-	V	-
	Products And Service Labeling	V	V	V	V	V	V	V	V	V	-	V	-
	Customer Privacy	V	V	V	V	V	V	V	V	V	-	V	-
Others	Product Development	V	V	V	V	V	V	V	V	V	V	V	-
	New Business Development	V	V	-	-	-	-	-	-	-	V	V	-
	Information Management	V	V	V	V	V	V	V	V	V	V	V	-
	Social Participation and Care	V	V	V	V	V	V	V	V	V	-	-	V

[Note] "V" indicates that this aspects is covered in the site.

■ Analysis chart of priority issues of stakeholders



- 1 Economic Performance
- 2 Market Presence
- 3 Overall
- 4 Water
- 5 Compliance
- 6 Products and Services
- 7 Freedom of Association and Collective Bargaining
- 8 Emission
- 9 Customer Privacy
- 10 Energy
- 11 Indigenous Rights
- 12 Employment
- 13 Compliance (Society)
- 14 Supplier Human Rights Assessment
- 15 Customer Health and Safety
- 16 Labor/Management Relations
- 17 Product and Service Labeling
- 18 Public Policy
- 19 Materials
- 20 Supplier Environmental Assessment
- 21 Effluents and Waste
- 22 Local Communities
- 23 Indirect Economic Impacts
- 24 Transport
- 25 Security Practices
- 26 Compliance (Product Responsibility)
- 27 Diversity and Equal Opportunity
- 28 Supplier Assessment for Labor Practices
- 29 Occupational Health and Safety
- 30 Human Rights Grievance Mechanisms
- 31 Anti-corruption
- 32 Labor Practices Grievance Mechanisms
- 33 Anti-competitive Behavior
- 34 Child Labor
- 35 Environmental Grievance Mechanisms
- 36 Assessment
- 37 Equal Remuneration for Women and Men
- 38 Supplier Assessment for Impacts on Society
- 39 Non-discrimination
- 40 Procurement Practices
- 41 Investment
- 42 Forced or Compulsory Labor
- 43 Training and Education
- 44 Biodiversity
- 45 Grievance Mechanisms for Impacts on Society

■ Table of Stakeholders' Communication Methods and Frequency

Stakeholder		Issues	Communication Method	Communication Frequency
Customers	<ul style="list-style-type: none"> Existing brand customers Potential customers 	<ul style="list-style-type: none"> Management of restricted materials Green products Product quality/price/delivery time R&D/projects capacity Supply chain 	<ol style="list-style-type: none"> Regular business reviews with key customers Customer satisfaction surveys and feedback Customer audits and customer questionnaire responses Meeting customer requirements and requests for improvement on environmental and social responsibility 	<ol style="list-style-type: none"> Quarterly or semi-annually Quarterly or semi-annually According to customer requirements According to customer requirements
Employees	<ul style="list-style-type: none"> Regular employees Contracted employees Dispatched workers 	<ul style="list-style-type: none"> Regulation compliance Honest operation/ integrity Human rights Working condition Study and growth Health and safety 	<ol style="list-style-type: none"> Quarterly business briefings held by company management to communicate directly with employees Set up welfare committee in Taiwan offices, which holds meetings every quarter. The members make resolution and execution on the activity plans and budget Labor meeting (Tomato Meeting): Employees can communicate through internal channels such as the company website, or express their opinions and suggestions to employee representatives at the "Tomato Meeting." Representatives communicate with management directly Training of new supervisors New employee satisfaction survey, freshmen training and workshop One-on-one interviews with managers Performance communication 	<ol style="list-style-type: none"> Quarterly. Four briefings were held respectively in January, May, August and November of 2014 Quarterly. Four meetings were held respectively in March, June, September and December of 2014 Quarterly. Four meetings were held respectively in March, June, September and December of 2014 It depends on the number of new supervisors. Held respectively in June and December of 2014 The new employee satisfaction is conducted one week later after their registration. It was held in August of 2014 Monthly Twice a year, in June and December respectively
Suppliers	<ul style="list-style-type: none"> Key component-Suppliers Raw material suppliers Contractors 	<ul style="list-style-type: none"> Compliance with laws and regulations Working environment and health Price competitiveness Stable supply Technical capability 	<ol style="list-style-type: none"> The suppliers initiate workshops and annual conferences. Suppliers consultation and auditing Cooperate with suppliers aiming at issues related to CSR and greenhouse gases Discussion about EICC on related issues 	<ol style="list-style-type: none"> Annual Annual Annual Annual
Media	<ul style="list-style-type: none"> Print media Broadcast media Digital media 	<ul style="list-style-type: none"> Operation performance Products innovation and technical development Corporate governance Environmental protection Sustainable development strategy 	<ol style="list-style-type: none"> News release Shareholders meeting Online investor conferences Press conference Company website 	<ol style="list-style-type: none"> 5~10 times per year Once per year 1~2 times per year Two press conferences were held in May and December 2014 Quarterly

■ Table of Stakeholders' Communication Methods and Frequency

Stakeholder		Issues	Communication Method	Communication Frequency
Shareholders	<ul style="list-style-type: none"> Individual shareholders Institutional shareholders 	<ul style="list-style-type: none"> Information transparency and disclosure 	<ol style="list-style-type: none"> Investor Meeting Annual shareholder meeting Investor Conference Call Road shows 	<ol style="list-style-type: none"> Hundreds of times per year Once per year Once or twice per year About five times per year
Government units	<ul style="list-style-type: none"> Securities competent authorities 	<ul style="list-style-type: none"> Operating effects and efficiency Reports are reliable, timely, transparent and in conformation to the related norms Compliance with the related legislations 	<ol style="list-style-type: none"> Company websites Information disclosure on the Market Observation Post System(containing CSR reports) Questionnaires and related briefings Participating in competent authorities' promotion councils Reporting to the Market Observation Post System Competent authorities' inspection 	<ol style="list-style-type: none"> Non-scheduled Non-scheduled Non-scheduled Non-scheduled Non-scheduled Non-scheduled (Once in 2014)
Non-profit organizations/ communities	<ul style="list-style-type: none"> Preservation Association Environmental protection groups Foundations and other welfare groups Community groups 	<ul style="list-style-type: none"> Environmental protection Management of energy and water resource Waste management and recycling Environmental protection expenditure and investment Green supply chain management Community and social participation 	<ol style="list-style-type: none"> Disclosing related information in stakeholders annual reports and company/foundation websites The company and employees directly participate in environmental protection actions and caring for the disadvantaged The company and employees take part in public activities 	<ol style="list-style-type: none"> Once a year More than twenty times every year 3-1. Setting up a public area on the company website ; participating in domestic public welfare donations & making pledges and donations twice a month 3-2. Participating in public activities at least twelve times every year
Others	<ul style="list-style-type: none"> Directors Independent directors Consultants 	<ul style="list-style-type: none"> Operating performance Sustainable development Core competitiveness 	<ol style="list-style-type: none"> Board meeting Audit Committee meeting Meeting on operating projects 	<ol style="list-style-type: none"> At least six times every year At least four times every year Non-scheduled



Altruism

Following the company philosophy of “altruism”, Wistron’s goal is to establish the roots of sustainability and social responsibility not only in every staff but also in all stakeholders.

Wistron enhances employees’ knowledge of humanities, as well as involves them with social concerns and public welfare. They are educated to learn that enterprise development is not only about profit, but allowing stakeholders and the whole society to benefit from its long-term business performance.

We present this report with our three themes of Sustainability, Innovation and Humanity.



Sustainability

Accountability Management



Corporate Governance

Wistron has a long-standing commitment to superior corporate governance practice. We have endeavored to build an effective company management framework, protect shareholder rights, improve the structure of our Board of Directors, respect the rights of associated partners, and enhance information transparency.

We believe a good structure of the Board of Directors is the cornerstone of good corporate governance practice. Therefore, to reinforce the management mechanism of the Board of Directors, independent directors and supervisors have been included on the Board since Wistron's initial public offering in 2003. The independent directors and supervisors are highly experienced and respected professionals in the industry and they ensure that the Company adheres to the ethics and legal regulations while pursuing increased growth. In 2009, Wistron took a major step to enhance corporate governance by replacing the Supervisory Board with an Audit Committee, which is formed by the panel of independent directors under the Board and began operation under the governance of the Board of Directors Meeting Guidelines and Audit Committee Charter. And with the understanding that the compensation system for the directors and management is a key link between the Company and risk management, in 2011, Wistron's Board of Directors made a resolution to set up the Compensation Committee and the Compensation Committee Charter. Establishment of this Committee brought Wistron's corporate governance practices a step forward.

We will continuously advance various systems and policies to upgrade the quality and effectiveness of the Company's management and ensure full implementation of corporate governance best practices in the pursuit of maximization of stockholders' rights and corporate sustainability.

Board of Directors

In accordance with the Articles of Incorporation, Wistron's Board of Directors consists of seven to nine Directors, who will be elected by the shareholders' meeting from the director candidate list via the candidate nomination system. Each Director will serve an office term of three years and may be re-elected.

Currently the Board is composed of nine members with rich operations experience and reputation in the industrial circle, which also includes accountants and lawyers for overall consideration, including five independent directors whose qualifications are in compliance with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies". The general directors include Mr. Simon Lin (Hsien-Ming Lin), who is the current Chairman and CEO of Wistron, Mr. Stan Shih (Chen-Jung Shih), who is the Chairman of iD Soft capital Group and Acer Inc., Mr. Haydn Hsieh (Hong-Po Hsieh), who is the Vice Chairman and CEO of Wistron NeWeb Corp., and Mr. Robert Huang (Po-Tuan Huang), who is the President and COO of Wistron. The five independent directors include Mr. John Hsuan (Min-Chih Hsuan), who is the Vice Chairman Emeritus of United Microelectronics Corp., Mr. Michael Tsai (Kuo-Chih Tsai), who is the Chairman of Maxchip Electronics Corp., Mr. James K.F. Wu (Kuo-Feng Wu), who was a former partner of KPMG Taiwan, Mr. Victor C.J. Cheng (Chung-Jen Cheng), who is a doctor of Jurisprudence from Stanford University, and Mr. Duh-Kung Tsai, who is the Chairman and CEO of Powertech Technology Inc.. The Company's Chairman is elected by the Board of Directors and represents the Company externally. Please refer to our website and annual reports for the detailed biography of each member of the Board.

The Board is required to hold at least one meeting each quarter, and a total of 7 board meetings were held in 2014. The Board is the highest

government unit in the Company, which is mainly responsible for improving supervision function and strengthening the management mechanism. The Board members oversee the operations team to ensure that the team strictly abides by all regulations and enhances information transparency. Moreover, it instructs the operation teams in major decision-making instances by using its own experience, so as to achieve sustainable operations for the Company and further guarantee the shareholders' rights and interests. If any board member or the represented entity has a stake in any matter of the meeting, which may cause harm to the corporate benefits, the said member shall not join the discussion and voting, nor practice the voting right on behalf of another board member. The management team regularly reports to the Board regarding the operations, development strategies, and other important issues, so as to maintain smooth and open communications with the Board.

Audit Committee

One of the major functions of Wistron's Audit Committee is to develop a risk management system that monitors the Company's potential risks. The scope of this mandate includes verifying the adequacy and accuracy of financial statements, appointing (and dismissing) certified public accountants and assessing their independence and performance, overseeing the integrity of internal controls, evaluating the Company's compliance with legal or regulatory requirements, and monitoring the Company's existing or potential risks. In addition, the general auditor, senior accounting officers, and certified accountant must attend the Committee's meetings every quarter to report on the status of internal audits and financial performance, as well as the most recent developments in pertinent regulations.

The Audit Committee may by resolution engage lawyers, auditors and/or other professional consultants to seek independent advice within the scope of its authorization. The Audit Committee may also establish direct

communication with the internal auditors, certified accountants and/or the management teams. The Audit Committee is required to hold a meeting at least once each quarter, and a total of 7 Audit Committee Meetings were held in 2014. Please refer to the Annual Report and Market Observation Post System (MOPS) for details.

Compensation Committee

Wistron's Compensation Committee is given the authority to establish and review compensation policies for the Company's directors and senior management. The policies are linked with the Company's performance and goals, designed to recruit and retain high quality personnel and enhance competitiveness. The compensation for Wistron's directors is set up according to the Article of Incorporation and the actual payments are made according to the duties, attendance rate at the Board meetings, and performance of each director. In case of any revisions, they shall be submitted for resolution at the Shareholder's Meeting, so as to evaluate the management performance of the highest governing unit.

The compensation package for each senior manager includes a fixed component of salary, three Chinese festival grants paying, and benefits and a variable component of bonus, dividends (cash/stock) and stock options. The fixed terms aim to maintain the Company's competitiveness at a certain level and the variable terms are considered based on the Company's and the individual's performance. When the Company and individual's performance is higher, the ratio of the variable terms to the fixed terms will also be higher. The assessment standards are based on the extent to which the annual goals are achieved, which include annual financial targets (revenues, profits, etc.), market/customer, and the growth and development of the organization and personnel. In the beginning of each year, the Compensation Committee sets the assessment items, goals, and weight ratios, taking internal and external

development into consideration. The compensation for the managers is assessed based on personal performance and the terms are evaluated before forwarding to the Board of Directors for approval.

Wistron's Compensation Committee is required to hold a meeting at least twice a year. The Committee is composed of three members and all the members are independent directors. The independent director Mr. Xuan Mingzhi was unanimously elected by all Committee members to serve as convener and Chairman of the meeting. The Committee members are required to invite the Company's the Chairman of the Board to attend the meetings. However, the members of the Compensation Committee should excuse themselves from the meetings if the issues to be discussed involve personal interests. The Committee may also request directors, managerial officers of relevant departments, internal auditors, accountants, legal consultants, and other personnel to attend the meetings and provide them with pertinent and necessary information. A total of 3 Compensation Committee Meetings were held in 2014. For the attendance records, please refer to the Annual Report and Market Observation Post System.

Compliance

Since 2001, Wistron has diligently complied with all relevant regulations to set up its internal operations and governance. After public listing, the Company has tracked the development of new regulations closely and requires all subsidiaries to strictly abide by them. The Company sets goals to strengthen our core values, maintain a high level of integrity, ensure that the employees observe the Company's ethical standards when conducting business and daily operations, and maintain a good reputation to win the

trust and respect of our customers, suppliers and the general public. To achieve these goals, Wistron developed the Employee Code of Conduct, which serves as a set of guidelines for all employees and executives. The Company keeps a continuous watch on the domestic and international policies that may have an impact on the Company's finances and businesses and put in place a set of risk management procedures to respond to any potential impacts. Wistron had never been subjected to any monetary or non-monetary penalties due to any failure to comply with the relevant regulations in 2014.

Protecting Customer Confidentiality

"Protecting customer's confidentiality and adhering to the principle of good faith" is one of our commitments. We have stipulated "Professional Ethics" and "Administration Roles for Wistron People" to establish and cultivate the value and culture of integrity among employees. We have strict policies and internal control mechanisms to protect the confidentiality of information provided by our customers. In addition to managing all hardware and software containing technical information and customer information related to intellectual property rights, confidentiality agreements will be signed with the customers and suppliers to protect confidential information. "Protecting Customer Confidentiality" has also been included as a part of the new employee training program. Through training and management, Wistron ensures that every employee adheres to our confidentiality commitment in their dealings with customers. There were no violations of customer privacy rights or loss of customer data that harmed customer interests in 2014.

Anti-corruption and Principle of Integrity

Integrity is Wistron's core value and fundamental principle. Wistron emphasizes on operation based on integrity which provides employees with a workplace and atmosphere that adhere to ethical standards. It also urges customers, suppliers, business partners and other organizations/entities with which Wistron has a business relationship with, to understand and support its integrity policy. Wistron is committed to the operations integrity policy and the code of conduct according to EICC standards. In addition, it has established an "Operations Integrity Code" and "Ethics Code" to prevent any conflict of interest, as well as handle gratuity and business reception, political contributions and donation, or sponsorship, along with performance guidelines for relevant personnel.

To help employees understand related regulations, Wistron requires all new employees in its Kunshan, Chengdu, Chongqing, Czech and Mexico Plants to undergo industrial ethics training. Its Taiwan office requires new employees to undergo online ethics training. Moreover, all indirect employees at the Kunshan, Chongqing and Chengdu Plants are required to sign the Pledge for Ethical Practices. At the Zhongshan Plant, all new employees are likewise required to sign the Pledge for Ethical Practices. All employees have a duty to report unethical and improper conduct to the Company through the appropriate channels. The Company also pledges to protect employees who report or cooperate with the investigation of such cases to prevent any untoward incident or treatment.

To strengthen its anti-corruption management system, the Company conducts evaluation and self-inspection of the design and implementation of internal control systems including its accounting system, which is also

double-checked by the auditor. Moreover, the Capital, Purchasing, Supply Chain Management, and Administration Departments are listed as potential risks. The related departments shall be subject to internal audit or periodical job rotation. In case of non-compliance, such action will be reported during the Board Meeting.

In terms of external relationships, regulatory compliance, integrity and non-compliance records must first be evaluated before any business relationship can be established with agents, suppliers, customers or other business partners. During the business process, the Company shall explain its operation integrity strategies and related regulations. It will also reject any direct or indirect form of promise, favor or unjustified incentive. If any integrity or compliance violation should occur, the business relationship shall be immediately terminated and the entity involved would be placed on the blacklist. Compliance together with the anti-corruption policy is included in the contract which covers the following: clear and reasonable payment terms, handling of integrity issues, and violation of the terms and conditions related to illegal commissions, rebates or other interests.

In addition, Wistron informs suppliers of its anti-corruption policies through the World Supplier Relationship Management (WSRM), and promotes its operations integrity strategies and principles during the Suppliers Meeting and Corporate Briefing. The supplier's implementation status is also reviewed every year. Thanks to the Company's advocacy efforts and management system, there have been no major cases involving unethical behavior or business practice.

Public Policies

Public policies are guidelines for public organizations such as the government in managing social and public affairs which determine the direction and objective of management activities. Proper and effective implementation of policies will have favorable results on the development of the national economy, society and environment. In dealing with this issue, Wistron has established social responsibility guidelines, which include complying with national regulations and local laws related to social responsibility, continuously enhancing employee rights, interests and welfare; upholding honest, healthy and safe workplace, and fulfilling its corporate social responsibility.

The Company regularly monitors the development of domestic and national policies, in order to review and improve the effectiveness of the existing corporate governance system. Besides, Wistron has always remained politically neutral, objective and detached from public policy. We do not participate in any form of lobbying. We do not take part in the activities of political parties or related organizations. Employees have the freedom to express their political beliefs, and are encouraged to fulfill their civic duty, and vote for their preferred candidate during elections. No political contributions are made by Wistron.

Operations Management



Financial Performance

Wistron is continuing to boost customer satisfaction and quality. Efficiency, capacity utilization and reasonable profits are used as indicators of short-term business growth. In the long term, we will continue to expand our investment into businesses and products with higher gross profits. We are positioning ourselves as a global leader in technical services, offering innovative ICT products, services, and system solutions. We will also continue to focus on providing innovative technical services and expect these services to bring profits to our customers, increase employee satisfaction rates, and create long-term profits for our stockholders. Wistron has not received any major financial assistance from the government in recent years. Relevant financial information is disclosed in the following tables:

Financial Performance Overview

Unit: Millions of NTD

Item	Year		2014		2013	
Revenue	592,347	100%	624,009	100%		
Gross Profit	31,117	5.3%	30,203	4.8%		
Operating Costs	27,353	4.6%	24,117	3.9%		
Net Profit	3,764	0.6%	6,986	1.1%		
Net Profit Before Tax	4,842	0.8%	7,915	1.3%		
Income Tax	1,253	0.2%	2,160	0.3%		
Consolidated Net Profit After Tax (including minority shares)	3,589	0.6%	5,755	0.9%		
Earnings Per Share	1.5	0%	2.51	0%		
Retained Earnings	24,892	4.2%	26,072	4.2%		
Personnel Expenses	28,563	4.8%	23,303	3.7%		
Employees Bonus	618	0.1%	640	0.1%		
Cash Dividends	4,281	0.7%	3,274	0.5%		
Stock Dividends	476	0.1%	1,091	0.2%		

Total Capitalization of Debt and Equity

Unit: Millions of NTD

Item	Year		2013	
	2014			
Assets	299,570	100%	270,542	100%
Shareholder Equity	70,248	23.4%	66,196	24.5%
Short-Term Loans [Note]	70,423	23.5%	54,553	20.2%
Long-Term Loans	19,851	6.6%	20,368	7.5%
Debt Payable	0	0%	7,972	2.9%

[Note] Includes long-term loans due within one year.

Profitability Analysis

Item		2014	2013
Profitability	Return on Assets (%)	1.89	2.73
	Return on Equity (%)	5.26	8.98
	Ratio to Pay-in Capital (%)	19.62	33.28
	Net Profit (%)	0.61	0.92
	Earnings per share (NTD)	1.5	2.51

[Note] For more financial information, please visit the Wistron website Home/Investor Services page: <http://www.wistron.com>.

Product Sales

Quantity/Unit: Per units/Pcs/Items Unit: Millions of NTD

Year	Sales	2014				2013			
		Domestic		Export		Domestic		Export	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
NB Computer		272,257	3,102	21,350,164	293,590	500,639	5,457	26,411,979	328,555
Desktop PC		406,880	2,464	14,685,143	71,921	715,150	4,392	14,072,309	71,558
Other		1,471,665	5,082	70,377,885	216,187	339,634	3,198	36,994,864	210,849
Total		2,150,802	10,648	106,413,192	581,698	1,555,423	13,047	77,479,152	610,962

Product Sales

Wistron does not own any brands, so we use annual growth in output in place of market share. In addition to soliciting orders from international manufacturers, another key to maintaining market competitiveness is to maintain a stable rate of gross profit amid intensifying price wars.

In terms of Wistron's product sales in 2014, LCD TVs and other products (such as servers, industrial application devices) saw a significant growth compared to the previous year. Notebook computers and smart terminal devices (including Smartphones and tablet computers) experienced a declining trend, while desktop computers and personal computers remained steady or slightly changed.

Risk Management

Operational Risk Management

We focus on our core business and never engage in risky and highly leveraged investments so as to ensure stakeholders rights and benefits. We actively evaluate the risks and benefits of introducing new technologies and regularly hold strategic development conferences as part of our long-term business strategy. In response to the risks of increasing costs due to the volatile nature of the technology technological industry, we manage costs through high-efficiency and a high production capacity utilization rate. These are achieved by strengthening product functions, promoting design efficiency, lowering product costs and controlling operating costs.

Financial Risk Management

The fluctuating global financial market and exchange rates often case serious challenges to businesses because small mistakes may erode profits or jeopardize shareholder equity. Our treasury department has established a set of guidelines that specify the tools and decision-making processes for cash management. As export products account for approximately 99% of Wistron's revenue, and most exported products and raw materials procurement are quoted in U.S. dollars, most of our foreign currency transactions are offset against regular payments for the incoming materials procurement to achieve automatic currency hedging. Remaining funds are converted into New Taiwan Dollars according to capital requirements. In the future, we will reinforce the mechanism of automatic currency hedging through offsets of payments and collections, and use tools, such as derivatives and other financial products (forward exchange or swap contracts), to conduct risk hedging under the terms of proper risk management regulations.

Information Risk Management

To protect company and personal information as well as internal/external communication systems and minimize the impact on company operations caused by human factors such as leakage, theft, sabotage or other unpleasant incidents, we will conduct regular security probes of our network and systems to manage information risk. The purpose of these probes is to understand and evaluate the security of the organizational network environment and systems, identify current security level and effectiveness as well as acquire information that can be used for security vulnerabilities elimination, technology improvement and security consolidation.

■ Summary of Information Risk Management Strategies and Methods

Information risk management issues	Strategies and methods
<ul style="list-style-type: none"> • Conduct regular security probes for assessment. • Develop remedial measures to correct vulnerabilities or threats. • Continue to conduct training of internal employees, subcontractors and third parties. • Establish basic information security facilities. 	<ul style="list-style-type: none"> • Define factors that threaten organizational information and assets security so as to understand potential risks and problems. • Test whether internal information suffers from possible disclosure, manipulation or leakage. • Effectively locate resources to avoid information security risk and reduce afterwards treatment costs as well as information security costs. • Ensure periodical security strategies or information security investment costs. • Provide information security assessment to strengthen overall safety of networks and systems.

To maintain continuity in the management of operations, Wistron's IT Department performs periodical disaster recovery assessment on key systems to ensure that they continue to operate in the event of a disaster. This helps maintain the Company's normal and overall operations.

Climate Change Risk Management

Global warming issues are becoming increasingly serious and climate change is causing natural disasters around the world. Appropriate “Risk Management” is therefore essential to business continuity. In addition to closely monitoring climate change issues, we have included emergencies that may lead to loss of life or property or environmental pollution such as power outage, water stoppage, fires, flooding, typhoons, earthquakes, personnel injuries (temporary or permanently disabling injuries), food poisoning, designated infectious diseases (like SARS) and water pollution

into our “Emergency Response and Management Procedure” for our headquarters and each plant.

We have been checking our own greenhouse gas (GHG) emissions since 2009 to provide a reference for energy conservation and carbon reduction. We also joined the Carbon Disclosure Project (CDP) in 2009 and now regularly publish our GHG emission data on the CDP website for stakeholders. Apart from responding to the above, we listed potential regulatory risks, actual risks as well as other potential risks as follows:

■ Climate Change Risks Assessments

Risks		Effects/Impacts	Opportunities
Regulatory Risks	National governments now looking at levying a carbon, energy or environment tax.	Increase in cost of production. Global commodity and energy prices will increase.	<ol style="list-style-type: none"> Promote low-carbon practices among employees. Cooperate with customer/suppliers: Implement carbon management training and carbon emission audits for suppliers. Choose materials carefully, reduce the number of parts, adopt common standards. Promote energy-saving designs for new green factory buildings.
	Global product carbon labeling regulations.	Increase in all information technology and communications product costs as well as operating costs.	Disclosure of product lifecycles and environmental information can be integrated.
	Product energy efficiency regulations and standards. (e.g., Energy Stars, ErP, etc.)	Increased costs of procuring raw materials and spare parts, and longer time for design and product verification.	Eco-design procedures can be integrated into the management systems.
Physical Risks	Limitations on energy purchases. (e.g., oil and electricity)	Increased oil and electricity prices add extra burden to operating costs.	Reinforce internal controls and seek alternative energy sources.
	Global warming generates climate anomalies that lead to more severe and more frequent hurricanes, flooding and droughts.	Direct or indirect impact on production and transportation. (e.g., employee commutes, business trips, unstable power supply leading to suspension of production, or even loss of life and property). Post-disaster reconstruction costs time, manpower and money.	Execute assessment of physical risks in regions where Wistron offices, plants, and supply chains are located.
Other Risks	Change in consumption patterns. (e.g., awareness of green consumption)	Consumers will gradually give importance to and choose low emissions and environmentally friendly products.	Actively promote the corporation's green image in order to increase the company's revenue and market share.

Corporate Sustainability and Social Responsibility Management

Wistron CS²R Policy

Wistron is committed to establishing a CS²R management system that will exceed local regulatory and ethical standards. The development of high-quality green products and services will also be complemented by protection of the environment as well as employee health, safety and human rights in order to protect stakeholders' interests. In addition, Wistron will make corporate governance/investor relations, customer satisfaction, supply chain management, employee rights and care, and community participation the five functional areas in CS²R communication. Apart from conforming to the basic requirements of the EICC Code of Conduct, we will work even harder to realize the harmonious development of "Sustainable Environment" , "Role-model for Innovation" and "Humanitarian Society" .

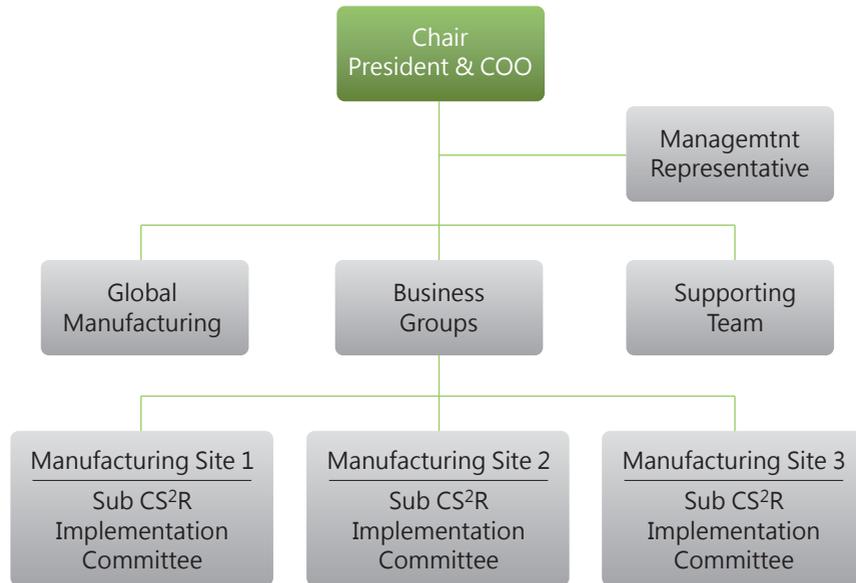
To further pursue Wistron's goal of CS²R, we implement the CS²R management system, covering environment, society and economy. "Sustainability, innovation and humanity" defines the essence of Wistron CS²R, which encompasses the five main management systems of quality, green products, environmental protection, occupational health and safety as well as social responsibility. We will continue to work even harder to realize CS²R and promote activities so as to maintain human health and the environment, properly manage employees' rights, benefits and safety, thus creating a sustainable operational mode.

To promote CS²R-related plans, we has set up a "Corporate Sustainability and Social Responsibility Implementation Committee" (CS²R Implementation Committee) to promote the CS²R management system. The CS²R Implementation Committee is the highest body for CS²R affairs within

Wistron and is chaired by the Company President personally with the rest of the Committee made up of tier-1 executives. The head of each production site also chairs its site CS²R Committee to ensure the proper implementation of the CS²R management system. Based on the management system's spirit of continuous improvement, internal audits are planned and executed each year to verify that the management system is being properly implemented and the results are reported to upper management. In March, 2010, our Board of Directors adopted the "Code of Practices for Corporate Social Responsibility" . The general managers have to report to the Board of Directors at least once a year on the implementation and performance of Wistron CS²R program as well as the plans and goals for the following year.



Organizational Structure of Wistron's Corporate Sustainability and Social Responsibility Implementation Committee



Operation of the CS²R Management System

The CS²R Management System policy defines Wistron's commitment to establishing a management system for corporate sustainability and social responsibility that will exceed local regulatory and ethical standards. The development of high-quality green products and services will also be complemented by protection of the environment as well as employee health, safety and human rights in order to protect shareholder interests.

To ensure that the policies and resolutions of the CS²R Implementation Committee are implemented, Wistron has established five corresponding management systems to manage the five key issues of "quality, green products, environmental protection, occupational health and safety, and social responsibility". Through these management systems, Wistron strives to bring the company's practices into line with international standards and acquire management system certifications, thereby integrating corporate sustainability and social responsibility policies and goals into daily business operations.



Environmental Management



Wistron fully considers the environmental impact of its operating activities from the upstream, middle stream, to downstream. Whether it is component manufacturing, product assembly, transport, usage or disposal, environmental impact must be taken into account. A company that fails to fulfill its obligation to protect the environment will be unable to attain sustainable operations. Wistron' s environmental management system is implemented as follows:

1. Consider the environmental impacts of production and operating activities, ensure environment related investments, inspect the environment periodically as required by local laws and regulations, carry out regular training and activities related to environmental protection, and cultivate corporate awareness of environmental protection.
2. Implement the ISO 14001 environmental management system, ISO14064 GHG audit inspection standards, and hazardous substance process management system-QC080000; perform regular internal and external audits to ensure that the system works effectively and adheres to applicable laws and regulations.
3. Be aware of laws and regulations, as well as customer requirements with regard to environmental protection, and respond by taking action.

Wistron performs internal audit, and asks certificate body to verify its ISO 14001, ISO 14064, and QC 080000 every year. This ensures that the systems meet the requirements of international standards. In 2014, no violation of environmental laws and regulations was reported in each plant and office. There were neither illegal acts committed nor significant fines(Note) incurred related to environmental protection. The table below lists the results of the internal and external audit conducted in each plant and office:

[Note] Over 10 million NTD.

■ Summary of ISO 14001 Audits

ISO 14001	No. of Internal Audits	No. of Nonconformities Identified in the Internal Audit	Result of External Audit	Internal Audit Date	External Audit Date
Neihu Headquarter, Hsichih Office Complex	1	3	Pass	4/10-11/2014	5/13-14/2014
Hsinchu Plant	1	7	Pass	4/16-17/2014	5/12-14/2014
Kunshan Plant	2	9	Pass	4/11-18/2014 11/17-28/2014	7/07-10/2014
Zhongshan Plant	1	3	Pass	5/27-30/2014	8/18-20/2014
Chongqing Plant	2	15	Pass	6/16/2014 12/07/2014	8/18-22/2014
Chengdu Plant	3	15	Pass	4/08-09/2014 8/07/2014 12/08-10/2014	6/09-12/2014
Mexico Plant	1	19	Pass	2/21/2014	5/09/2014
Czech Plant	1	10	Pass	8/11/2013 10/10/2013	2/25-27/2014

■ Summary of QC 080000 Audits

QC080000	No. of Internal Audits	No. of Nonconformities Identified in the Internal Audit	Result of External Audit	Internal Audit Date	External Audit Date
Neihu Headquarter, Hsichih Office Complex	1	0	Pass	5/20-22/2014	12/16/2014
Hsinchu Plant	1	1	Pass	6/04-06/2014	12/17/2014
Kunshan Plant	2	0	Pass	4/11-18/2014 11/17-28/2014	7/07-10/2014
Zhongshan Plant	1	12	Pass	6/04-06/2014	8/25-29/2014
Chongqing Plant	2	5	Pass	4/17-18/2014	8/18-22/2014
Chengdu Plant	3	6	Pass	4/17-18/2014 6/24/2014 12/04-05/2014	9/09-10/2014 10/13-15/2014
Mexico Plant	1	9	Pass	1/10/2014	3/02-09/2015

We implement education and training to raise employee awareness of environmental issues. The hours of education and training sessions implemented are as follows:

■ Hours of Environmental Protection Training Unit: Man-Hours

Item	Total Man-Hours of Environmental Education Training [Note]
Neihu Headquarter, Hsichih Office Complex, and Hsinchu Plant	3,378
Kunshan Plant	80,280.08
Zhongshan Plant	24,425
Chongqing Plant	68,972.64
Chengdu Plant	6,208.30
Mexico Plant	14,784.68
Czech Plant	195.87
Total	198,244.57

[Note] Man-Hours is calculated using "Man x Hours".

Materials Management

Wistron is a manufacturer of electronics, information and communication products. Its expert knowledge of the use of raw materials helps businesses determine the efficiency and cost of specific materials which can be used as reference in selecting raw materials for product design and manufacturing. Its raw material management system covers two areas; namely, product design and product manufacturing.

Product design:

1. As long as function is not affected, recyclable materials are used such as recyclable plastic and packaging materials, and recycled paper for packaging, so as to reduce consumption of resources.
2. Considering the product's life cycle which in the past, started from the cradle (raw material) and ended in the grave (waste); now, it goes from cradle (raw material) to cradle (raw material). Investment is made on the development of recycling technology which can transform wasted electronics into useful raw materials. Currently, Wistron focuses on recycling plastics and precious metals on printed circuit boards. With the help of manufacturers of international brands, recycled plastics are now used in electronics, so as to promote the philosophy of cradle to cradle production.

Product manufacturing:

1. Cooperate with component suppliers to develop a suitable packaging material that can be recycled and reused, so as to minimize the waste of resources and save the cost of raw material.
2. Classify wastes for resource recycling.

In addition, Wistron's plants in Mainland China gather the weight statistics of the materials used in the product and package through the Import/Export Customs Declaration System.

2014 Product Materials and Packaging Materials used by Weight

Unit: Tons

Material	Volume of Material Usage		Volume of Packaging Material Usage	
	2013	2014	2013	2014
Zhongshan Plant	134,821.11	134,158.62	43,526.60	44,315.05
Kunshan Plant	68,365.00	34,375.33	12,388.00	6,830.92
Chongqing Plant	14,565.71	23,178.00	1,416.81	2,190.00
Chengdu Plant	14,467.30	43,972.45	4,282.28	6,732.54
Total	232,219.12	235,684.40	61,613.69	60,068.51

[Note1] Both materials and packaging materials use gross weight. Gross weight refers to the weight of the entire shipment including all transportation packaging.

[Note2] Volume of Material Usage = Weight of Product + Weight of Packing Material weight

[Note3] Volume of Packaging Material Usage = Weight of Packing Material weight

	Percentage of recycled raw material
Zhongshan Plant	33.03%
Kunshan Plant	19.87%
Chongqing Plant	9.45%
Chengdu Plant	15.31%

[Note] Percentage of recycled raw material = [Package weight/(Product weight + package weight)] x 100%

Energy Management

Wistron is well aware of the importance of energy management to corporate competitiveness. With the rise of energy price in the future, we must strive to ease the burden by saving energy, in order to cope with future challenges.

The Company's Global Facility Administration Division guides plant personnel in Hsinchu and Mainland China to check and gather statistics on energy consumption, as well as evaluate and propose energy-saving solutions. The effectiveness of implementation is reviewed monthly and can serve as reference for the management team. In addition, the Zhongshan plant and Taipei office built a power monitoring system that reduces power consumption of major energy-consuming devices by collecting consumption data.

Currently, the Taipei office and Hsinchu plant have implemented the ISO 50001 energy management system for overall management of energy consumption. The annual objectives and plans for implementation are set every year, while the effectiveness of implementation is checked by internal and external auditors, and certified by a third-party organization. For overseas plants, energy consumption is recorded using a scale, and reviewed periodically followed by an appropriate course of action. In the future, Wistron plans to implement the ISO 50001 energy management system in more plants.

Wistron's plants and offices shall adhere to national, regional or industrial energy regulations and policies listed below:

- Neihu Headquarter and Hsichih office complex: Energy Management Act, Supplementary Management and Autonomy Regulations for Industrial and Commercial Energy Saving and Carbon Reduction in Taipei City
- Hsinchu plant: Energy Management Act
- Kunshan plant/Zhongshan plant/Chongqing plant/Chengdu plant: Comply with the National Energy Act and implement the National "12th Five-Year Plan" for Energy Conservation
- Mexico plant: No local energy related laws and regulations
- WCZ : Act no. 406/2000 Coll. on Energy Management

The non-renewable energy used by Wistron's plants and offices includes natural gas, diesel and gasoline, with consumption data shown below. Currently, there are no statistics on the external energy consumption of the organization. However, there are plans to gather data on energy consumption during the staff's business trip in 2015.

For energy consumption intensity, Wistron based its calculation on the amount of energy consumption (GL) per revenue unit (billion NTD).

■ Table of Energy Consumption Intensity in 2014

Unit: GJ

Item	Energy Consumption
a. Non-renewable energy	164,639.71
b. Renewable energy	0.00
c. Electricity	1,031,615.30
Total energy consumption = a+b+c	1,196,255.01
Energy Intensity (GJ/Billions of NTD)	2,019.52

■ 2014 Statistic of Energy Consumption within Wistron

Unit: GJ

Item	Neihu Headquarters	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total	
Non-renewable energy	a. Diesel	0.00	106.59	0.00	422.98	805.11	411.08	18.48	78.50	13.79	1,856.53
	b. Natural Gas	0.00	0.00	0.00	70,093.56	24,381.25	16,319.04	7,010.88	12,342.73	144.25	130,291.70
	c. Gasoline	0.00	3,155.81	14.58	5,209.14	3,080.08	2,160.24	1,260.67	235.45	17,375.50	32,491.48
d. Renewable energy	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
e. Electricity	22,959.00	39,021.71	30,021.00	238,041.46	454,431.85	89,790.83	87,136.85	66,631.05	3,581.54	1,031,615.30	
Total energy consumption (= a+b+c+d+e)	22,959.00	42,284.11	30,035.58	313,767.14	482,698.29	108,681.19	95,426.87	79,287.73	21,115.08	1,196,255.01	

[Note1] The energy consumption statistics are based on the bills sent by the Power Plant and the Natural Gas Company, as well as amount of purchased fuel and usage record

[Note2] 1 kilowatt hour = 1000 Wh = 0.0036 GJ

[Note3] 1 natural gas (kilostere) = 39.01 GJ

[Note4] 1000L diesel = (0.82 ton/1000 L) * (43.33 GJ/ton) = 35.53 GJ

[Note5] 1000L gasoline = (0.725 ton/1000 L)*(44.8 GJ/ton) = 32.48 GJ

Energy Saving Actions

More than 90% of Wistron's GHG emission is caused by purchased electricity. Hence, the measure of GHG reduction is mainly to save electricity.

2014 Summary of Energy Saving and Greenhouse Gas (GHG) Reduction

Item	Neihu Headquarters	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Reduction of energy consumption (GJ)	46.19	700.74	37.79	8,884.77	20,669.00	626.13	2,003.38	NA	NA	32,968.00
Reduction of greenhouse gas (GHG) emissions (Tons CO ₂ e)	7.99	121.26	6.70	1,182.73	1,726.70	169.12	541.14	NA	NA	3,755.64

[Note1] The energy-saving effect and GHG reduction are calculated based on measurement and theory.

[Note2] NA: No statistics

[Note3] For GJ conversion, please refer to the notes found in the Statistics Table of the 2014 Internal Energy Consumption.

Water Resource Management

Saving water and treasuring water resources are Wistron's key corporate responsibilities. Below is the course of action for water resource management:

1. Strengthen water conservation advocacy among employees; put up a water conservation poster at the water-supply area.
2. The Plant On-Duty Personnel are required to record the water meter on a daily basis. If there is any leakage or irregularity, the problem should be fixed accordingly.
3. Set up a repair hotline to the Plant On-Duty Personnel. If there is any leakage or irregularity, the plant affairs personnel must be notified immediately so as to avoid waste of water resources.
4. Manage chemical/liquid waste by prohibiting employees from pouring liquid into the drainage pipes causing water pollution.
5. Use bathroom facilities with water-saving devices and water-saving mark.
6. The Hsinchu plant has formed a water outage emergency response team, composed of the following members: Production Division Manager, Administration Division Manager, Equipment Engineer, Plant Affairs Engineer and Technicians. It has also developed a procedure for water supply limit/restriction.

In addition, Wistron implements the ISO14001 system and had passed the external certification audit. It continuously improves its performance, so as to find a suitable solution for saving water, and to manage the optimum use of water resources.



“Water Conservation” advocacy poster

2014 Statistics of Water Usage

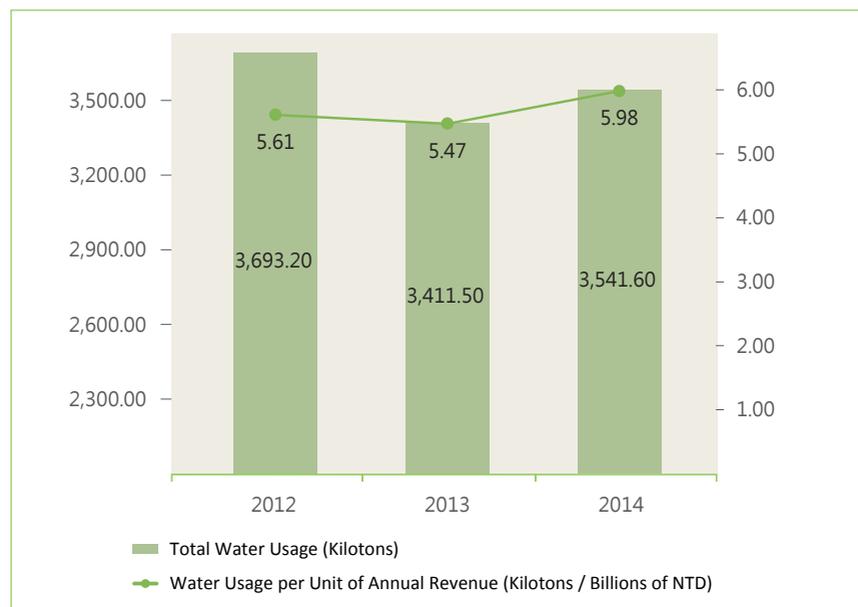
Unit: m³

Item	Neihu Headquarters	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Total water usage (m ³ /Year) = (a)+(b)+(c)+(d)+(e)	23,492	46,782	59,613	1,204,230	1,634,304	323,442	144,000	103,139	2,605	3,541,607
(a) Surface water	0	0	0	0	0	0	0	0	0	0
(b) Ground water	0	0	0	0	0	0	0	103,139	0	103,139
(c) Rainwater	0	0	0	0	1,926	0	0	0	0	1,926
(d) Waste water from another organization	0	0	0	0	0	0	0	0	0	0
(e) Tap Water	23,492	46,782	59,613	1,204,230	1,632,378	323,442	144,000	0	2,605	3,436,542

[Note1] Total water consumption = Surface water + ground water + rainwater + other wastewater produced by the organization + tap water

[Note2] The Mexico Plant uses water from underground sources.

2014 Statistics of Water Usage



Wistron's Mexico plant is the only one that uses underground water. The plant is located in an industrial park which is not a preservation zone or water supply reservoir, so water usage doesn't affect the local environment or biological diversity. All other plants and offices use tap water.

Wistron's manufacturing process does not require water, so wastewater is that of domestic sewage. Currently, only its Taipei office, Zhongshan plant and Chongqing plant have recycled water. The Taipei office doesn't have statistics on its recycled water, while the Zhongshan plant has a water meter record of 1,926 m³ recycled rainfall, which accounts for 0.12% of the total amount of 1,634,304 m³ water throughout the year. The Chongqing plant recycles wastewater using the drinking water treatment system, which is still in the experimental stage. Thus, it has no statistics of the actual recycled water.

Emissions of GHG and Other Gases

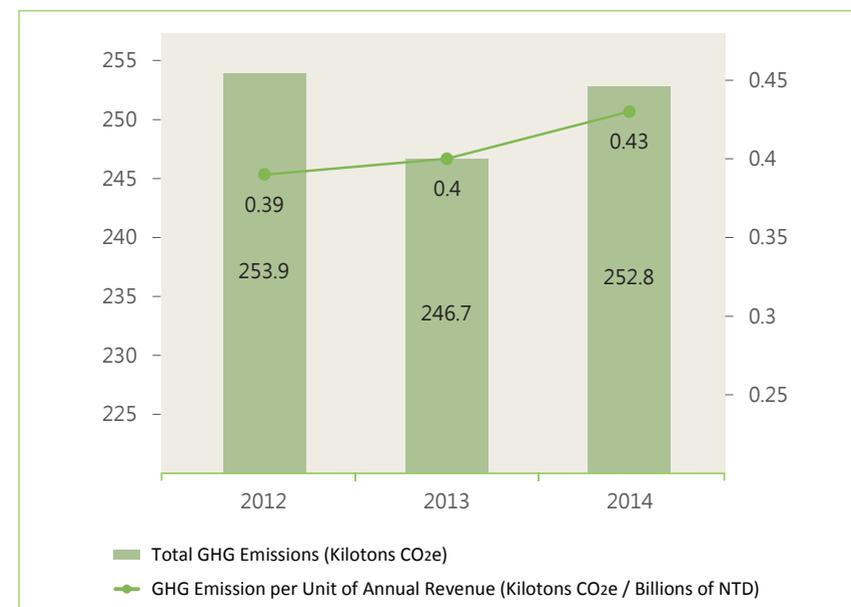
GHG Emissions

Wistron's GHG assessment is based on ISO14064 standards. It collects the monthly GHG emissions of each manufacturing site, so as to monitor the GHG emissions of the company. Currently, the manufacturing sites need not abide by local, regional or industrial GHG emission regulations or policies, and are not using any carbon credits for fulfilling the GHG emission target.

Wistron's GHG emission is derived mainly from energy use, particularly the emission of indirect GHG within Scope 2. In view of this, the manufacturing sites in Taiwan and Mainland China formed an Energy-Saving Project Team, which is responsible for introducing energy-saving programs and reviewing actual achievements every month. Currently, the GHG emission data within Scope 3 is not included in the statistics. There are plans to gather GHG emission data during the staff's business trip in 2015.

For GHG emission intensity, Wistron's calculation is based on the GHG emission amount (Kilotons) per revenue unit (billion NTD).

■ Statistics of GHG emissions



■ 2014 Statistics of GHG Emissions

Unit: Tons-CO₂e

Item	Neihu Headquarters	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Scope 1	0.00	237.27	27.41	6,340.40	2,086.58	1,703.25	553.31	856.07	28.59	11,832.88
Scope 2	3,329.54	5,687.91	4,353.09	53,526.27	115,917.99	24,253.50	23,536.63	9,252.46	1,065.61	240,923.00
Scope 3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total of GHG	3,329.54	5,925.18	4,380.50	59,866.67	118,004.57	25,956.75	24,089.94	10,108.53	1,094.20	252,755.88

[Note] Hsinchu plant, Zhongshan plant, Kunshan plant, Mexico plant and Czech plant chose 2012 as the base year; other plants chose 2013 as the base year. For the base year emissions, please refer to the Annual CS²R Report.

Other Gases Emission

Refrigerants, which are considered as Ozone Depleting Substances (ODS), will only be used in air-conditioning devices and laboratory activities during Wistron's manufacturing process. However, all these devices are sealed and work cyclically without any leakage. Thus, no data has been collected.

The NO_x or SO_x emission sources of Wistron's plants are derived from the use of diesel generators and electric furnaces. Generators are used for power generation in case of outages, and are normally not in use. It is only the Zhongshan plant that uses diesel generators as backup due to power facility inspection.

The detection technology and capability of ODS, SO_x, NO_x and other gas emissions are inadequate for calculating the actual emission amount. Once there is detection technology and capability, Wistron will begin collecting data.

Waste and Effluents Management

Waste Management

Wistron mainly produces and manufactures electronics, and information & communication products. The materials and components of its products include various chemicals. Consequently, without proper treatment, the generated waste could pose serious risk to people or the environment. Strict laws and regulations related to waste management have been implemented in different countries worldwide. Thus, the issue of waste treatment is important to any enterprise.

1. Wistron's wastes are classified into three categories; namely, general waste, resource waste and hazardous waste. General waste and resource waste are considered harmless. The treatment methods are listed below:
 - General waste: Disposed of in landfills or through incineration by the Garbage Processing Company.
 - Resource waste: Recycled by the Waste Processing Plant.
 - Hazardous waste: Disposed of by a qualified hazardous waste disposal company.
2. Regulatory documents are created and waste disposal is entrusted to a qualified waste disposal or recycling service provider in accordance with the law.
3. Annual assessment should be conducted as required by law, so as to ensure compliance with waste management requirements.
4. The packaging materials of components should be recycled and reused. There should be cooperation with component suppliers to reuse and recycle packaging materials.
5. Garbage bins are labeled according to garbage classification. Hence, employees should be made aware of this initiative to increase the amount of recycled waste.

The waste disposal regulations of Wistron's plants or offices rely on the information provided by the contractor, and the contractor's waste disposal treatment method must adhere to laws and regulations. The amount of waste reused is recorded every month to monitor whether there are abnormal occurrences. The plants in Mainland China and Hsinchu shall audit the hazardous waste treatment process of contractors to ensure compliance with regulatory requirements. The waste contractors of all plants complied with requirements in 2014.

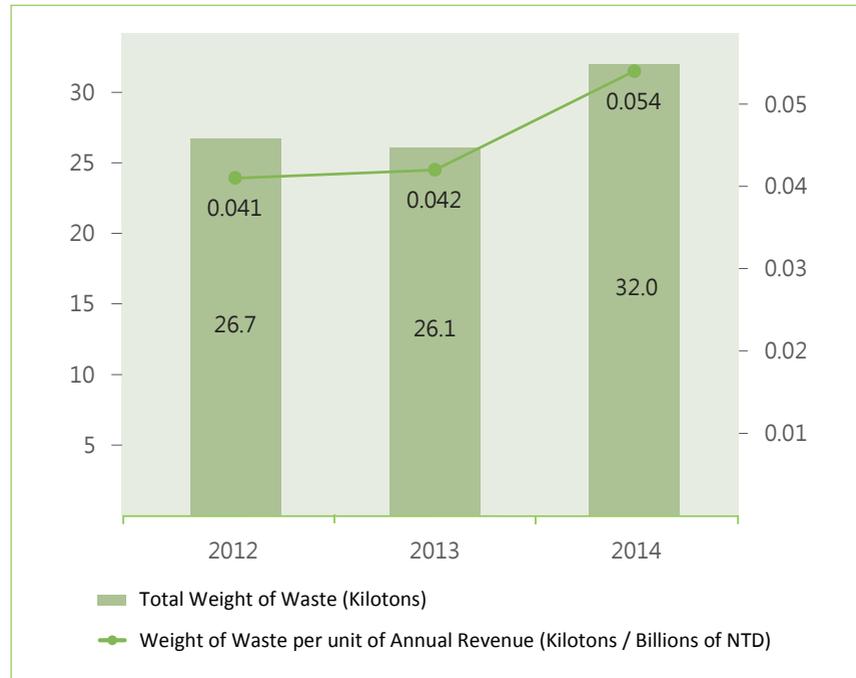
2014 Statistics of Waste by Type

Unit: Tons

Item	Neihu Headquarters	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
General Waste	9.00	16.00	47.98	2,329.35	1,050.56	1,877.77	2,104.64	141.38	17.35	7,594.03
Recyclable Waste	4.15	61.28	22.96	2,373.48	9,249.11	2,527.12	6,050.32	3,050.85	401.40	23,740.67
Hazardous Wastes	0.00	3.61	10.27	193.56	188.30	151.45	87.31	9.43	0.23	644.16
Total Weight of Waste	13.15	80.89	81.21	4,896.39	10,487.97	4,556.34	8,242.27	3,201.66	418.97	31,978.86

[Note] All of our sites do not import, export or transport hazardous waste as prescribed by the Appendix Articles I · II · III · VIII of the Basel Convention.

Statistics on the amount of waste



Effluents Management

Wistron separated rainfall and sewage data. All wastewater (sewage) (including the process and domestic sewage) except for rainfall should be released to the Sewage Treatment Plant via the Sewage Pipeline System for centralized processing which other organizations wouldn't use. No serious incidents of leakage were reported from Wistron's plants and offices in 2014.

2014 Statistics of Effluent

Unit: m³

Item	Planned drainage amount	Unplanned drainage amount	Total drainage amount
Neihu Headquarter	18,794	0	18,794
Hsichih Office Complex	37,426	0	37,426
Hsinchu Plant	47,690	0	47,690
Kunshan Plant	1,204,230	0	1,204,230
Zhongshan Plant	1,632,378	0	1,632,378
Chongqing Plant	323,442	0	323,442
Chengdu Plant	144,000	0	144,000
Mexico Plant	103,139	0	103,139
Czech Plant	2,605	0	2,605
Total	3,513,704	0	3,513,704

[Note] Wastewater volume for Taiwan is 80% based on government convention.



Expenditure and Benefits Associated with Environmental Protection

We have long been concerned about the issues of environmental protection and do our bit as good citizens to reduce the negative impacts of corporate operations on the environment.

Following the environmental protection measures as required by relevant regulations and customers, we have established environmental protection equipment and took the necessary response to avoid and reduce negative impacts of company activities on the environment. We also calculated environmental protection-related expenditures on a regular basis. The income from environmental protection is mainly generated by waste recovery. Expenditure and benefits associated with environmental protection in 2014 are as follows:

■ Environmental Protection Expenditure and Benefits

Unit: NTD

Item		Neihu Headquarters	Hsichih Office Complex	Hsinchu Plant	Kunshan Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Expenditures	Environmental Management System Certification	0	140,282	0	291,922	343,507	829,696	593,521	429,432	100,569	2,728,929
	Environmental Testing and Hazardous Substance Control	9,450	14,700	56,521	926,318	2,017,364	646,918	188,777	159,470	0	4,019,518
	Promotion, Education and Training	0	0	0	99,761	534,712	118,614	47,416	190,414	0	990,917
	Maintenance of Environmental Protection Equipment/Facilities	0	0	18,000	834,266	1,760,564	135,003	259,014	0	0	3,006,846
	Waste Disposal	0	0	0	7,727,446	6,599,016	1,845,068	390,369	264,029	1,277,815	18,103,743
	Cost of Improvements to Energy Efficiency	115,478	2,236,185	0	12,456,632	54,998,638	892,923	4,322,645	0	36,369	75,058,870
	Personnel Cost for the Environmental Protection Division	0	0	0	2,099,455	7,488,966	1,168,337	1,166,419	799,633	0	12,722,810
	Cost for Environment-Related Maintenance	3,448,000	6,085,077	36,000	26,143,804	42,812,006	5,790,291	5,339,753	190,943	96,683	89,942,557
	Other Costs	0	0	0	546,359	0	0	0	8,606	2,312,702	2,867,666
	Total	3,572,928	8,476,244	110,521	51,125,962	116,554,772	11,426,850	12,307,914	2,042,527	3,824,138	209,441,855
Benefits	Waste Recycling	0	1,168,826	1,398,398	23,094,701	40,631,202	21,138,691	45,136,806	1,915,804	1,064,465	135,548,893
	Other	0	0	0	0	86,098,005	0	0	0	0	86,098,005
	Total	0	1,168,826	1,398,398	23,094,701	126,729,208	21,138,691	45,136,806	1,915,804	1,064,465	221,646,899

[Note] Exchange Rate: RMB: 4.9289, USD: 30.37, CZK: 1.4636, MXN: 2.2815, EUR: 40.3376.



Innovation

New Businesses Development



It is Wistron's vision to "becoming a global leading technology service company providing innovative ICT products, services and systems" . In response to this, besides operation efficiency enhancement, we will continue to drive value-added innovations and services as the key differentiations.

We are currently engaged in investment and strategic positioning to provide innovative and value-added technical services, which cover after-sales service, cloud computing products, educational technology services and green recycling business, etc. and are pivotal for our future growth and development.

Additionally, we will not only proactively continue to develop and implement various operation and service models which comply with the requirements of specific products and markets, but also accelerate innovation to enhance industrial competitiveness and transformation.

After-sales Service

To provide our important customers with more value-added services in various fields and meet Wistron's long-term vision of turning from ODM to Technology Service Provider (TSP), we will strive to consolidate customized and innovative services as our current and future goal. Currently, we manage each service performance and the target rate through the following methods:

1. Establishment of annual Key Performance Index (KPI) by each service unit according to organization and business requirements.
2. Regular monthly evaluations to discover problems and find solutions.
3. Quarterly business review (QBR).

Apart from the above, we have appointed dedicated personnel to collect information regarding the supply of spare parts and maintenance rates for motherboards of each service site including overseas sites, and upload this information to system databases. Through regular monthly evaluations and QBR, improvement strategies can be proposed for goals that have not been achieved. These items are monitored and followed up to ensure that all service indicators meet customer targets.

All of our service sites offer center-to-center parts exchange, center-to-authorized repairer parts exchange, and a customer-replaceable parts service. We are also planning to expand the scope of our product services by expanding from the PC industry into LCD TVs/panels, smart phones and other electronic products. A more diverse and tailor-made after-sales logistic and repair services are planned for the future to press close to the requirements of end users and enterprise customers. We may even support products not manufactured by Wistron. By use of an integrated IT platform, we can now effectively and comprehensively manage the entire service chain including logistics, warehouse management, parts delivery, inventory management, and notification system.



Cloud Computing Product

Wiwynn Corporation's evolution into a leading cloud services company comes from years of step-by-step development within Wistron Corporation. Before cloud computing Wistron Corporation was a global leader for various product categories including servers and storage. From this strong base, Wistron focused heavily on building the extensive infrastructure and experienced teams dedicated to support cloud computing business. While supporting our cloud related clients with experienced engineering teams on one hand, Wistron worked closely with partners such as ITRI on cloud related projects to expand our experience and industry relations. The goal was to grow our capabilities to support clients.

As the next step, to consolidate our business support for clients in cloud industry, Wiwynn was established. While in a unique position to leverage the strengths of the Wistron group, the establishment of Wiwynn Corporation shows Wistron's determination to focus on cloud computing business. Inheriting the strengths from Wistron and building new capabilities, Wiwynn will continue investments in all related client support for Cloud Computing to build even higher levels of support for clients.



Green Recycling Business

AS an ODM of high-tech ICT products, Wistron tries to increase added value through service-oriented strategy. While developing and manufacturing new ICT products, we hope that those end-of-life ICT products can be recycled properly to prevent any form of environmental pollution. To take our sustainable and social responsibility as well as to extend the duty as a manufacturer, we established Green Recycling Business Division in 2010 with the mission to provide a more environmental-friendly solution through closed-loop electronics recycling.

There are two core businesses under the Green Recycling Business Division:

1. WistronGreenTech Taxes (WGTX)

Wistron GreenTech Texas(WGTX) is a R2/RIOS (Responsible Recycler/ Recycling Industry Operation Standards) certified recycling facility. WGTX utilizes a safe and efficient chemical hydrometallurgy process for precious metals recycling. This technology not only generates less carbon dioxide but also has higher recycling yield for plastics and fiberglass compared with high-temperature smelting furnaces. All recycled substances can be used for construction materials or other applications.

Although WGTX's capacity was not fully utilized, it was able to process 11,028 tons of electronic scrap in 2014, of which only 0.69% needed to be disposed in landfills. The plastic waste separated from the scrap is transported to another core business for further treatment and recycling. In addition, WGTX works together with Call2Recycle (the largest battery recycling organization in the US) for secondary battery sorting and recycling business. The types of the battery include Ni-Cd, Ni-MH, Alkaline, Li-ion, Ni-Zn, Lithium primary, etc. The sorted batteries are subsequently transported to qualified refinery for further processing. A total of 994 tons of secondary battery were recycled in 2014.



■ 2014 WGTX battery recycling classification types and quantity Unit: Kilotons

Battery type	Weight
Li battery	7.3
Li-ion battery	175.2
Ni-Cd battery	380.8
Ni-MH battery	76.2
SSLA battery	269.7
Alkaline battery	75.8
Others	9.2
Total	994.3

2. Wistron Advanced Materials (Kunshan) Co., Ltd, WAM

Wistron Advanced Materials (WAM) is located at Kunshan Integrated Free Trade Zone. It primarily focuses on refining used plastics in electronic

applications into high-quality environment-friendly pellets, which can be used for making new ICT products. The refining process includes sortation, purification, color matching and compounding in one location, so as to be able to optimize quality control, minimize VOC gas emission and waste water generation, and prevent secondary environmental pollution.

WAM produced a total of 2,271 tons of post-consumer recycled plastics in 2014 and saved the usage of 832 tons of primary plastics. Based on an average carbon footprint of saving 2.5kg CO₂e emission per kg of recycled plastics [Note], we approximately save 2,080 tons of CO₂e emission in 2014. As stated above, the plastic waste separated from the electronic scrap in WGTX is shipped to WAM for sorting, recycling and reusing in the production of environmental-friendly post-consumer recycled plastics. This closed-loop recycling process was chosen by Dell for the launching of OptiPlex 3030 AIO computer in June, 2014. The recycled plastics from end-of-life Dell products were reused in manufacturing new Dell products, which is the first certified closed-loop recycling product in the world.

■ WAM's 2014 environmental plastic output Unit: Tons

Product type	Quantity
ABS	1,796
PC/ABS	258
HIPS	216
Total	2,271

[Note] For the carbon footprint based on a 2.5kg/kg CO₂e average of recycled plastics, please refer to <http://timeforchange.org/plastic-bags-and-plastic-bottles-CO2-emissions#comment-563>

Educational Technology Services

Wistron is dedicated to the design of smart education platform, the development and manufacture of education-related hardware and software, the construction of a futuristic classroom, and the development of smart education solutions. By doing so, we are looking forward to leading the new wave of future education.

A comprehensive smart education solution is an open cloud platform that promotes educational resource leveling and sharing, improve teaching quality, reduce urban-rural digital divide, and create opportunities. It integrates physical and virtual classrooms as well as online teaching services, develops online teaching resources and evaluation system, and record student learning progress. Through flipped classroom and sharing teaching material online, this solution could lay the foundation of individualized education.

Smart Education
A highly integrated and easy-to-use solution for education

Diversified learning scenarios

- Group study
- Role play
- Theme discussion
- Simulation
- Remote learning

Easy for parents to participate, understand and collaborate

- Homework
- Communication book
- Various learning tools

Easy for students to learn, absorb and practice

Efficient and easy to manage, upgrade and message

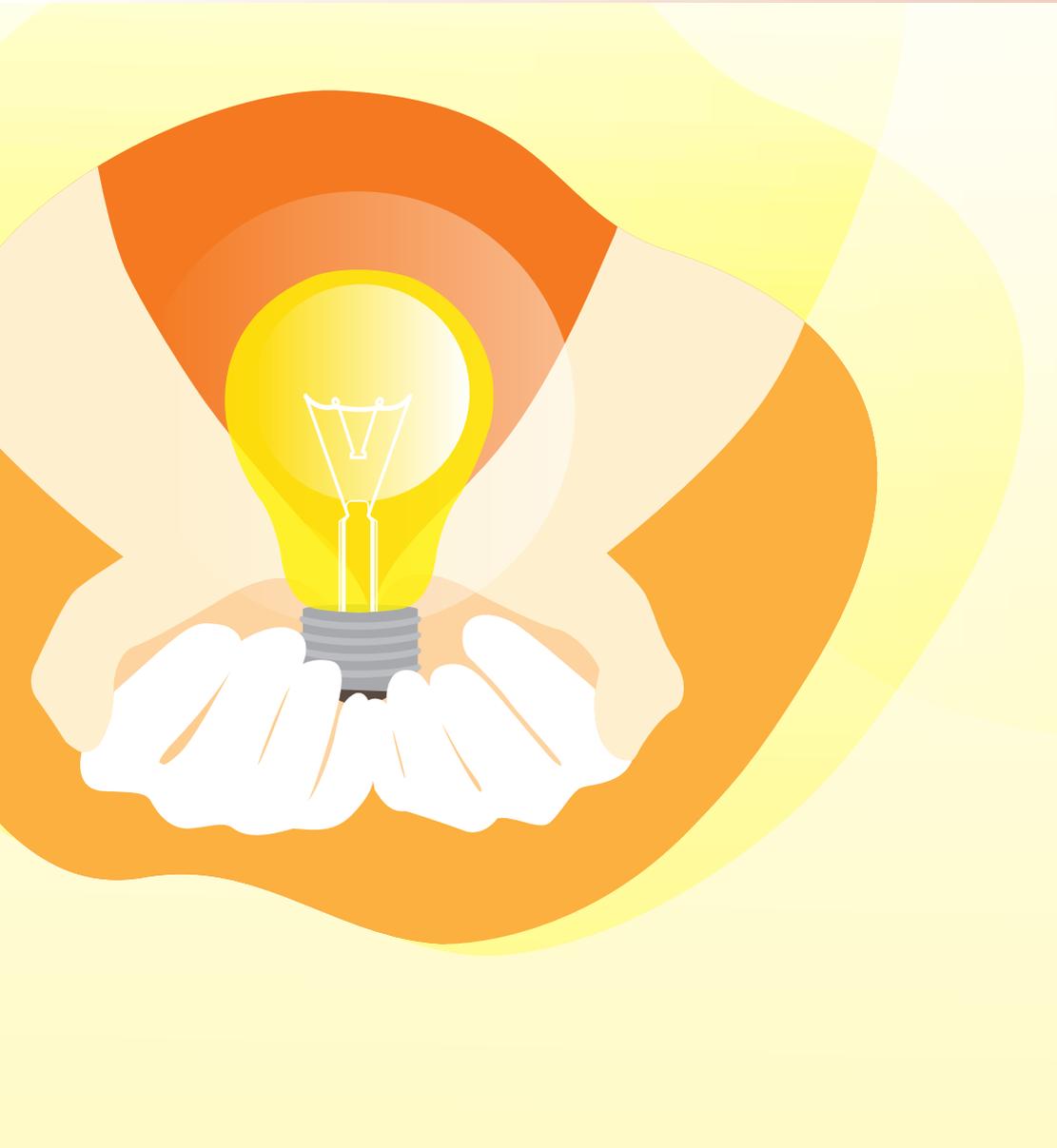
Teaching management tools

- Digital whiteboard with open functions
- Class activity sharing and participation
- Course content/material presentation and interaction
- Pop quiz scoring and statistics

Stable wireless network

- Never loose connection
- Reliability of network ensured
- Deployment of cost-effective wireless LAN

Product Development and Quality Management



Product and Service Quality Guarantee

Product Quality

Wistron upholds its policies with respect to quality: Deliver non-defective and competitive products to customers on time. The QA Unit under each Department abides by these policies, and follows the QA handbooks as well as the TL9000 quality management system requirements, to maintain various quality related indicators in each phase of project development. Moreover, it monitors, evaluates, analyzes and continuously enhances quality related indicators based on PDCA principles. In order to sustain product development, design, manufacturing and production quality, Wistron has set up different checklists and quality goals for various products and different customer quality requirements. The basic product indicators include:

1. Design Quality Assurance (DQA)

Wistron's product design complies with DQA. The product must pass relevant assurance conditions prior to mass production; these include functional verification, compatibility verification, reliability verification and environmental verification. This ensures that product design meets customer requirements and specifications. At the same time, the participation of Wistron's plants in the early product design and experimental phase provides a manufacturing experience to the design team which can improve product design and meet DfX (Design For Manufacture/ Assembly/ Testing/ Service) requirements. This helps facilitate production and enhance product quality.

2. Product quality management

To increase First Pass Yield Rate (FPYR) and reduce Dead On Arrival (DOA) of products, the plants evaluate the causes of defective products triggered by individuals (employees), machines (manufacturing devices and facilities), materials (materials and components), and methods (test methods and SOPs). This helps determine corrective actions and apply preventive solutions, as well as constantly improve the manufacturing process and quality control procedures.

3. Supplier quality management

The quality of raw material is directly reflected on the quality of the manufactured product. Thus, Wistron carefully checks raw materials to ensure that they meet specifications and quality requirements. The quality of raw material is considered a key factor in evaluating a supplier. Wistron has a strict material and supplier quality management system, and guarantees the quality of its products to ensure that they meet customer requirements and specifications. In addition to that, it audits the quality management of major suppliers, and requests improvement on items that fail quality assurance.

4. Prompt product development

In the design and development phase of new products, the Company discusses the production schedule with the customer. Depending on the progress of product development, the company's different business units monitor the progress and quality of the new product, review items that fail to achieve the objective and carry out quality improvement plans. Problems encountered at the plant during the trial and mass production of new products, are jointly discussed and resolved by both the Company and the customer. This ensures that new products can go into mass production according to schedule.

5. Prompt product delivery

Wistron sends details of the customer's orders to the production unit; these include the order quantity, delivery time and delivery method. This allows the production unit to set a procurement plan for product materials and components, and plan the manufacturing schedule and delivery arrangements in advance. The production unit can also periodically monitor and update the actual production status so as to meet order requirements, save delivery cost, and reduce wastage due to early or late arrival of cargos.

Service Quality

In order to provide value-added service for more industries and customers, as well as attain the vision of Wistron's CEO which is to transform the company from an ODM (Original Design Manufacturer) to a TSP (Technology Service Provider), the Company strives to strengthen its customer service and innovative services at present and in the future. Currently, Wistron manages its service performance and compliance rates by implementing the following measures:

1. The service units of the organization shall set KPIs based on business requirements.
2. A regular monthly review meeting is held to address problems and propose solutions through an internal review mechanism.
3. A Quarterly Business Review meeting is held together with senior managers.

Every month, Wistron assigns a special group of personnel to collect data on spare parts and compliance rates for motherboard repair from relevant departments including overseas sites, and these are saved in the system database. The data is reviewed during the regular monthly review

meeting and the Quarterly Business Review together with senior managers. In addition, departments that fail to achieve their objectives shall take corrective actions and complete a follow-up report on their progress, to ensure that all services meet customer objectives.

Improve in R&D Capacity

Product and service quality are determined by RD capabilities. As an international ODM/OEM and TSP, Wistron aims to provide competitive products and services that meet customers' needs. Thus, it gives great value to research and development. Apart from making significant investment on R&D, it also actively strengthens its manpower and training of R&D engineers. The efforts undertaken by Wistron to improve its R&D capabilities are listed below:

1. Recruit and employ R&D personnel
2. Competency training and skills improvement
3. Advanced R&D center
4. Technical cooperation

Wistron values R&D as well as innovation in product design and manufacturing techniques. It capitalizes on innovation and sustainability in its product design. Through innovative ideas, it develops more environment-friendly green products. Wistron has also created a patent incentive award program that would encourage employees to transform innovative ideas into inventions for future patent application.

■ Historical Statistics of Patent Application and Certification Unit: counts

Patent Application				Certification			
Year	2014	2013	2012	Year	2014	2013	2012
Taiwan	342	597	579	Taiwan	423	269	225
China	334	593	609	China	192	171	258
U.S.	398	461	464	U.S.	267	118	89
Others	4	29	36	Others	19	9	18
Annual Number of Patent Application	1,078	1,680	1,688	Annual Number of Certifications	901	567	590

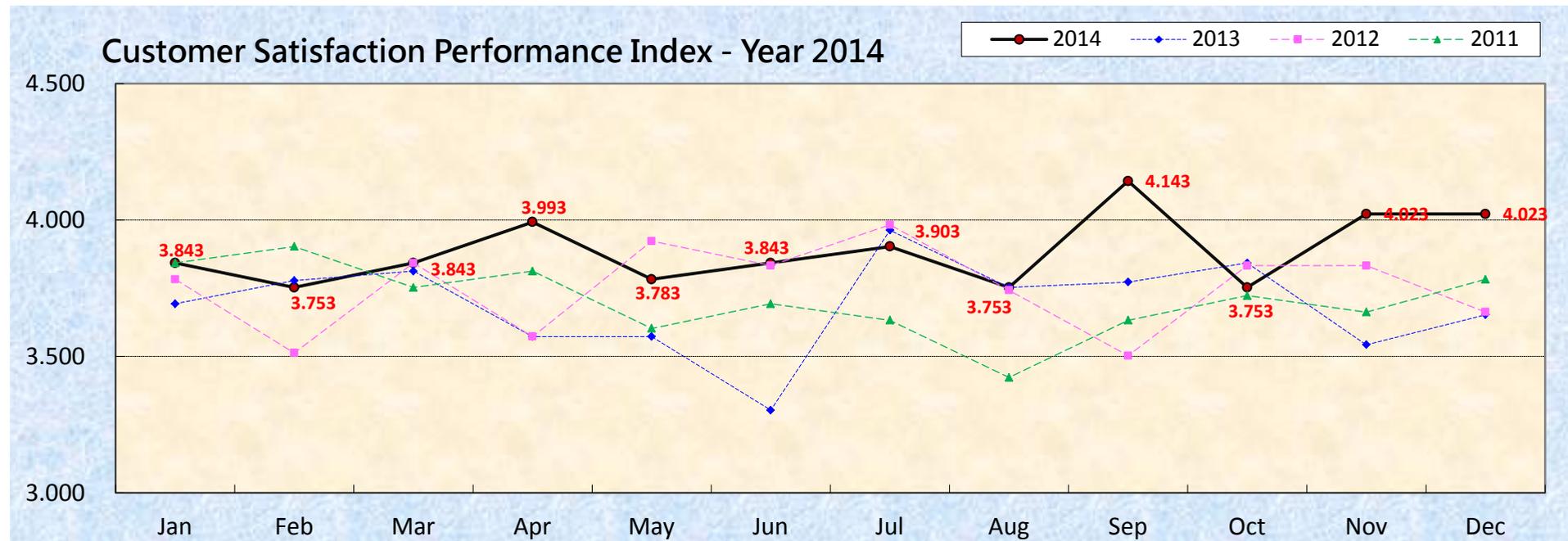


Customer Satisfaction Management

To improve customer satisfaction, Wistron gathers customer feedback and regularly reviews the indicators that determine customer satisfaction based on the Wistron Customer Satisfaction Management Process. It also provides customer satisfaction data to relevant employees, so they can communicate with customers and make necessary improvements.

Aside from the company's management indicators, all responsible business units should review the FPYR (First Pass Yield Rate) and other factors that affect them such as DOA (Dead On Arrival), AFR (Annual Failure Rate), QBR (Quarterly Business Review) and FA(Final Assembly) with customers.

If any of the above indicators fail to meet customer requirements or have unfavorable results, the Company shall conduct a causal analysis to determine and propose solutions for improvement. During internal meetings, different business units must assign certain personnel to address cases or customer complaints. A progress report must be submitted until the problem is resolved. After that, preventive and corrective actions should be taken and applied when handling future products and services based on prior experience, so as to prevent recurrence of similar problems. Based on various factors such as product quality, prompt product delivery, techniques, cost and communication, Wistron has established a Customer Satisfaction Performance Index (CSPI), which is a monthly satisfaction index that reflect customer feedback in which the higher value indicates better performance.



[Note] Data collected from Neihu Headquarter, Hsichih Office Complex, and Hsinchu Plant.

Green Product Management



Aside from product development, process and service, Wistron's product development system includes the green product process which guarantees compliance with products and customer environmental protection requirements, as well as relevant laws and regulations. The product development system covers product proposal, planning, R&D and design, prototyping, engineering prototypes, pilot production, mass production, till the end of life cycle. All environmental tasks are carried out in the above stages to ensure the development of environment-friendly products.

■ Analysis and evaluation of the impact of products and services on the environment of each phase of the lifecycle

Phase of the product lifecycle	To evaluate or not
Development of product concept	Yes
R&D	Yes
Validation	Yes
Manufacturing and production	Yes
Market promotion and publicity	Not applicable [Note]
Warehousing and supply	Not applicable [Note]
Usage and service	Yes
Disposal, recycling and reuse	Yes

[Note] Wistron is an ODM instead of an original brand manufacturer. Hence, the impact on such phase is not taken into account

Wistron developed a management information system that deals with environmental protection related activities starting from project planning to prototyping to mass production to after-service until the end of life cycle. The design stage includes Product Development Management (PDM); Green Product Management (GPM) for controlling environmental protection specification of materials; the production stage covers SAP, SCT and SFCS, as well as a management system for monitoring supplier's environmental quality requirements. All these systems can facilitate effective and comprehensive management of hazardous substances. The GPM is a key management system for reviewing and managing environmental protection specifications of components in environment-friendly products. It also monitors updates on laws and regulations, as well as annual customer-related requirements on environmental protection. With a complete management information system, environmental operations can be more effective and efficient. There were no reported incidents of noncompliance in 2014 as far as related laws and regulations are concerned.

Sustainable Design

The concept of sustainable design considers the impact and possible damage of a product to the environment. From acquisition of raw materials to the final disposal of products, these factors are taken into account in the product's lifecycle. To ensure sustainable development, Wistron adopts a green product design concept from the very beginning. It is able to achieve a sustainable cycle with the reduction of raw materials and energy consumption, recycling and reuse of product and packaging materials, use of non-hazardous substance, and easy-to-assemble design.

Based on the structure of the QC080000 hazardous substance management system, Wistron incorporates the concepts of raising product energy efficiency, adopting green materials, promoting resource-conservation and recycling, and reducing hazardous substances in product design and R&D. Wistron products can meet customers' environmental protection requirements. The company also works actively with customers to obtain eco-labels and certifications, so as to improve the environmental value of its products. Currently, it has obtained the following labels: EPEAT, Energy Star, TCO, IT-ECO, and Taiwan's environmental label. There have been no violations reported in 2014 with regard to the information and label of products and services.

Energy Efficiency Improvements

At present, energy is a critical yet limited resource in the world. Energy consumption is not only affected by the reality of rising energy prices, but also affects and impacts the environment. It has become more and more important to reduce power consumption of electronic devices (such as computers, notebook computers, mobile phones, television sets, servers, etc.). Wistron provides customers with products that meet Energy Star standards and energy-saving requirements. EU's ErP Directive on non energy-efficient products will take effect very soon. Wistron also works with customers and industry technical leaders to help reduce energy consumption, so as to comply with the ErP Directive on non energy-efficient products.

Wistron products have various power saving modes and low power-consumption standby modes as well as improved power conversion efficiency that help save more energy. The Company has also made remarkable advances recently while working with technical platform suppliers to extend the battery life of notebook computers.

Use of Green Materials

The raw materials used in Wistron products generally comply with RoHS requirements. Given the customers' requirements, cost consideration, laws and regulations, the company prefers to use specific green materials, such as recyclable plastics and materials which partly include renewable paper. It also conducts inspections on different processes such as waste reduction, recycling, treatment, resource reuse, resource recycling and renewability based on the Green Design Guide and Review Checklist found in the C System 2005 Product Development Operating Procedures. This helps ensure that the development and design of all products promote waste reduction, resource recycling and reuse. In addition, the Green Product Management (GPM) is applied to review and manage environmental protection specifications of components used in the company's eco-friendly products. Currently, the recycling ratio of components and packaging materials used in Wistron products adhere to WEEE requirements. The company also uses green materials that meet the following requirements:

1. All electronic components must comply with RoHs (with the exception of several special components).
2. During the product design and development, materials that partly include post-consumer plastics will be selected.
3. The paper used for the box or product manual should be partly made of renewable paper or comply with procurement standards of the U.S. Environmental Protection Agency and must be printed according to environmental requirements.
4. The product and packaging should be partly made of recyclable materials as stipulated in the WEEE (Waste Electrical and Electronic Equipment) Directive.
5. The DFSS (Design For Six Sigma) method is applied to reduce the quantity and weight of the components.

Resource-saving and Recyclable

The company conducts inspections on different processes such as waste reduction, recycling, treatment, resource reuse, recycling and renewability based on the Green Design Guide and Review Checklist found in the C System 2005 Product Development Operating Procedures. This helps ensure that the development and design of all products promote waste reduction, resource recycling and reuse. For example, Wistron notebook computers and handheld devices use eco-friendly packaging made of recyclable materials that contain no toxic or restricted substance. Moreover, there is less quantity of packaging materials used to meet environmental protection requirements.

For some labels and manuals, Wistron also actively cooperates with customers when it comes to using renewable paper or electronic ones to reduce the use of wood. At the same time, Wistron recycles boxes and packaging materials, and return them to suppliers for reuse, so as to reduce the consumption of packaging materials.

Wistron is deeply aware of the impact or potential risks of the products to the environment. Hence, it considers several factors, from the acquisition of raw materials to the final disposal of products based on their lifecycle. Moreover, it takes into account the reduction of resource waste and finished products after recycling scrap. Thus, during the product design and development, the easy-to-recycle and easy-to-disassemble design concept was introduced. It uses recyclable materials and a modular product specification to save cost on recycling products. The methods applied are as follows:

1. Modular design.
2. Uses less bolts.
3. Easy-to-disassemble: Only common tools are needed for product disassembly.

4. The electronic components are easy to separate.
5. The product design incorporates recyclable materials.
6. The accessory box uses recycled corrugated paper.

Elimination of Hazardous Substances

Wistron's green design management system is based on the QC080000 hazardous substance management system. It regulates and controls the use of hazardous substances during product design and development. Moreover, it utilizes the green product management system to manage and reduce hazardous substances.

The company implements relevant requirements and operating standards. In addition, the materials used in the product design adhere to the restriction of hazardous substances directive. All component suppliers are also required to pass the green component accreditation. The company applies the Green Product Management (GPM) in its operations. It stores validation data and records, and assures compliance with international requirements, environmental laws and regulations, such as the RoHS Directive, Packaging Directive, Battery Directive, REACH (Registration, Evaluation, Authorization and Restriction of Chemical Substances), etc. Given the requirements of some customers, Wistron also refrains from using certain hazardous substances in its product design, to meet specific requirements such as halogen-free, PFOS and PAH. There is also a written review or field audit to ensure that the manufacturer fully complies with Wistron's requirements. This helps reduce the risks of waste electronics to the overall environment and human health.

Green Product Management System

The screenshot displays the Wistron Green Product Management System interface. It features a navigation menu on the left with options like '前置作業', '啟動調查', '登錄作業', '審核作業', '查詢作業', and '系統管理'. The main content area is divided into sections for announcements and a detailed table of hazardous substance records.

公告 (Announcements):

- New Revision: Wistron Green Procurement Specification (717-R025 V.12) Released
- New Revision: Wistron Guideline of HSE Label Rev. 2.5 Released

規範查詢 (Specification Query):

Wistron Green Product Management System
登入人員: Edward Chang 部門別: NR0800

規格群別: Wistron
規格名稱: [Search Field]
規格物質: [Search Field]
狀態: All

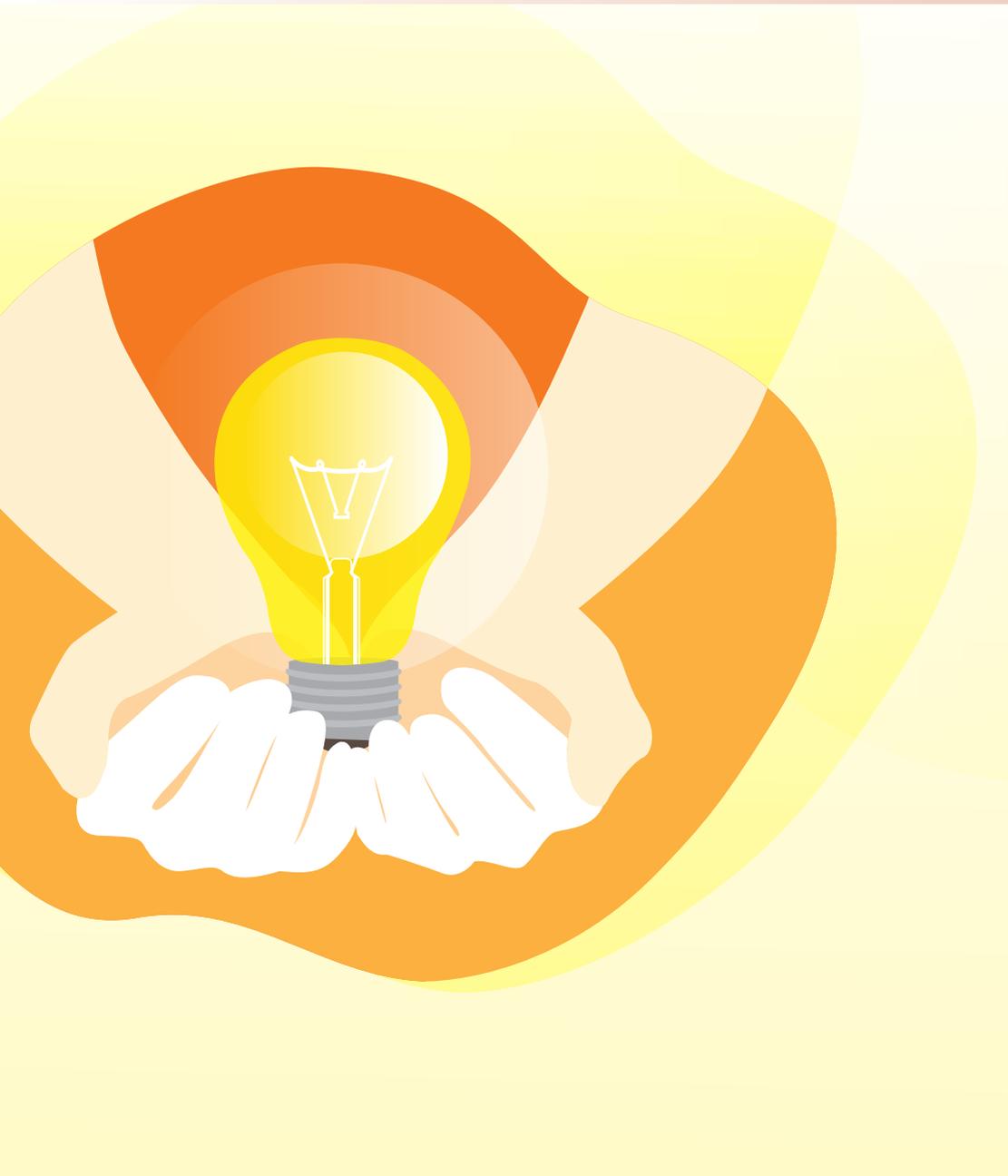
預選顯示欄: 執行成功

規範群組清單 (Specification Group List):

規範群組	規範名稱	類別	發布日期	啟用日期	禁用日期	停用時間	差異比對	明細
Wistron	717-R025 V.3	規範	2009/01/13 下午 06:02:22	2009-02-13				
Wistron	717-R023 V.3A(BF)	規範	2008/12/24 下午 02:18:01	2008-12-04				
Wistron	Battery Directive電池指令	規範	2007/09/28 下午 02:52:12	2007-09-28		Revision		
Wistron	Packaging and Packaging Waste Directive包裝及包裝廢棄物指令	規範	2007/09/28 下午 02:52:48	2007-09-28		Sophia Hsieh Disable on 2009/04/24 下午 06:59:47		
Wistron	PAHs	規範	2008/02/27 下午 03:10:34	2008-05-27				
Wistron	REACH	規範				Sophia Hsieh Disable on 2011/03/11 上午 10:03:19		
Wistron	Wistron 717-R025 V.1	規範				Sophia Hsieh Disable on 2009/07/21 上午 11:33:05		
Wistron	Wistron 717-R025 V.10	規範	2014/03/18 上午 09:07:33	2014-03-14		Sophia Hsieh Disable on 2015/1/7 下午 05:03:23		
Wistron	Wistron 717-R025 V.10 (BF)	規範	2014/03/18 上午 09:10:11	2014-03-14		Sophia Hsieh Disable on 2015/1/7 下午 05:03:47		
Wistron	Wistron 717-R025 V.10 for battery	規範	2014/03/18 上午 09:10:45	2014-03-14		Sophia Hsieh Disable on 2015/1/7 下午 05:04:10		

Total records: 48 Page size: 10 Current page: 1

Supply Chain Management



Wistron provides electronic product R&D and manufacturing services. The major supply chain involves suppliers that provide product materials and components, including electronic and mechanical materials and parts. Besides considering suppliers' technical capability, quality, delivery time and price competitiveness, Wistron also asks suppliers to commit to environmental protection, safety and health, as well as human rights, as a way of fulfilling their social responsibilities together. More than approximately 850 raw material suppliers come from the Philippines, Indonesia, Thailand, Taiwan, U.S., Japan, Korea, China and Europe. The types of suppliers include manufacturers, agents and distributors. The industrial characteristics of the supply chain are technology intensive, capital intensive and labor intensive. For the manufacturing sites in China, the budget ratio of purchasing from local suppliers is 30%.

Wistron values its suppliers and regards them as important partners. It hopes to establish a long-term and stable supply chain through mutual cooperation. Besides considering the supplier's technical capability, quality, delivery time and price competitiveness, Wistron also requests its suppliers to commit to environmental protection, safety and health, as well as human rights, as a way of fulfilling their social responsibilities together. With this goal in mind, the company has built a supply chain management system that supports the requirements of all customers, manages and monitors suppliers, as well as evaluates certain aspects such as quality, cost, delivery time, and service. While considering the environment, employee health and human rights, Wistron also hopes to protect the rights and benefits of stakeholders. The company has integrated the following five management systems into a CS²R management system that highlights quality, green product, environmental protection, occupational safety and health, and social responsibility. The system is used in daily business operations. In addition, the suppliers are expected to comply with requirements. Currently,

Wistron applies the supply chain management by taking advantage of different management systems and mechanisms. The details are indicated below:

■ Summary of supply chain management mechanisms

Item	2012	2013	2014	System	Time/ Frequency	Department In-charge
Supplier Assessment	75 Suppliers	89 Suppliers	92 Suppliers	CBG system	None AVL New suppliers Disqualified suppliers	Purchasing Department/ SQM
CS ² R	200 Suppliers	180 Suppliers	160 Suppliers	Moss database	Annual	SQM
QSA	180 Suppliers	180 Suppliers	150 Suppliers	Moss database	Annual	SQM
QPA	180 Suppliers	170 Suppliers	150 Suppliers	Moss database	Launch new project	SQM
SPM	311 Suppliers	373 Suppliers	330 Suppliers	Vendor Center system	Monthly	Source/SQM/ Buyer

Supplier's Social Responsibility Management

Annually, Wistron prepares audit plans on sustainable operations and social responsibility for risky suppliers, which are listed under the Department KPI for supplier audit and assessment. The following items are listed under the assessment criteria for new suppliers; namely, respect for human rights, care for labor, environmental protection and fulfillment of social responsibilities.

The 2014 achievements are described below:

1. Wistron prepared the 2014 audit plans for sustainable operations and social responsibility for 160 risky suppliers, which were divided into two stages: (1) the first half of the year, and (2) the second half of the year. A field audit and confirmation were also made at the suppliers' premises. Finally, the audit results were approved [Note].

[Note] The audit result with lower than 60 points is Not Approved. In this case, the supplier is required to take corrective action for the unfavorable audit. It also needs to provide feedback on its improvements within one month and apply for re-audit. If the re-audit result is still Not Approved, it cannot submit an application again within 6 months. If there is a problem in the quality of the supplied material, an alternative material/supplier would be considered as replacement.

2. In the two CS²R/GHG supply meetings held on 2014/5/15 and 2014/11/26, respectively, Wistron launched a face-to-face communication and online complaint channel, as well as complaint channels for overseas sites.

3. In 2014, approximately 40 new suppliers have been registered as Wistron's supplier in EICC-ON website.



■ Summary of Supplier Requirements and Management Practices

Requirement	Management Practice
Human Rights	<ul style="list-style-type: none"> • In accordance with the EICC regarding the suppliers' management of human rights, 160 suppliers were evaluated for annual CS²R. All suppliers met the requirements except one, which eventually also met the standards with the assistance of Wistron. • In accordance with the EICC, suppliers are encouraged to guarantee employees freedom of association and collective negotiation rights to avoid ill-communication or adverse suppression. No violation incidents occurred in 2014. • Suppliers are required to clearly define and support the humane treatment provision specified in the EICC and convey it to laborers, and sign the Declaration of Non-use of Conflict Minerals. A total of 961 companies have signed the declaration and abide by it. Those who violate it will have their Wistron supplier qualification cancelled. No suppliers violated it in 2014.
Labor Care	<ul style="list-style-type: none"> • In accordance with the EICC, no child laborers are allowed to be employed. Juveniles under 18 years old are not supposed to engage in any works that may harm their health and safety. If such things have been discovered, the suppliers will be cancelled of their Wistron supplier qualification. No such violation by suppliers occurred in 2014. • The company hosts supplier exchange meetings and demands suppliers never to employ child labor as a settlement for manpower shortage or salary issues.

Requirement	Management Practice
Environmental Protection	<ul style="list-style-type: none"> • Instructs suppliers to make appropriate GHG emission reduction suggestions and proposals, and provide inventory report and requirements. 140 companies provided the above in 2014. • Supervises and reminds supply chains as well as the supplier companies to shoulder the responsibility of environmental protection. For those who didn't reach the standards, improvement suggestions are put forward. • New suppliers are required to sign the EICC. They must monitor and sort wastes before disposal so as to minimize environmental pollution. • Suppliers are requested to continue to avoid negative incidents and provide essential assistance at any time. • The company encourages excellent suppliers and set up the annual best environmental protection award. • 2015 Target: 160 suppliers
Annual CS ² R Audit	<ul style="list-style-type: none"> • The company chooses suppliers that adhere to the concept of social responsibility, CS²R certification and have signed the EICC agreement. • The EICC regulations regarding corporate codes of conduct towards society are used as the prerequisite for choosing suppliers. • Approximately 40 suppliers authorized Wistron to access their performance through EICC-ON website. • Suppliers are required to strictly follow EICC requirements in their daily operations



Humanity

Human Resource Development and Cultivation



Workforce Diversity

The total number of Wistron's global employees was 55,784 by the end of 2014, which covers Asia, America and Europe. There is a male/female ratio of 66:34. In terms of employment types, regular employees account for 91%, while contractual and dispatched workers account for 9%. Employment types depend on the operation and capacity demands. To cope with capacity demands, some regions employ a higher percentage of contractual or dispatched workers. However, Wistron does not employ short-term or contractual employees which could deprive them of their legal rights. All employees have legal rights and interests since the first day of employment. Staff distribution based on gender and employment type per region is presented below:

2014 Statistics of Employees

Unit: Person

Region		Taiwan	Kunshan Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
By Labor Type	Regular	5819	17829	13729	5918	6215	936	132	50578
	Contract	101	114	729	1283	198	0	9	2434
	Outsource	27	0	0	0	0	2714	31	2772
By Gender	Male	4016	11842	9584	4945	4288	2085	98	36858
	Female	1931	6101	4874	2256	2125	1565	74	18926
Total		5947	17943	14458	7201	6413	3650	172	55784

[Note] Taiwan = Neihsu Headquarter, Hsichih Office Complex, and Hsinchu Plant

Wistron puts emphasis on diversification and is dedicated to providing a working environment where employees are rewarded and encouraged for their participation and individual talent. Through fair employment and sound operations, the company continuously cultivates and trains various employees. These excellent employees with different backgrounds and talents can help create corporate competitiveness. As for global indirect labor, the number of employees according to management level, gender and age are listed below:

Worldwide Indirect Employees by Level, Gender and Age Group Unit: %

Age Group	Division Level and Above		Department Level		Non-Management		Total
	Male	Female	Male	Female	Male	Female	
< 30	0.01	0.01	0.86	0.55	33.87	19.25	54.56
30-50	5.42	1.11	4.09	1.62	21.11	9.77	43.11
> 50	1.24	0.11	0.03	0.03	0.64	0.29	2.33
Total	6.7	1.2	5.0	2.2	55.6	29.3	100

Employment and Compensation Policies

Wistron's compensation and benefits comply with the requirements as well as laws and regulations of each country. The company does not offer salary below the minimum wage. All employees have access to statutory insurance

and pension plans. Wistron also offers the same pay for the same work regardless of race, nationality, origin, social status, lineage, religion, physical disabilities, gender, sexual orientation, family responsibilities, marital status, union membership, political affiliation or age. It has also designed a rewards system as part of the overall remuneration package, which includes salary, benefits, bonuses and dividends. All employees have two performance evaluations each year. The results serve as the basis for personnel bonuses, employment, promotions, and other personnel management activities.

Wistron also conducts a salary survey every year and adjusts salaries based on the economy, company operations and personal performance to ensure that employee salaries are fair and in line with market standards. All part-time and short-term contract workers are provided access to statutory insurance and welfare since the first day of employment. Compensation per region is indicated below.

Ratio of Entry Level Wage and Statutory Minimum Wage

Age Group	Taiwan	Kunshan Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant
Ratio [Note]	1.06	1.17	1.17	1.30	1.34	1.26	1.41

[Note] Ratio = entry level wage / statutory minimum wage. Calculated at 2014/12/31

New Hire and Turnover Management

When an employee resigns, we fully respect his/her decision regardless of their reason. We then try to find out their reason for leaving and use this as an opportunity to identify problems for further improvement. The table below shows the statistics of new hires and turnovers in 2014 sorted by gender and age group. Turnover includes voluntary resignation and other reasons. Most were concentrated in direct employees under the age of 30.

■ Total Number of New Hires and Turnover Unit: Persons

Item	Age Group	Male	Female
2014 New Hires	< 30	101,485	38,587
	30-50	6,856	3,305
	>50	62	34
	Total	150,329	
2014 Turnovers	< 30	92,531	37,189
	30-50	6,191	2,885
	>50	67	59
	Total	138,922	

Parental leave and Retention

We respect the rights of pregnant workers and provide parental leave to employees that care for infants and young children; and, automatically ask employees if they wish to return to their job one month before the end of their parental leave. In 2014, there were 54 parental leave applications in Taiwan and 23 applications at the Czech Plant. The number of parental leave applications in Taiwan has increased with each passing year, and the applications from male employees have remarkably increased.

■ Applications for Parental Leave in 2014 and the Number of Workers Who Returned to Work Unit: Persons

Region	Taiwan		Czech Plant	
	Male	Female	Male	Female
Number of Applications for Parental Leave in 2014	8	46	0	23
Number of Workers Who Returned to Work in the Past Three Years	11	40	0	5
Number of Workers Who Applied for Parental Leave in the Past Three Years and Have Returned to Work for Over 12 Months	5	17	0	1

Local Hiring

Based on its recruitment policy, Wistron employs the best talents found in various countries. It also considers the "Cultivation of Local Management Talents" as a key goal of implementing talent localization. In 2014, local talents who work as managers accounted for 80.2%, with 43% assuming positions higher than Director. The data showing local employees who work as managers over the past three years is presented below:

■ Percentage of Local Employees in Management Positions Unit: %

Region	China	Czech Plant	Mexico Plant
Percentage of local managers	41.6	68.9	55.6
Percentage of local department level or higher managers	80.1	83.0	77.3

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.

In this regard, we are actively promoting relevant education and training, and have divided our training program into 7 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 (Overseas manufacturing sites possess 6 distinctive categories, not including advanced education training)

Through the seven training systems, between 2005 and 2014, 800 employees have completed the Six Sigma training courses, 19 internal instructors were added, and over 150 training projects have been implemented. The average return on investment for each project is NTD 15 million in savings.

No	System	Description
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 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	Available for all employees located in Taiwan; the main purpose is to improve employees’ capability in engineering technology, management skills, and language proficiency.

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 11 new employee courses, and 34 R&D courses in Taiwan. The CS²R training, including labor safety education, environmental hazardous substance, test report reading, and process for green project courses, has also been launched, aiming to ensure that all Wistron's employees are equipped with the relevant knowledge.

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 NTD 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, we offer over one hundred and seventy thousand online and on-site training courses with more than 500,000 hours in total, and over 700,000 employees have participated in the courses.

2014 Statistics of Training Courses

Category		No. of courses	Hours	Attendance	Training hours per Person
Employee Category	Direct	18,672	458,555	609,956	0.75
	Indirect	7,089	58,461	149,745	0.39
Gender	Male	17,199	321,571	549,373	0.59
	Female	21,370	224,819	224,585	1.00

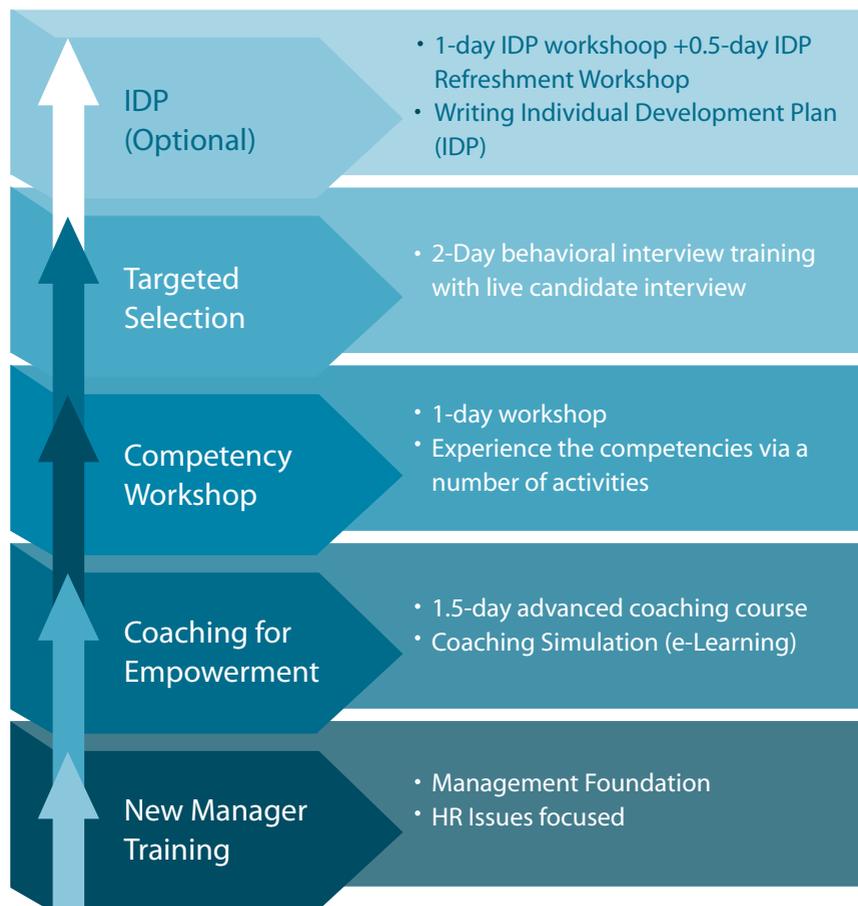
Nurturing Future Leaders

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 2014, 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:

- 1 Pre-Class Survey**
Conduct pre-class survey on turning course content into management behavior, including Coach times, length, topic, issues quality, etc. Before class, the subordinates will fill out the coach satisfaction questionnaire survey.
- 2 Classroom Course**
Managers attend courses. Before the end of courses, questionnaire survey results will be released.
- 3 e-Learning**
Managers participate in the interactive simulation course with in 12 selected case studies.
- 4 Periodic Follow-up Survey**
Conduct company-wide Coach satisfaction survey every six months. Results listed as one of the important factors in deciding promotion.

After years of implementation, employee satisfaction with managers' coaching in Taiwan region has improved from 4.02 points in 2008 to 4.15 points (out of 5 points) in 2014, 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.

Staff Health and Occupational Safety

Workplace Safety Management

Wistron introduces the Occupational Health & Safety Advisory Services (OHSAS) 18001 in its plants and offices, and performs internal and external audits to ensure effective system operations. Through the audit process, it can determine defects and make improvements, to attain a safe and healthy working environment for all employees. Relevant management systems and procedures are discussed below:

1. Education & Training: First-aid training is conducted so employees can learn about first-aid and prepare for emergencies.
2. Medical care counseling: To keep employees healthy, the company has set up a medical care consultation service, handled by physicians or psychological counselors. It also cooperates with external hospitals in providing service.



Professional personnel are invited to take care of the psychological needs of the employees.



The global offices/plants organize staff health checkup periodically.

3. Risk control: Wistron conducts firefighting and chemical leakage drills annually, helping employees improve their emergency response abilities. The drills and exercises include evacuation, use of fire extinguisher and on-site first-aid on site.
4. Emergency medical care: Wistron has established a long-term partnership with local hospitals to provide emergency medical assistance for its employees, so they can receive medical treatment in case of emergencies. This ensures that employees receive timely and effective medical care. All departments are also equipped with medical kits.
5. Health check-up: Health check-ups are conducted every year to assess physical condition and wellbeing; these include blood lead levels, ear test, chest X-ray exam, etc.
6. Special job management: For special jobs that deal with chemical operation, noise, confined spaces, forklift operation, etc., Wistron has strict application and control measures. It has also organized a special job management system based on regulations and system operations.
7. Special device detection: to check whether there is radiation leak from the X-RAY machines.



The global offices/plants conduct firefighting drills annually.



Education, Training, Counseling, and Prevention of Fatal Diseases and Risk Monitoring Plan

Plan Target	Education/Training		Consultation		Prevention/Risk Monitoring		Treatment	
	YES	NO	YES	NO	YES	NO	YES	NO
Employees'	All plants	—	All plants	—	All plants	—	All plants	—
Employees' Families	—	All plants	Kunshan Plant	All plants except Kunshan Plant	—	All plants	—	All plants
Communities	—	All plants	—	All plants	—	All plants	—	All plants

2014 Statistics for Disabling Injuries of Employee

Statistics of Disabling Injuries	Neihu Headquarters		Hsichih Office Complex		Hsinchu Plant		Kunshan Plant		Zhongshan Plant		Chongqing Plant		Chengdu Plant		Mexico Plant		Czech Plant	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Injury Rate, IR	0.70	0.35	0.38	0.19	0.33	0.50	0.23	0.15	0.13	0.02	0.36	0.09	0.27	0.12	0.39	0.48	0.00	0.00
Occupational Disease Rate, ODR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lost Day Rate, LDR	0.17	2.36	1.11	0.13	0.50	5.30	7.39	3.29	3.39	0.01	2.21	1.49	1.35	0.83	13.65	15.36	0.00	0.00
Absentee Rate, AR	0.97	13.22	6.25	0.76	3.79	40.42	90.88	131.24	341.60	241.90	17.67	11.88	86.02	62.86	126.21	141.87	9246.00	17005.00
Total Number of Work-Related Fatalities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

2014 Statistics for Disabling Injuries of Contractor

Statistics of Disabling Injuries	Neihu Headquarters		Hsichih Office Complex		Hsinchu Plant		Kunshan Plant		Zhongshan Plant		Chongqing Plant		Chengdu Plant		Mexico Plant		Czech Plant		
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
Injury Rate, IR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15	0.00	7.62	0.00
Occupational Disease Rate, ODR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lost Day Rate, LDR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.44	0.00	64.75	0.00
Absentee Rate, AR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.00	0.00	13,513.00	25,171.00
Total Number of Work-Related Fatalities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

[Note1] IR = (Total # of injuries/Total hours worked) x 200,000

ODR = (Total # of Occupational diseases cases/Total hours worked) x 200,000

LDR = (Total # of lost days/Total hours worked) x 200,000

AR = (Total # of missed (absentee) days over the period/Total # of workforce days worked for same period) x 200,000

(1)Total # of workforce days = work days x employee number

(2)Total # of missed (absentee) days = the sum of injury leave and sick leave caused by work

(3)Personal leave and funeral leave are not included in missed days

[Note2] In Czech Republic, employees are entitled to go to visit their doctor during working time (frequency of their visits at doctors is NOT limited and the length of time spent at the doctors is also covering the time spent on the way), or stay at home longer time during their illness.

Percentage of total workforce represented in formal joint management-worker health and safety committees

Item	Neihu Headquarter	Hsichih Office Complex	Hsinchu Plant	Zhongshan Plant	Kunshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant	Total
Workforce represented		15		54	109	61	95	46	60	440
Workforce	1,093	3,537	1,277	16,600	17,430	6,449	5,197	3,397	1,769	56,749
Percentage		0.25%		0.33%	0.63%	0.95%	1.83%	1.35%	3.39%	0.78%

Employee Healthcare

Only healthy employees can bring high morale to a healthy enterprise. Wistron gives utmost priority to employee health. Its health management policy aims to provide the best care for all employees, and not merely to focus on work related matters. Wistron doesn't only abide by local laws and regulations, but also focuses on developing a health and medical care support system for employees.

We truly believe that the operational efficiency of an enterprise is closely related to having a safe and healthy working environment. To ensure employee health and environmental safety, the company has set up the Occupational Health & Safety Advisory Services (OHSAS) 18001 as well as Staff Health Check-up Management Guidelines in its plants and offices. Special personnel have also been assigned in global offices to plan employee health management and health promotion activities. Aside from actively incorporating health service to its global offices and plants, Wistron continuously enhances its efforts in providing better health care for its employees through overall health management and health promotion activities.



Our employees actively participate in different kind of activities

[Prioritizing employee health, implementing health management]

The infirmary set up in overseas plants doesn't only provide quick and convenient medical care services for employees, but also enables nursing personnel to directly provide long-term health care for employees during unfavorable health conditions. The company's Kunshan plant also cooperates with local hospitals to offer fast and easy medical access to employees who stay in factory dormitories. This helps keep employees safe and secure.

Its Taiwan offices and plants have professional nursing personnel to provide individual health management and care. For employees in unfavorable health conditions, there are services and assistance in arranging medical treatment, giving reminders for regular check-ups, and providing health care. For employees in high-risk health conditions, there is a physician consultation service, proper health care information and external medical resources available any time.



WW sites set up clinic rooms for medical care.



One-on-one consultation with doctor are provided in Taipei Offices to ensure the staff's health.

[Improving employee health, arranging regular health check-ups]

To ensure employee health, Wistron's global offices and plants arrange regular health check-ups for all employees. For employees in special posts (i.e. dealing with high noise, dust, X-Ray, and Tin dioxide), special health check-ups are also arranged. Special personnel are assigned to check for health abnormalities in employees, provide assistance in medical treatment and give reminders for regular health check-ups, as well as other healthcare services.

[Providing critical medical care assistance to safeguard employee health]

Wistron's Chongqing plants provide medical insurance (including a critical illness insurance package). In case of critical illness, employees can apply for medical insurance to ease the financial burden of medical care. In Taiwan, Wistron has a group health insurance for employees, giving them access to quality medical care and easing their financial burden when availing medical care. Its global offices and plants have systematic medical resources that can provide timely medical care assistance when employees or their family members suffer from a critical illness.



Gym centers are set up in Taipei Offices to encourage the employees to do physical exercises.

[First-aid training, overall care]

Wistron's global offices and plants give importance to workplace safety. Security guards are required to undergo first-aid training. There is also an emergency first-aid team in the company's Taiwan offices and plants, to organize regular first-aid training for employees. This helps protect all company employees and their family members.

Its Zhongshan photoelectric park has also set up a first-aid center to enhance the skills, knowledge and performance of first-aid personnel on duty. There is first-aid practice and training for security guards with EMT license. There are also practical drills for handling common accidents such as injuries, fainting, electric shock, and heatstroke. These help enhance the ability of first-aid providers in handling various emergency cases. Having first-aid care and practice enables Wistron plant personnel to properly handle situations in case of accident. There have been a total of 15 accidents so far in which first-aid providers were able to attend to injured personnel and prevent secondary injury, giving more time for emergency recovery.



Periodical health check-up is conducted by medical institutions to fulfill employee's health management.

First-aid teams are set up in the offices and plants.

[Spiritual care and healthy wellbeing]

Wistron has a psychological counseling center for employees called Serene Oasis, handled by a professional staff responsible for providing assistance in dealing with mental health problems and work stress. This allows employees with mental health problems to receive proper care. Aside from physical health care, mental health care is also prioritized. The company's Kunshan plant organizes mental health assistance training for a small group of counselors and instructors who can help employees deal with anxiety and stress due to work, family and society, as well as other difficulties confronted in daily life.

[Health lecture, helping employees create a correct self-care concept]

Wistron's global offices and plants regularly invite experts to conduct lectures on new health knowledge and health related information. Moreover, they host health-related lectures every month to promote health and correct self-care concepts as well as to encourage employees to lead a healthy lifestyle. Wistron's Chongqing plant releases a monthly medical

care journal called Health World, which advocates proper medical care and helps employees prevent diseases and keep healthy all the time.

[Sports activities, building a strong body and relieving work stress]

Wistron's global offices and plants regularly host team sports activities. With prizes at stake, employees are motivated to participate in sports activities and competitions. At the same time, they are able to relieve stress and build stronger bodies. Wistron's Taiwan offices encourage employees to participate in public sports activities, such as the Taipei Fubon Marathon, Sun Moon Lake Swimming Carnival, and the Taipei International Dragon Boat Race, to promote physical activity and exercise. The company also encourages employees to form leisure organizations. Currently, its global offices and plants have established various sports organizations, such as the Swimming Association, Racing Association, Billiard Association, Climbing Association and Biking Association.



The Company often holds expert lectures to enhance health awareness of the employees.



Basketball games attract the young employees (Above picture: Basketball game in Chongqing Plant)



Wistron employees love to play softball, which has the benefits of enhancing fellowship and keeping fit.

Employee Communication Channels

Communications Channel	Taipei office	Hsinchu Plant	Kunshan Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant
Employee Relations Promotion Committee	V	V	V	V	V	V	V	V
CEO Mailbox	V	V	V	V	V	V	V	V
Employee Suggestions Box	V	V	V	V	V	V	V	V
Employee Complaints Hotline	V	V	V	V	V	V	—	—
New Employee Seminar	V	V	—	V	—	V	—	—

[Note] “V” indicates that this communications channel is in place.

Employee Communication

Wistron respects personal liberty and individual rights. It shall respect the right of employees to associate freely. Moreover, it keeps the line of communication open for suggestions from each office and plant, to fully understand the needs and expectations of employees with regard to workplace safety and health. Employees are free to give their suggestions, requests or feedbacks. All opinions and comments will be treated sensitively and confidentially.

An employee relations promotion committee has been set up at all operation sites. The company also convenes regular employee/employer communication meetings to facilitate two-way communication. These meetings are attended by top executives and employee representatives to freely speak on work and management-related issues. Discussions and

minutes of the meetings are posted on the intranet and the corporate EIP (Enterprise Information Portal) within seven days. Changes to company procedures are announced in weekly notices by the relevant units.



Social Responsibility Management



Social Responsibility Management Policies

Wistron emphasizes on the importance of human rights and workplace fairness. It upholds its social responsibility which is “a commitment to international codes, local laws and regulations related to social responsibility by continuously ensuring staff benefits and welfare, espousing honesty, promoting health and safety operational environments and fulfilling social responsibilities” . All staff management policies and relevant HR regulations based on the above philosophy uphold fairness and prohibit any form of discrimination or sexual harassment.

Human Rights and Anti-discrimination Policies

Wistron is dedicated to developing and maintaining systems that promote employee rights and benefits, including staff health, work safety, and other work-related rights and benefits. Moreover, it is committed to rooting out any behavior that curtails human rights directly or indirectly. The company prohibits any form of employment discrimination. In terms of employment, compensation, training, promotion, unemployment and resource distribution, Wistron shall not show any distinction or preference regardless of race, nationality, origin, social status, lineage, religion, physical disabilities, gender, sexual orientation, family responsibilities, marital status, union membership, political opinions, age or union relationship. Instead, it shall decide based on competency and contribution in order to provide a fair opportunity for all employees.

Wistron also strives to eliminate and prevent discrimination within the organization by extricating itself from the recruitment process or dealing with employment agencies (i.e. HR Company). The company also promotes anti-discriminatory practices to external parties, including customers, suppliers and the general public.

To ensure that managers and their subordinates fully understand the company's human rights principle, we provide related training courses on sexual harassment, human rights violation, discrimination, etc. Human rights training for Wistron's global employees and security personnel in 2014 are as follows:

■ 2014 Human Rights Training for Wistron's Global Employees

Training	No. of Sessions	No. of Hours	Attendance (Person)
New Manager Training	18	92	832
Target Selection	4	29	108
Coaching for Empowerment	7	86	203
Line-Leader Mgt. Training	10	102	1,195
Production Supervisor and Executive Training	5	88	278
Senior Production Supervisor and Executive Training	4	44	120
Health and Safety for Leaders	2	6	8
Collective Agreement	1	1	2
Ethics Policy	5	5	13
Czech Labour Code	1	3	13

■ 2014 Human Rights Training for Security Personnel

Item	No. of Employees
Number of Security Personnel who Received Relevant Training	808
Total Number of Security Personnel	962
Percentage	84%

Through the special unit in-charge or the trade union, the company implements policies related to child labor, underage labor, forced labor, discrimination, sexual harassment, and staff freedom of expression in order to uphold employee rights and benefits, as well as various human rights issues. In 2014, no incidents of sexual harassment, human rights abuse and discrimination were reported.

Management of Child Labor and Underage Workers

Wistron doesn't engage in child labor and verifies the actual age of applicants during recruitment. In some areas, however, workers older than the minimum working age but under the age of 18 are employed to fill the need for expanded production capacity, but they will only work in less-hazardous positions and are subject to enhanced training, care and management for their safety and health. The status of child and underage workers in 2014 are as follows:

■ 2014 Statistics of Underage Workers

Unit: Persons

Employment Type	Taiwan Offices	Kunshan Plant	Zhongshan Plant	Chongqing Plant	Chengdu Plant	Mexico Plant	Czech Plant
Underage Workers	0	965	2,470	1,400	1,225	0	0

Social Participation and Care



Social Participation

Wistron fulfills its corporate, environmental and social responsibilities. It encourages employees to participate in public activities. Its global Administrative Departments assign special personnel in the planning and implementation. By actively and continuously promoting public activities in its global offices and plants, Wistron encourages employees to form organizations and show their creativity through social participation, so as to fulfill their corporate responsibilities and repay society. To this end, we have set the Wistron Charity Management Guidelines, clarifying the following two directions for social welfare activities participation:

1. Environment: dedicate dedication in to the care, protection and sustainability of the natural environment and ecology.
2. Human: provision of humanistic and social concern as well as assistance and support, especially for children and disadvantaged groups.



2014 Summary of Wistron's Social Investments

Unit: NTD

Item	2014	2013	2012
Corporate Participation and Public Welfare Sponsorships (including Wistron Foundation)	32,776,967 (including Wistron Foundation 20,991,946)	39,662,978 (including Wistron Foundation 32,934,330)	44,578,191
Charitable Activities of the Employee Welfare Committee/Company	3,476,968 (including Wistron Foundation 816,969)	4,578,940 (including Wistron Foundation 89,756)	11,796,515
Employees' Voluntary Participation in Company-initiated Social Welfare Activities	3,419,268 (including Wistron Foundation 358,418)	2,061,533 (including Wistron Foundation 283,000)	942,128
Total Amount of Social Investment	39,673,202	46,303,451	57,316,834

[Note 1] The above table includes the Taiwan office, Kunshan Plant, Zhongshan Plant, Chengdu Plant, Chongqing Plant, Mexico Plant and Czech Plant as well as Wistron Foundation

[Note 2] Exchange Rate: RMB: 4.9289, USD: 30.37, CZK: 1.4636, MXN: 2.2815, EUR: 40.3376

Wistron Foundation

The entity of the Wistron Foundation was officially established in 2010, with Wistron CEO Simon Lin appointed as Chairman of the Foundation. Guided by four major operating principles, "Caring for the Earth", "Treasuring Life", "Improving Quality" and "Creating Value", Wistron Foundation upholds its philosophy of "Altruism" step by step, by initiating efforts in Taiwan.

In 2014, Wistron Foundation worked with professional and public welfare organizations to develop long-term plans and programs. Supported by the love and wisdom of its employees, Wistron was able to make significant contributions to the world. By setting an example to the public, the foundation has brought warmth, spiritual support, companionship and

encouragement, while expanding the company's social care efforts. It has taught the general public to treasure the Earth's resources and show concern to marginalized groups. These undertakings help create balance and harmony between people and nature, and encourage citizens to be responsible and to repay society.

Environmental Education · Environmental Concern

[Cultivating Children's Education – Children's Nature Camp]

Harnessing talents is the key to social advancement. To reduce the gap between urban and rural access to educational resources, Wistron Foundation sponsored the SOW which organized a Nature Camp for Disadvantaged Children. It utilized the SOW resources of several provincial

branches, including 8 regions (Taipei, Taoyuan, Hsinchu, Yunlin, Tainan, Kaohsiung, Hualien, and Yilan) in cooperation with local schools. More than 8,000 children from disadvantaged families joined the activity. Through the Children's Camp, the children are taught about environmental and ecological conservation. They are made aware of environmental issues and the importance of caring for the environment. They learn the concept of environmental protection. By being in touch with nature, the children are able to improve their character and wellbeing. As a result, they become stronger and more outgoing. The activity allows them to explore and solve the problems of nature. While playing, they are able to discover at an early age, the secrets of nature and learn how living things thrive in nature and exist harmoniously.

[Guarding the Emerald City Gem – Fuyang Eco Park]

Wistron fulfills its corporate social responsibility by upholding its philosophy of serving others while promoting ecological conservation and letting more people discover the beauty of nature. The company teamed up with SOW to adopt Taipei City's Fuyang Eco Park in 2006. It encouraged its employees to participate in the volunteer and rehabilitation programs for environmental

conservation, so as to strengthen the protection of natural landscapes in each region, habitats and species, and special ecological resources. Wistron organized many nature events and community lectures and worked tirelessly in controlling invasive species and maintaining habitat diversity. It also advocated the Natural and Ecological Part Act of 2014 to improve the ecological management system. The Natural and Ecological Part Act hopes to achieve sustainable reproduction of living organisms in the area. Since 2014, the company has had more than 240 volunteers to guard the park and community. With the help of environmental education, natural lectures and guided eco tours, this number had increased to a total of 16,000 students and citizens. Wistron employees also actively volunteer as guides in the Fuyang eco tours, introducing people to the Fuyang Eco Park, and letting them experience the best outdoor education in Taipei while learning about ecological conservation in the urban area.

[Environmental Education Practice – Shuang-lian-pai Environmental Education Base]

Wistron has partnered with SOW to establish and adopt the "Yilan County Shuang-lian-pai Ecological Base" since 2010. To retain the original



The members of Children's Camp experienced farming activities



The children helped the farmers to clear the pomacea in the paddy field.



Fuyang conservation volunteers were engaged in rehabilitation recovery.



Fuyang conservation volunteers cleared the invasive plants.

appearance of the land, outdoor education, environmental advocacies, themed events, volunteer trainings, professional studies, environmental interpretation and other environmental conservation activities were organized in 2014. Local farmers were also taught to practice organic and non-toxic farming. They received support in producing agricultural products and processed goods, and were able to cultivate the land into an organic region with balanced living, production and ecology. Wistron also participated in joint efforts promoting wetland and ecological conservation for biodiversity, to achieve balance along with ecological conservation. In 2010-2014, over 31,000 people visited the Shuang-lian-pai nature classroom and participated in nature-related activities.

[River Protection and Land Justice – Water Resource Investigation and Supervision Center, Recovery Action of Ancient Tree Inhabitants]

In 2011, the Foundation cooperated with the R&D Association of the Tainan Community University to establish the Water Resource Investigation and Supervision Center, which shares knowledge, creates citizen awareness, monitors river pollution and explores public policies through learning



Sponsored the Shuang-lian-pai Educational Base for themed activity experience.



Shuang-lian-pai Educational Base instructed the children in helping the farmers' harvest.

and public participation. Wistron Foundation has combined the power of media and public opinion to discuss environmental issues. It also promotes environmental education. With river protection as its agenda, Tainan Community University officially entered the Tainan Park and used the Bauhinia jungle as a basis for carrying out improvement and rehabilitation initiatives. Using the "Harm-Free Soil Improvement Technique", also known as the Water Blade, it is aimed at recovering habitats and connecting with Tree Caring Groups and Network Communities. It encourages the general public to participate in the Tree Caring and Treasuring Movement, in order to attain environmental conservation goals. It ignites passion and participation among citizens and communities, and works with the Tainan Municipal Bureau of Education, 14 senior and junior middle schools and elementary schools, the Water Resources Agency, and the Environmental Protection Administration in creating "river learning movement" for Taiwan citizens. This helps intensify river governance and protection campaigns.

In 2014, the Tainan Community University conducted a total of 35 environmental education activities with 4,187 participants and these helped create greater environmental awareness among citizens.



Sponsored the Tainan Community University for water resource monitoring and guarding.



The Tainan Community University improved the Bauhinia jungle rehabilitation in Tainan Park.

[Citizen Scientists for the Protection of Frogs – Taiwan Amphibian Conservation Volunteer Program]

Wistron Foundation is concerned about environmental issues and ecological conservation. Nature is the best classroom. With the decreasing quantity of amphibians, ecological crisis has become a major concern. In 2011, Wistron Foundation has begun sponsoring the Taiwan Amphibian Conservation Volunteer Program organized by the Amphibian Conservation Laboratory of the National Dong Hwa University. Citizen scientists were trained to help in the observation and data collection. Based on data analysis, they were able to educate and share related knowledge with people and cultivate environmental and ecological awareness. Local citizens were expected to become responsible world citizens who could make significant contributions to address ecological issues. In 2014, Wistron Foundation organized key activities such as maintaining the amphibian database, and holding training courses as well as general volunteer meetings. At the conclusion of the program in December, a total of 19,543 entries were uploaded by volunteer teams in Taiwan. Wistron Foundation hopes to intensify efforts to attain social sustainability and preserve natural resources. It inspires

people to have a heart and to take action in order to establish a harmonious relationship with nature as well as achieve mutual respect and coexistence.

[Taiwan Ecology and Humanism – Natural Sciences and Humanities Series]

The Natural Sciences and Humanities Series were launched by Wistron Foundation in 2011. By cooperating with the professional charity partners, and working with the experts of local history and ecology, Wistron Foundation leads the employees to participate in the visiting and experience through the practical activities from different perspectives. This helps deeply understand Taiwan's local cultures and exploration of ecological concerns, as well as absorb the humanistic and natural connotation, so as to enrich our souls. In 2014, it continued to host the Natural Sciences and Humanities Series, which allowed the employees to feel "An Ancient City, Old Trees and Vast Oceans" in Tainan, "Coastal Ecology and A Glimpse of Lugang's Cultural Beauty" in Changhua, and "Love for Habitat of Far Eastern Curlew" in Changhua, which presented the power of a corporate citizen. By discovering the ecological beauty, it further makes the employees concern



Through monitoring, we understand the population trend of the amphibians.



Amphibian Conservation Volunteer Program.



Scientific and Natural Humanities Series explored the Changhua coastal biology.



Wistron Love volunteers made handmade trail on the Forest Lecture Hall.

about, care for and preserves our ecological environment. Over the past four years, more than 700 employees have enjoyed the natural and humanistic feast brought by the Natural Sciences Series.

Humanity Education. Concern for Humanity

[Experimental Education and Reforms – Ci-Xin Waldorf School]

Caring for the Earth and the next generation is an indispensable part of Wistron Foundation’s CSR efforts. Humanism which is part of the Waldorf education is based on the educational philosophy of anthroposophy founded by Rudolf Steiner, a philosopher from Austria, who founded more than 1,000 schools all over the world. Ci-Xin Waldorf School located in Yilan is the largest and most complete facility in Taiwan that offers the Waldorf experimental education on a national level. Wistron Foundation began sponsoring the construction of new classroom buildings and the promotion of specialty education in 2010. In 2014, Wistron renewed its sponsorship for a Teacher Training System and Professional Teacher Cultivation Plan, which helps Waldorf teachers develop an introspective ability for making



Waldorf held Asian Teachers’ Conference in Yilan.



Supported Waldorf teacher training system and professional teacher cultivation program.

corrections, self-development and self-study. The teachers are able to establish a healthy and positive interaction with students, providing understanding and guidance. With the help of history and narration, they can understand and care for students, encouraging them to think, express and love. This is the greatest and most competitive aspect of the Waldorf educational system. It makes students explore beyond their own boundaries and discover their uniqueness and individuality.

[Promotion of Chinese Education – Poetry Collection and Taiwanese Proverbs Selection]

Wistron Foundation supports the promotion of traditional culture to improve the quality of life and to nourish humanity. It began cooperation with IC Broadcasting to launch the Taiwanese Proverbs Selection program in 2012. With teacher Meng Yu-xian’s introduction of meaningful Taiwanese sayings that reflect everyday life in Taiwan as well as stories with historical and cultural relevance, the audiences are able to listen to Taiwanese language and have a better understanding of Taiwanese culture and Manlamngy culture. In 2014, the foundation continued to sponsor the Poetry Collection program. It upholds the virtues of loyalty, filial piety,



IC Broadcasting : Sparkling speaking program recorded by Meng Yu-Hsien and Chou Hsin-Hung.



Poetry Collection - letting children read poetry.

chastity, and righteousness mentioned in the poems which help shape a person's character. Over the past year, the program introduced a total of 104 poems. Through the Poetry Collection and Taiwanese Proverbs Selection program, Wistron Foundation hopes that people can have a deeper knowledge and understanding of Taiwanese culture and traditions which offer a new taste and experience of Taiwan.

[Hearing Humanity – Man and Land – New Hometown Movement]

In Taiwan, there is a group of people with a simple dream of improving the relationship between man and the earth. Since 2013, Wistron Foundation has been sponsoring the Universal Radio program entitled "Man and Land - New hometown Movement", which promotes the importance of coexistence, climate, land, ecology and disaster issues, and provides opinions and solutions. The content of the program brings people closer to the earth, allowing them to listen to its sound with their hearts in order to cultivate humanism and learn about the moral philosophy of the earth. People should feel the pulse of the earth and discover its value while establishing a harmonious coexistence between humans and the earth.



Through "Man and Land" program, increasing people's awareness of Taiwan.



UNI FM96.7 Station –Introduction of leopard cat by Ms. Chen Mei-Ting.

[Charitable Alliance – Cooperation between Hualien and Taitung]

Wistron Foundation has seen the beauty and sorrow of Taiwan. It began sponsoring the Hualien-Taitung project launched by the Alliance Cultural Foundation in 2011. Since its establishment in 2009, it utilized social resources, promoted cultural development, and cultivated local talents to showcase the artistic skills of aborigines and students from disadvantaged families. Through the project, students could fully maximize their potential and contribute their talents positively. In view of the growing educational gap between rural and urban areas in Taiwan, the Alliance Cultural Foundation has devoted its efforts to fundamental educational development and took over the management of Junyi School's elementary and junior high school branches to establish a school that features heuristic ideals, bilingualism, character development, artistic humanity and citizenship. It has created a learning environment based on an international standpoint. With competency training and local advantage, the resource and expertise of more foundations and enterprises are linked together for the development of the Hualien-Taitung project.



Alliance Cultural Foundation organized study in flip teaching workshop.



Alliance Cultural Foundation organized Youth English Life Camp in Huatung.

[Recording Nature and Humanity – Beyond Beauty-Taiwan From Above, Extending Charity Work]

To promote environmental protection and sustainable development, Wistron Foundation renewed its sponsorship for Beyond Beauty - Taiwan From Above which was produced by Director Chi Po-Lin in 2013. In 2014, the audience was offered a glimpse of Taiwan's landscapes and oceans. All these touching, splendid and beautiful scenes were appreciated by more people while watching on a large screen (in Changhua County and Tainan City). The presentation also showed the sorrow behind Taiwan's landscapes. Wistron Foundation also sponsored other activities such as the Above Taiwan Concert, in hopes of planting the seeds of Taiwan's vision and aspirations as well as creating deeper environmental awareness and care for Taiwan's landscapes.

[Accommodating People in the field of Science – Study Class for Underprivileged Children]

Wistron provides continuous care to surrounding communities and social welfare institutions. With the trends of globalization and technological development, the financial gap would lead to knowledge gap that may gradually deprive many children of opportunities to change their lives. Wistron Foundation recruited volunteers among its employees who were willing to teach and join a church's study class, located in Hsichih, new Taipei City. After work, these employees accompanied local junior high and elementary school children from poor families three times a week to help them go through critical periods of growth. The volunteers assisted the children in their studies and were able to establish a warm and close friendship with them. The time spent with the children was a moving experience for the volunteers as well. There were 87 Wistron volunteers who

joined the after-class program in 2014, with a total contribution of 2,893 hours of service.

[Boyo Social Welfare Foundation – Study Class for Rural and Underprivileged Children]

In addition to the above program, Wistron Foundation partnered with the Boyo Social Welfare Foundation in 2012 to train professional teachers in providing tutoring services for rural and underprivileged children. Through a step-by-step remedial class, they were able to help school children in their studies and prevent kids from dropping out of school. They also offered humanity, character development and counseling to resolve psychological and behavioral problems among school children. The creation of a support system for rural tribes helped achieve sustainable development for the tribe/community.

Corporate Participation

- Achieved Excellence group prize in 2nd National Environmental Education from Environmental Protection Administration, Executive Yuan.
- Sponsored the Nature & Ecology and Energy-saving Program of the National Keelung Commercial & Industrial Vocational Senior High (Special Education Class)
- Sponsored the Free Reading Charity Program "Global Kids Junior Monthly" – A Glimpse of Taiwan and Taiwanese Children from Global View Magazine
- Sponsored the Free Reading and Speech Tour "To The Youth, Be the Change"
- Sponsored the Lovely Taiwan Foundation "2014 Chishang Autumn Rice Harvest Arts Festival"

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 "2014 Corporate Sustainability & Social Responsibility 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 "2014 Corporate Sustainability & Social Responsibility 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 2014 Corporate Sustainability & Social Responsibility CS²R Report - for the year 2014

- 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 G4.

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 locations beyond Taiwan, China, Mexico and Czech Republic 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 – 51 employees interviewed.
2. Review of documentary evidence produced by Wistron Corporation including the public quarterly finance reports.
3. Visits to sites located at Taipei, Hsinchu, New Taipei city in Taiwan, Jiangsu-Kunshan, Guangdong-Zhongshan, Sichuan-Chengdu and Chongqing in China and Mexico to assure the information correctness.

4. Sample-based review of performance data 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 of the stakeholder engagement process, and Bureau Veritas were also invited to participate one of the engagement events as observer.
7. Understanding and interview on the policies, and review of the relationship between the opinions from the stakeholder and the policies.
8. Observing the AA1000 APS, and assuring the scope of work to be in 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 of AA1000 Typell.

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 "2014 Corporate Sustainability & Social Responsibility CS²R Report" provides a fair and balanced representation of activities during the year 2014.;
4. The information in the "2014 Corporate Sustainability & Social Responsibility CS²R Report" allows readers to form a balanced opinion of Wistron Corporation activities and performance during the year 2014.;
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

- We cannot point out any substantial aspects of "2014 Corporate Sustainability & Social Responsibility CS²R Report" missed by the company's management when making the Report or omitted purposely from reporting.
- The report is a balanced exposition of substantial economic, environment and social aspects of Wistron activity, determining indicators of the company's sustainable development considering potential and the conditions of development of the regions of operational activity.
- Information presented in the Report and on the corporate web site is significant for stakeholders and can have an impact on their future decisions and behavior toward the

Statement

company. 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

- Proceeding from our verification, we cannot name any unit/object of Wistron which is substantial for social reporting but not reflected in the Report's consolidated information.
- We think that the initial data of Wistron about the key indicators of performance were united and presented in the Report correctly. We did not find out any failures which might influence the completeness of disclosing activity indicators in the Report.
- Alongside with this we think that in describing management approaches, the company could have revealed more completely the general organizational objectives in relation to effectiveness with regard to each category of aspects.
- The Report accurately reflects the Wistron Corporation's 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

- We are not aware of the areas which could have been reflected but were not reflected in the Report and in which the company would not be able to respond to the well-founded requirements of stakeholders.
- Responding to the needs of the regions of operational activity is exercised by way of realizing certain projects in the sphere of charity and sponsor activity. A basis for imparting the planned character to this activity on the corporate scale was created during the reporting.
- 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 does fully provide the information to achieve the GRI G4 Core, and the performance indices do correspond and can be cross referenced to the content of relevant GRI Protocols.

Key areas for ongoing development

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

- Verify the quantification description throughout the report with an effective methodology.
- Extend the stakeholder engagement process to formally capture stakeholders' concerns and views in a structured manner across the organisation and also invite the 3rd party to participate the process. (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);
- Enhance Corporate Responsibility awareness through internal workshops and leadership programmes over all entities falling within the scope (COMPLETENESS);

- Enhance, in the information system, the methodology of collecting and verifying information to ensure correctness.

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 http://www.wistron.com/about/cs2r_report.htm ;
- 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 185 years history in providing independent assurance services. Bureau Veritas 2013 full year revenues reached 3,933.1 million euros, increasing by 5.5% on a constant currency basis. The Group's adjusted operating profit for 2013 reached 656.9 million euros, increasing by 9.4% on a constant currency basis.

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 Tawian

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



Technical Reviewer:

Date: 7/May/2015

Assurer

Date: 7/May/2015

■ GRI Index Table

General Standard Disclosures	Page	External Assurance
STRATEGY AND ANALYSIS		
G4-1	005-008	Yes, p. 163-166
G4-2	051-054	Yes, p. 163-166
ORGANIZATIONAL PROFILE		
G4-3	001	Yes, p. 163-166
G4-4	013-014	Yes, p. 163-166
G4-5	017-018	Yes, p. 163-166
G4-6	017	Yes, p. 163-166
G4-7	011	Yes, p. 163-166
G4-8	012	Yes, p. 163-166
G4-9	012	Yes, p. 163-166
G4-10	118	Yes, p. 163-166
G4-11	141	Yes, p. 163-166
G4-12	110-111	Yes, p. 163-166
G4-13	017	Yes, p. 163-166
G4-14	051-054	Yes, p. 163-166
G4-15	019-020	Yes, p. 163-166
G4-16	019	Yes, p. 163-166
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES		
G4-17	017-018	Yes, p. 163-166
G4-18	021-022	Yes, p. 163-166
G4-19	023-024	Yes, p. 163-166
G4-20	023-024	Yes, p. 163-166
G4-21	023-024	Yes, p. 163-166
G4-22	001-002	Yes, p. 163-166
G4-23	001-002	Yes, p. 163-166
STAKEHOLDER ENGAGEMENT		
G4-24	029-032	Yes, p. 163-166
G4-25	029-032	Yes, p. 163-166
G4-26	029-032	Yes, p. 163-166
G4-27	027-028	Yes, p. 163-166
REPORT PROFILE		
G4-28	001	Yes, p. 163-166
G4-29	001	Yes, p. 163-166

■ GRI Index Table

General Standard Disclosures	Page	External Assurance
G4-30	001	Yes, p. 163-166
G4-31	002	Yes, p. 163-166
G4-32	167-170	Yes, p. 163-166
G4-33	163-166	Yes, p. 163-166
GOVERNANCE		
G4-34	038-042	Yes, p. 163-166
ETHICS AND INTEGRITY		
G4-56	044-045	Yes, p. 163-166

Material Aspects	DMA and Indicators	Omissions	External Assurance	
CATEGORY: ECONOMIC				
Economic Performance	G4-DMA	048	None	Yes, p. 163-166
	G4-EC1	003-004	None	Yes, p. 163-166
	G4-EC2	053-054	None	Yes, p. 163-166
	G4-EC3	120	None	Yes, p. 163-166
Market Presence	G4-EC4	048	None	Yes, p. 163-166
	G4-DMA	122	None	Yes, p. 163-166
	G4-EC5	120	None	Yes, p. 163-166
	G4-EC6	122	None	Yes, p. 163-166
CATEGORY: ENVIRONMENTAL				
Materials	G4-DMA	063-064	None	Yes, p. 163-166
	G4-EN1	065	None	Yes, p. 163-166
	G4-EN2	065	None	Yes, p. 163-166
Energy	G4-DMA	065-067	None	Yes, p. 163-166
	G4-EN3	067-068	None	Yes, p. 163-166
	G4-EN4	067-068	None	Yes, p. 163-166
	G4-EN5	068	None	Yes, p. 163-166
	G4-EN6	069-070	None	Yes, p. 163-166
	G4-EN7	069-070	None	Yes, p. 163-166
Water	G4-DMA	069-072	None	Yes, p. 163-166
	G4-EN8	071-072	None	Yes, p. 163-166
	G4-EN9	072	None	Yes, p. 163-166
Emissions	G4-EN10	072	None	Yes, p. 163-166
	G4-DMA	073-075	None	Yes, p. 163-166
	G4-EN15	073-074	None	Yes, p. 163-166

GRI Index Table

Material Aspects	DMA and Indicators		Omissions	External Assurance
Emissions	G4-EN16	073-074	None	Yes, p. 163-166
	G4-EN17	073-074	None	Yes, p. 163-166
	G4-EN18	074	None	Yes, p. 163-166
	G4-EN19	069-070	None	Yes, p. 163-166
	G4-EN20	075	None	Yes, p. 163-166
	G4-EN21	075	None	Yes, p. 163-166
Effluents and Waste	G4-DMA	075-076	None	Yes, p. 163-166
	G4-EN22	079	None	Yes, p. 163-166
	G4-EN23	077-078	None	Yes, p. 163-166
	G4-EN24	079	None	Yes, p. 163-166
	G4-EN25	077	None	Yes, p. 163-166
	G4-EN26	079	None	Yes, p. 163-166
Products and Services	G4-DMA	102	None	Yes, p. 163-166
	G4-EN27	102	None	Yes, p. 163-166
Compliance	G4-DMA	060	None	Yes, p. 163-166
	G4-EN29	060	None	Yes, p. 163-166
Overall	G4-DMA	080	None	Yes, p. 163-166
	G4-EN31	081-082	None	Yes, p. 163-166
Supplier Environmental Assessment	G4-DMA	111-114	None	Yes, p. 163-166
	G4-EN32	113-114	None	Yes, p. 163-166
	G4-EN33	113-114	None	Yes, p. 163-166
CATEGORY: SOCIAL				
LABOR PRACTICES AND DECENT WORK				
Employment	G4-DMA	118-119	None	Yes, p. 163-166
	G4-LA1	121	None	Yes, p. 163-166
	G4-LA2	120	None	Yes, p. 163-166
	G4-LA3	122	None	Yes, p. 163-166
Labor/Management Relations	G4-DMA	141-142	None	Yes, p. 163-166
	G4-LA4	141-142	None	Yes, p. 163-166
Occupational Health and Safety	G4-DMA	129-130	None	Yes, p. 163-166
	G4-LA5	133-134	None	Yes, p. 163-166
	G4-LA6	131-134	None	Yes, p. 163-166
	G4-LA7	130	None	Yes, p. 163-166
Training and Education	G4-DMA	123-128	None	Yes, p. 163-166
	G4-LA9	123-128	None	Yes, p. 163-166

GRI Index Table

Material Aspects	DMA and Indicators		Omissions	External Assurance
Training and Education	G4-LA10	123-128	None	Yes, p. 163-166
	G4-LA11	123-128	None	Yes, p. 163-166
Diversity and Equal Opportunity	G4-DMA	118-119	None	Yes, p. 163-166
	G4-LA12	119	None	Yes, p. 163-166
HUMAN RIGHTS				
Freedom of Association and Collective Bargaining	G4-DMA	113-114, 141-142	None	Yes, p. 163-166
	G4-HR4	113-114, 141-142	None	Yes, p. 163-166
Child Labor	G4-DMA	113-114, 146	None	Yes, p. 163-166
	G4-HR5	113-114, 146	None	Yes, p. 163-166
Indigenous Rights	G4-DMA	120	None	Yes, p. 163-166
	G4-HR8	120	None	Yes, p. 163-166
Supplier Human Rights Assessment	G4-DMA	113-114	None	Yes, p. 163-166
	G4-HR10	113-114	None	Yes, p. 163-166
	G4-HR11	113-114	None	Yes, p. 163-166
SOCIETY				
Anti-corruption	G4-DMA	044-045	None	Yes, p. 163-166
	G4-SO3	044-045	None	Yes, p. 163-166
	G4-SO4	044-045	None	Yes, p. 163-166
	G4-SO5	044-045	None	Yes, p. 163-166
Public Policy	G4-DMA	046	None	Yes, p. 163-166
	G4-SO6	046	None	Yes, p. 163-166
Compliance	G4-DMA	042-043	None	Yes, p. 163-166
	G4-SO8	043	None	Yes, p. 163-166
PRODUCT RESPONSIBILITY				
Customer Health and Safety	G4-DMA	102-108	None	Yes, p. 163-166
	G4-PR1	102	None	Yes, p. 163-166
	G4-PR2	103	None	Yes, p. 163-166
Product and Service Labeling	G4-DMA	099-100	None	Yes, p. 163-166
	G4-PR3	103-104	None	Yes, p. 163-166
	G4-PR4	104	None	Yes, p. 163-166
	G4-PR5	099-100	None	Yes, p. 163-166
Customer Privacy	G4-DMA	043	None	Yes, p. 163-166
	G4-PR8	043	None	Yes, p. 163-166