



2016 CSR

## Corporate Social Responsibility

Communicate with Love . Love to Communicate

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## 1.1 From the CEO

We at Askey are firm believers in transparent and continuous communication.

We strive to present our organizational vision and to share our beliefs with our customers, our partners and our employees – but also to the society in which we are evolving. In the spirit of continuity, we will use the same motto we have used in our last CSR Report “Communicate with Love, Love to Communicate”.

By always communicating in a positive manner, promoting social welfare and proving that every single person counts, we believe that progress and prosperity – on an economical, societal and environmental level – can only be the result of the happiness of those who flourish and thrive in what they are doing every day.

In this report, we present Askey’s philosophy and goals concerning sustainable development. And this is a clear sign of generational change for all of us where old traditions no longer prevail to constraint the mindset.

Since we founded Askey 27 years ago, we could successfully transform ourselves and have become a best in class enabler in the communication field. Over the years, we have understood that Askey does not merely provide communication, but is an intrinsic part of everyday life and the ever-evolving interactions in a world that has never been as socially connected as it is today. Communication and information are more than ever part of everyday life and aspects such as lifestyle, food, clothing, accommodation, education, recreation and medicine... have prepared the shift towards Industry 4.0. Through the development of Big Data, Cloud services, Internet-of-Things and smart devices, we believe that we will in the future lead the path towards user-centric, smart manufacturing. The changes – and challenges – Askey is going through today will become our main strengths in the future.

Askey understands that one of the key factors towards successful sustainable development is to take our commitment towards our stakeholders very seriously. We are actively working on communication and promoting Corporate Social Responsibility reporting, on designing eco-friendly products, on tracking Greenhouse Gas emissions, on implementing Business Continuity Management, implementing the new ISO 14001:2015 standards and many other sustainable development requirements. We have also made substantial improvements to creating employee-friendly workplaces and benefits.

As a resident of this planet, it is Askey’s responsibility to embrace sustainable development and be in symbiosis with the society. We find ourselves wanting to draw on

the intelligence of the ingenious octopus and its versatile and adaptable talents in leading our employees – and if possible the rest of society – towards a responsible and ecologically-minded behavior and create value from environmental protection. We strive to follow the principles of green design to produce energy-saving, carbon-reducing and hazardous substance-free products. Giving back to the society is an objective of the highest importance for us. And in the future, we will continue to create green products, make them part of our community engagement efforts and participate in public welfare whenever possible. By starting everything we do from the heart, we can truly realize the benefits of communicating with love, and loving to communicate.

The Askey vision is based on Sustainable Development and we can say with confidence that we don’t want to wait – we want to be the first to be ready. And every day, every single person at Askey is encouraged to embrace their responsibility by living and communicating while basing their actions on sustainable innovation.

I guess we at Askey want this to become our new tradition.



Robert Lin  
CEO  
Askey Corporation

## 1.2 About this Report

This report is the 4<sup>th</sup> Corporate Social Responsibility Report issued by Askey and provides detailed information on the practices and achievements of Askey for the economic, environmental and social indicators. With this report, we aim to demonstrate our determination to be socially responsible advocates of sustainable development to the general public.

### Scope

Information disclosed in this CSR report includes various performance indicators and data about environmental, social and governance aspects that are relevant to the major material issues and that are carried out by Askey Computer Corp. and the sub-invested Askey Technology (Jian Su) LTD. from January 1 to December 31, 2016.

### Reporting Guidelines and Principles

The content framework of this report is based on major material issues that stakeholders concern and is compiled according to the GRI G4.0 guideline Core Option of Global Reporting Initiative (GRI). The report was verified by SGS Taiwan Ltd. according to middle assurance standards such as the principles of GRI G4.0 and the Accountability 1000 Assurance Standard TYPE 1. The SGS verification report is attached to the appendix of this report.

### Publication

Askey has issued CSR reports on an annual basis since 2014 and has posted them on the company website.

Current Version	Released in June 2017
Previous Version	Released in Aug. 2016
Next Version	Released in June 2018

### Contact Us

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## 2. Stakeholder Engagement

- 2.1 Stakeholder Identification and Communication
- 2.2 Material Issues and Boundary

## 2. Stakeholder Engagement

A company pursuing sustainable development must establish a range of transparent and effective channels of communication. These are used to understand the issues of concern to stakeholders and their expectations in order to provide a basis for the development of a sustainability strategy and project execution.

### 2.1 Stakeholder Identification and Communication

The Askey CSR Committee draws upon the experience of top executives and the industry as well as the "AA1000 Stakeholder Engagement Standard (SES) to identify the following key stakeholders based on their responsibilities, influence, dependence and other attributes: "Customer", "Employee", "Shareholder", "Supplier", "Contractor", "Local Community" and "Government Agency". Due to our close relationship with "Trade association", it was also added as a stakeholder group in 2016.

#### Stakeholder Communication Channels and Issues of Concern

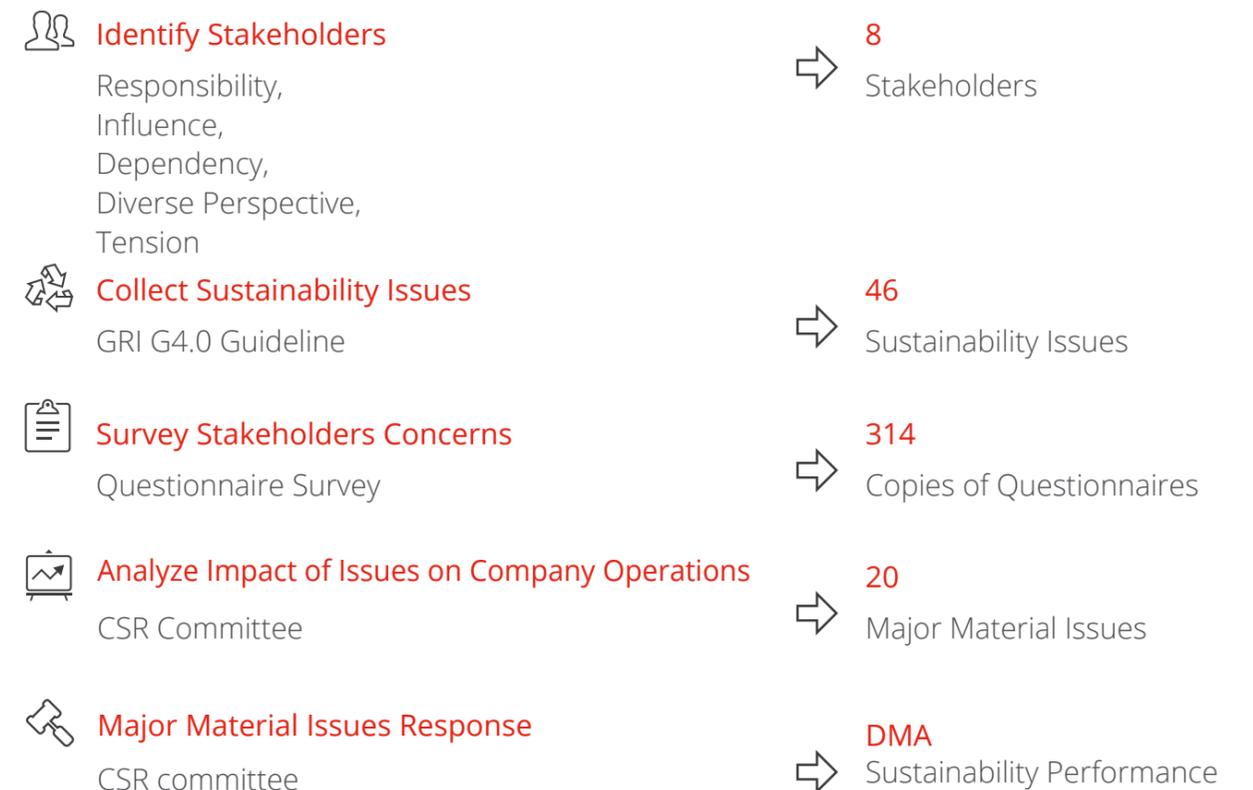
Stakeholders	Communication Channels	Frequency	Key Concern
Customer	Customer Satisfaction Survey	Semi-Annually	Economic Performance Product Responsibility- Compliance Customer Health and Safety Product and Service Labeling
	Company Website	Non-Routine	
	Email		
	Customer Audit		
	Customer Service		
	CSR Report	Annually	
Employee	Website	Non-Routine	Occupational Health and Safety Employment Training and Education Labor/Management Relations
	Employee Opinion Box		
	E-Paper		
	Labor Relations		
	Departmental Meetings		
	Welfare Committee meeting		
	Occupational Safety and Hygiene Committee	Quarterly	
CSR Report	Annually		
Shareholder	Askey Board of Directors	Quarterly	Economic Performance Market Presence Indirect Economic Impacts
	Financial Report	Annually	
	Company Website	Non-Routine	
	CSR Report	Annually	
Supplier	Supplier Conference	Annually	Customer Health and Safety Economic Performance Environmental-Compliance
	B2B Platform	Non-Routine	
	Supplier Audit		
	CSR Report	Annually	

Stakeholders	Communication Channels	Frequency	Key Concern
Contractor	Agreement	Non-Routine	Occupational Health and Safety Employment Environmental-Compliance
	Assessment		
	CSR Report	Annually	
Local Community	Company Website	Non-Routine	Employment Energy Economic Performance
	Charitable Activities		
	CSR Report	Annually	
Government Agency	Check	Non-Routine	Anti-corruption Economic Performance Environmental-Compliance
	Official Document		
	Conferences		
	CSR Report	Annually	
Trade Association	Conferences	Non-Routine	Market Presence Energy Emissions
	Organizational Member Conference	Annually	
	CSR Report		

### 2.2 Material Issues and Boundary

In addition to learning about stakeholder needs and opinions through routine communication channels, Askey also has procedures in place to effectively identify and organize material issues in sustainability. The result is a more focused report for effective stakeholder communications.

#### Materiality Analysis Process



Material Issues and Boundary for 2016

Category	Material Aspects	Within the Organization		Outside the Organization					Corresponding Chapters
		Zhonghe	Suzhou	Customer	Supplier	Contractor	Local Community	Government Agency	
Economic Dimension	Economic Performance	●	●	●	●		●	●	4.1 Business Overview
	Reputation	●	●						6.1 Recruitment and Training
Environmental Dimension	Compliance	●	●	●	●	●		●	5.1 Green Commitment
	Effluents and Waste Emissions	●	●						5.2 Green Management
	Energy	●	●				●		5.2 Green Management 5.3 Green Products and Services
Social Dimension	Customer Health and Safety	●	●	●					5.3 Green Products and Services
	Customer Privacy	●	●	●					4.2 Customer Service
	Product Responsibility -Compliance	●	●	●					4.2 Customer Service
	Product and Service Labeling	●	●	●					4.2 Customer Service
	Marketing Communications	●	●	●					4.2 Customer Service
	Anti-Corruption	●	●					●	3.2 Governance Structure
	Labor/ Management Relations	●	●						6.1 Recruitment and Training
	Employment	●	●			●			6.2 Safe and Healthy Workplace
	Occupational Health and Safety	●	●			●			6.2 Safe and Healthy Workplace
	Training and Education	●	●						6.1 Recruitment and Training
	Non-Discrimination	●	●						6.2 Safe and Healthy Workplace
	Forced or Compulsory Labor	●	●						6.2 Safe and Healthy Workplace
	Child Labor	●	●						6.2 Safe and Healthy Workplace
Security Practices	●	●						6.2 Safe and Healthy Workplace	

Note: Please refer to the chart of affiliated enterprises in the ASUS annual report for affiliated enterprises encompassed by the organization. The Suzhou plant is included in this year's impact analysis of key aspects as it is a key production and manufacturing site.



**3. Corporate Governance**  
 3.1 About Askey  
 3.2 Governance Structure  
 3.3 Risk Management

## 3. Corporate Governance

### 3.1 About Askey

#### 3.1.1 Company Background

Company Name	Askey Computer Corporation
Employees	7,297 (as of the end of 2016)
Amount of Capital	NT\$4.8 billion
Date Established	1989
CEO	Robert Lin (林成貴), CEO
Headquarters	Zhonghe, Taiwan
Scope of Operations	Taiwan, Asia, Europe, America

Askey has long been a leading international developer of network communications and electronics products. To expand our global presence and strengthen our organization, Askey became a fully-held subsidiary of the world-renowned ASUS brand in 2006. Our headquarters is located at 5F~10F, No. 119, Jiankang Rd., Zhonghe District, New Taipei City, and there are also two R&D centers in Yangmei and Zhubei. We have established our own factory covering 300,000 sq.m. in Suzhou, China, under the name Askey Technology Jiangsu Ltd. We have offices in Europe and the Americas as well. We strive to provide customers the world over with the most innovative, high-quality and competitive products along with trustworthy and satisfactory after-sales service based on the spirit of sustainable development in our core operations and constant innovation in research and development.



Since our founding, Askey has placed a strong emphasis on the principles of consumer rights, fair trade and fair competition in the market. We require all employees and managers to adhere to anti-monopoly laws at all times and work actively to ensure compliance with anti-monopoly laws in each country. Due to our efforts, Askey was not involved in any monopolistic behavior or anti-monopoly litigation in 2016. No political contributions were made as well.

#### 3.1.2 Products and Services

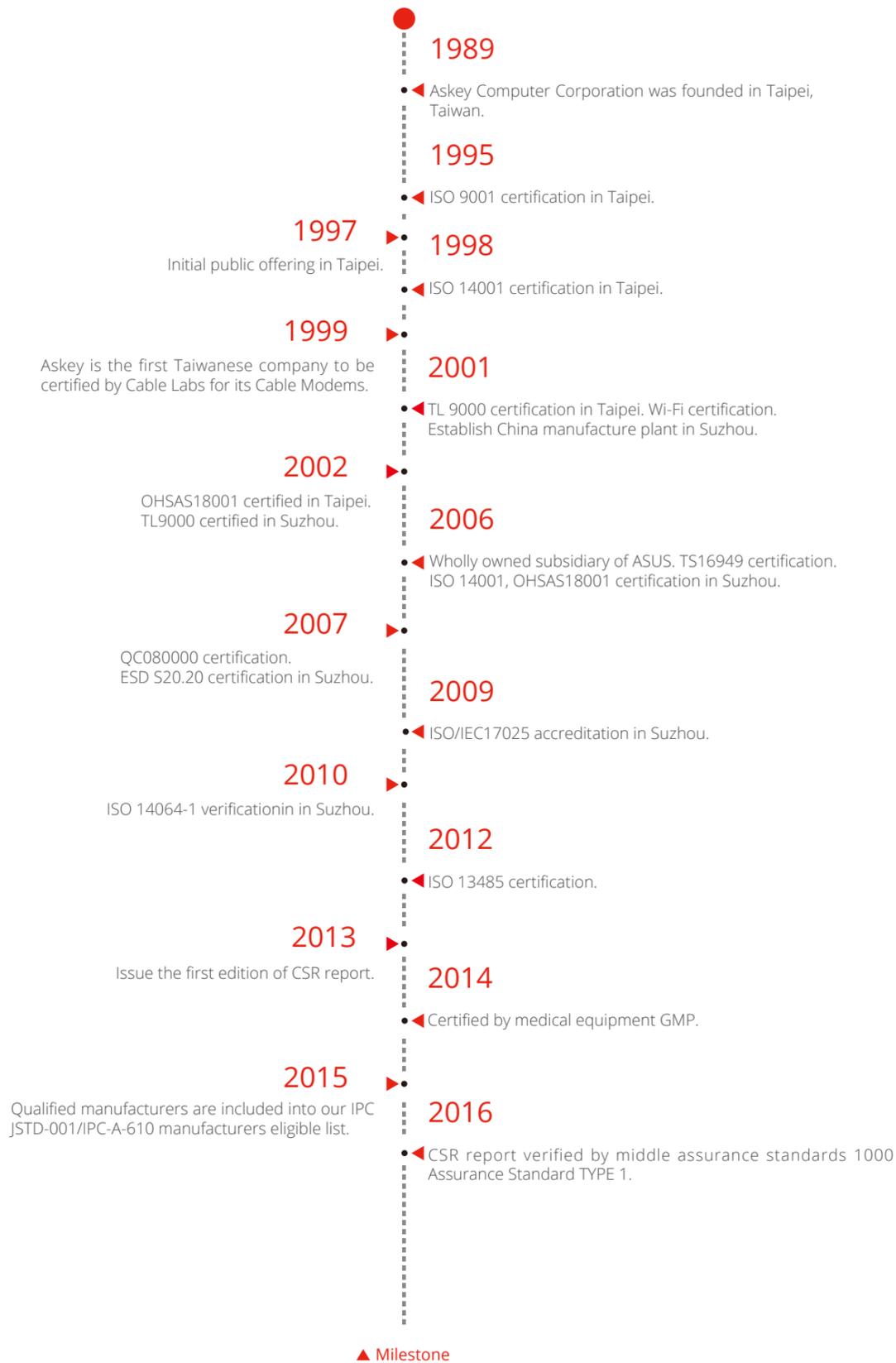
Askey's business concentrates on the supply of networking communications products for broadband access, outdoor access, wireless home networking and wired home networking. In recent years, we have expanded our portfolio to include smart home, medical care, mobile devices and automotive electronics. We also provide total solutions and system integration services under the ODM/OEM model as part of our business strategy. Askey was the first Taiwanese company to successfully apply for certification from CableLabs® in the US and EuroDOCSIS® in Europe. Our advantage in R&D and manufacturing means that we are the preferred partner for major network and telecommunications operators around the world.

#### 3.1.3 Participation in External Associations

Askey has signed no advocacy agreements with external organizations to date. We are however actively involved with various electronics industry associations and we fulfill our basic membership obligations by providing recommendations to the government on industry policy, whenever appropriate.

Association participation	Member
Taiwan Electrical and Electronic Manufacturers' Association	●
Taiwan Transportation Vehicle Manufacturers Association	●
Taiwan Telematics Industry Association	●
New Taipei City Green Industry Association	●
Taipei Computer Association	●

### 3.1.4 History



### 3.1.5 Awards

 <p>2016 Wujiang District, Suzhou City "Top 10 Industrial Enterprise in Growth"</p>	 <p>2016 Wujiang District, Suzhou City "Top 10 Enterprise in Foreign Trade"</p>	 <p>Authorized Economic Operator (AEO) Certified Enterprise</p>
 <p>2016 Wujiang Economic and Technological Development Zone Working Committee "Leading Tax Contribution Enterprise of the Development Zone"</p>	 <p>2016 Wujiang Economic and Technological Development Zone (Tongli Township) "Outstanding Enterprise in Human Resources Management"</p>	 <p>2016 Wujiang Economic and Technological Development Zone (Tongli Township) "Outstanding Unit for School-Business Cooperation"</p>
 <p>2016 Wujiang Economic and Technological Development Zone (Tongli Township) "6<sup>th</sup> Vocational Skills Competition for Skilled Workers"</p>	 <p>2016 Wujiang Economic and Technological Development Zone Bureau of Human Resources and Labor Security "Outstanding Human Resources Management Network"</p>	 <p>2015-2016 Wujiang Economic and Technological Development Zone (Tongli Township) "Voluntary Blood Donation Enterprise"</p>

### 3.1.6 Corporate Vision and Business Philosophy

- Inspire, motivate and nurture our employees to explore their highest potential.
- Commit to integrity and diligence; focus on fundamentals and results.
- Endlessly pursue to be number one in the areas of quality, speed service, innovation and cost-efficiency.
- Strive to be among the world-class high-tech leaders and to provide valuable contributions to humanity.

## 3.2 Governance Structure

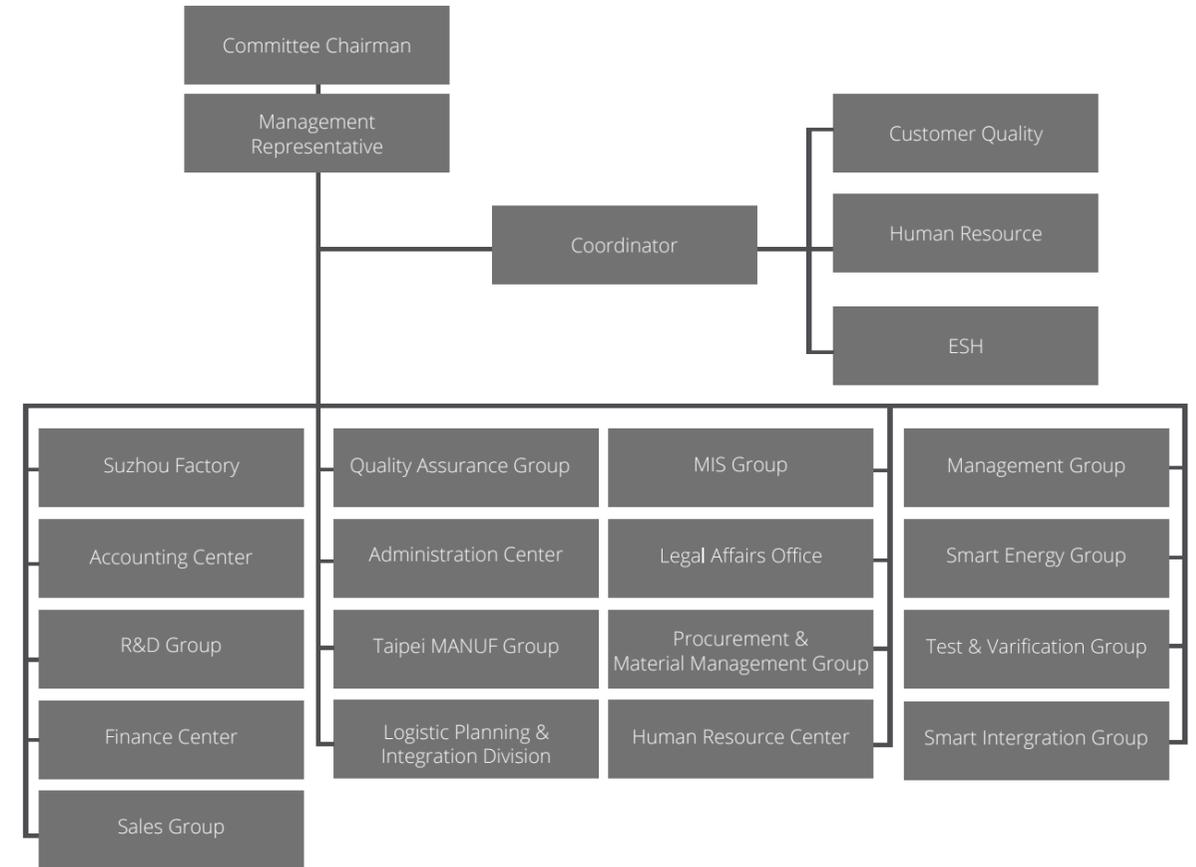
### 3.2.1 Organizational Structure

#### Corporate Structure



▲ There were no major changes to the Askey organization in 2016 compared to the previous CSR report.

### Corporate Social Responsibility Committee



▲ A CSR committee was established by Askey in 2013. The committee is made up of the committee chairman (CEO Robert Lin), management representative (VP Steven Chang), executive secretary, and other executives at company headquarters.

Unit	Management Role
Chairman	Issuing of CSR Policy
Management representative	Establish the CSR System
Coordinator	Assist Management Representatives
Head of Customer Quality Assurance Division	Customer Communications
Head of Human Resources	Labor Rights and Business Ethics
Head of Environmental Safety	Environmental Health and Safety
Other Executives at Department	CSR Policy Execution and Implementation at the Department Level

### Board of Directors

Sound governance based around an effective board of directors established in accordance with the law is beneficial to shareholder interests. The Askey Board of Directors is made up of 4 directors. The chairman of the board is CEO Robert Lin. The Board of Directors provides a solid foundation for the highest governance unit and decision-making center at Askey. It provides effective oversight and enhanced

management in accordance with the "Management Regulations Governing the Agenda and Operation of the Board of Directors."

Title	Name	Gender	Date of Appointment	Academic Background and Resume
CEO	Robert Lin	Male	2015.06.30	<ul style="list-style-type: none"> <li>① MBA, Tulane University, US</li> <li>② CEO, Askey</li> </ul>
Director	Jonney Shih	Male	2015.06.30	<ul style="list-style-type: none"> <li>① Institute of Business and Management, National Chiao Tung University</li> <li>② General Manager, Computer Business Group, Acer</li> <li>③ Chairman, ASUSTek</li> </ul>
Director	Jerry Shen	Male	2015.06.30	<ul style="list-style-type: none"> <li>① Institute of Electrical Engineering, National Taiwan University</li> <li>② Manager, Acer</li> <li>③ CEO, ASUSTek</li> </ul>
Supervisor	Chin-chih Wu	Male	2016.12.01	<ul style="list-style-type: none"> <li>① Chief Technology Officer, ASUSTek</li> </ul>

▲ The Askey Board of Directors is convened at least once every quarter. In 2016, the Board was convened three times (Q4 meeting was pushed back to 2017 Q1 due to scheduling conflicts between Board members). Average attendance of directors was 89%.

Board Term	Frequency of Board Meetings	Average Attendance	No. of Board Meetings in 2016
3 years	At least once per quarter	89%	3

### 3.2.2 Integrity Management

#### Social Responsibility Management Manual

Corporate social responsibility refers to a company's responsibility to all stakeholders in addition to generating profits and protecting its shareholders' interests to ensure economic prosperity, social welfare and environmental sustainability. The "Social Responsibility Management Manual" was formulated by Askey to realize the goal of sustainable development through the fulfillment of CSR. Monthly meetings are used to record and assess the potential CSR impacts of all organizational activities, production processes, infrastructure, changes and workplaces including the activities of administrative units. Company systems are also reviewed and improved to enhance our CSR performance.

#### Business Ethics Code of Practice and Anti-Corruption

Business ethics and social responsibility are drawing increasing international attention. A business must win the respect and trust of consumers, partners and society if it wishes to stay in business. Askey has drawn up the "Business Ethics Code of Practice" to strengthen the business ethics and professionalism of our company and all employees. The code of practice is not limited to the letter of the law. Ethics should come first in business even if it is not prohibited by law and conflicts of interest avoided.

When Askey employees have any doubts or discover any behavior that violates the law or Business Ethics Code of Practice, they should immediately consult with or notify the management or human resources unit. The company has set up suggestion boxes and e-mails [wj\\_hr@askey.com.tw](mailto:wj_hr@askey.com.tw) / [hr@askey.com.tw](mailto:hr@askey.com.tw) for this purpose.

### Principles of Business Integrity



Askey believes strongly in business ethics based on the values of integrity, diligence, focus and practicality. All employees are expected to believe in and uphold integrity. Employees should embrace integrity behavior in all their dealings with customers, suppliers, partners, colleagues, shareholders, the nation and society. All personnel are expected to adhere to the highest standards of integrity. Corruption, blackmail, coercion and embezzlement in any form are strictly prohibited.

#### Internal Controls

The internal controls were designed by managers, approved by the Board, and executed by the Board, managers and other employees. Each unit carries out at least one self-assessment of the internal control scheme each year and the results are reviewed by the Audit Office. The purpose of the review is to promote the sound management of the company and ensure that the following goals can be achieved.



#### Composition of Internal Controls

##### Control Environment

The basis for the company's design and execution of internal controls. These includes the company's ethical and moral values, the Board and supervisor's responsibilities on governance and supervision, organizational structure, division of responsibilities, human resources policy, performance measurement, rewards and punishment.

##### Risk Assessment

Set clear targets and connect them with different levels of the company. The appropriateness of company targets must also be taken into account. The management should consider the effects from changes in the external environment and business model, as well as the potential for corruption.

### Control Operations

Adopt appropriate policies and procedures based on the results of the risk assessment to keep risk within an acceptable range. Control operations should cover all levels of the company, all stages of internal business processes, and all technology environments as well as oversight and management of subsidiaries.

### Information and Communication

The company collects, generates and uses important internal and external information related to quality to support the continuous operation of other components within internal controls. The company must also ensure the effective internal and external communication of such information.

### Supervisory Operations

The company conducts continuous assessments, individual assessments or both types of assessments concurrently to ensure that all components of the internal control system are in place and in operation.

## 3.3 Risk Management

Sustainability is central to the Askey management policy. To reduce the risks from company operations and their negative impacts or losses, active risk management is practiced to ensure proper protection of our company image, environment, stakeholders and supply chain. Crisis management and prevention measures are also in place to ensure the sustainability of our company.

Aspect	Risk	Response Strategy/Practice
Economy	IT Security Risk	<ol style="list-style-type: none"> <li>Prevent hacker attackers from disrupting services and company operations/Introduction to related protective mechanisms.</li> <li>Prevent the leaking of company secrets: (1) signing of employee non-disclosure agreements. (2) introduction of related protective mechanisms. (3) promotion of security awareness.</li> <li>Prevent viral infection and encryption of company data/ Introduction of advanced anti-virus gateway to protect against data loss.</li> </ol>
	Market Risk	<ol style="list-style-type: none"> <li>Use derivative financial tools such as forward exchange agreements for hedging.</li> <li>Diversification of group investment portfolio.</li> <li>Calculate how fluctuations in certain interest rates will affect profit and loss based on re-financing, renewal of existing contracts, available lines of credit and cash levels.</li> </ol>
	Credit Risk	<ol style="list-style-type: none"> <li>Define explicit policy for managing and analyzing the credit risk of new customers.</li> </ol>
	Liquidity Risk	<ol style="list-style-type: none"> <li>Monitor forecasts on group liquidity requirements to ensure that there are sufficient funds to meet operational requirements.</li> </ol>

Aspect	Risk	Response Strategy/Practice
Environment	Climate Change Risk	<ol style="list-style-type: none"> <li>Greenhouse gas inventory.</li> <li>Define energy conservation plan.</li> </ol>
Society	Manpower Shortage	<ol style="list-style-type: none"> <li>Build up manpower pool in advance.</li> </ol>
	Occupational Safety and Health Risk	<ol style="list-style-type: none"> <li>Professional assessment and planning of new regulations to avoid non-compliance and its negative impact on the company's image.</li> </ol>

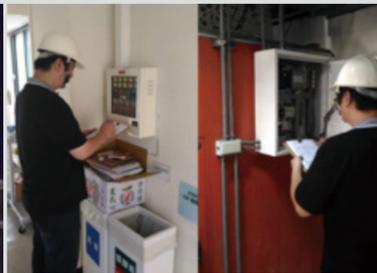
### Business Continuity Management

Askey began promoting and implementing Business Continuity Management (BCM) in 2015. By identifying the potential risks to the organization, internal communication/ coordination/brainstorming between company executives, and proposing a Business Continuity Plan (BCP) in response to major risk events each year, Askey has boosted its business continuity capability and competitiveness while also protecting the interests of customers, shareholders and the company. In 2016, we continued to strengthen risk management. Two large-scale exercises were held for two types of risks to verify the effectiveness of each unit's risk control and business continuity planning. These were then reviewed and refined to ensure that the highest level of operational capability can be maintained and restored in the event of a disaster or serious impact. Every effort is made to protect the interests of customers and stakeholders.

### 2016 BCP Exercise at Zhonghe Plant

Exercise Theme:  
Fire - Non-Production Line - Can't be Extinguished Directly  
Fire - Non-Production Line - Can be Extinguished Directly





Round-Table
Evacuation Exercise
Testing Equipment

### 2016 BCP Exercise at Suzhou Plant

Exercise Theme:  
Fire - Production Line Cordoned - Warehouse Cordon - Plant No.1  
Fire - Production Line Cordoned - Warehouse Cordon - Plant No.3





Round-Table
Evacuation Exercise
Restoration of Servers and Network

Supplier  
Procurement  
Manufacture  
Product  
Supply Chain  
Inventory  
Distribution  
Logistic  
Retail

4. Economic Sustainability and Prosperity  
4.1 Business Overview  
4.2 Customer Service  
4.3 Supplier Management

## 4. Economic Sustainability and Prosperity

Askey strives to provide customers with the most competitive products through a spirit of rigorous corporate governance and continued innovation in R&D. We also exert a positive influence on the supply chain to create sustainable growth and value in partnership with all stakeholders.

### 4.1 Business Overview

Askey reported consolidated revenues of NT\$29 billion in 2016 and produced net profits after tax of NT\$135 million for the shareholders of our parent company. The above information was verified by an independent third-party accounting firm.

The Askey Group invested NT\$2.13 billion in R&D spending; the Suzhou plant continued to receive tax credits from the local government for "Tax deductions for investment in technology R&D" and applied for NT\$29.07 million in tax credits on R&D spending 2016.

### 4.2 Customer Service

Askey believes that providing customers with competitive products and quality services play an important role in maintaining business profits. We therefore aggressively develop new products to meet the diverse needs of our customers. We also established a rigorous quality management system to provide customers with quality they can trust.

The protection of our customers' privacy and assets are taken very seriously by Askey. We work actively to understand and respond to customers' needs in a timely manner in order to win their trust and satisfaction through good service quality.

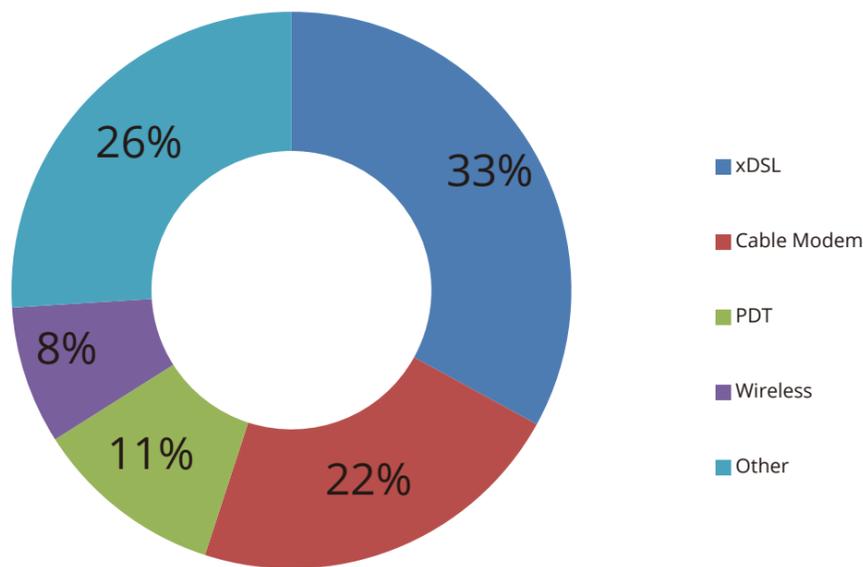
#### 4.2.1 Products and Services

Askey focuses on the development of networking communications equipment and electronic products such as cable modems, xDSL, and PDT (Personal Data Terminal). Our products are sold across the world. Apart from focusing on the development of our core market, Askey has been aggressively developing and manufacturing smart home, smart onboard and medical care products in recent years. Our goal is to build and integrate a

comprehensive yet diversified product range that meets the needs of the mainstream market. We aim to become one of the top suppliers for high-quality networking communications products and suppliers by satisfying the needs of our customers and surpassing their expectations. There were no sales of banned or disputed products by Askey in 2016, nor were there significant fines for the provision of non-compliant products and services.



▲ ASKEY Product Range



▲ Revenue Distribution by Product in 2016

### Quality Management

Askey pays close attention to the quality requirements of our customers and considers quality management to be an essential part of our work. We expect every employee to understand the importance of quality as well as the consequences of quality defects and to take joint ownership of product quality.

Quality management systems such as ISO 9001, TL 9000, TS 16949 and ISO 13485 have been introduced, implemented and effectively maintained by Askey to build sound quality management processes and systems. The PDCA management cycle (Plan, Do, Check, Action) have also been embraced for the continuous improvement of the production cycle to ensure customer satisfaction through better product quality.

ASKEY Quality Policy	
①	Continually pursues improved product quality
②	Lean process and complete training
③	Innovation and green research and development
④	Pursue perfect quality
⑤	Rapid manufacture
⑥	On time delivery
⑦	Reliable service
⑧	Exceed customer expectation
⑨	Earn customer satisfaction

System	Zhonghe Plant	Suzhou Plant
ISO9001	●	●
TL9000	●	●
ISO13485	●	●
TS16949	●	●
ISO17025		●
QC080000	●	●
ESD S20.20		●

▲ ASKEY Quality Management System

Apart from continuing to improve our product quality and service on the system level through the PDCA management cycle, Askey also organizes quality improvement initiatives such as Quality Improvement Team (QIT), QCC, TPS competition, and monitoring of process performance indicators to continue boosting our company's quality competitiveness.

## 4.2.2 R&D and Innovation

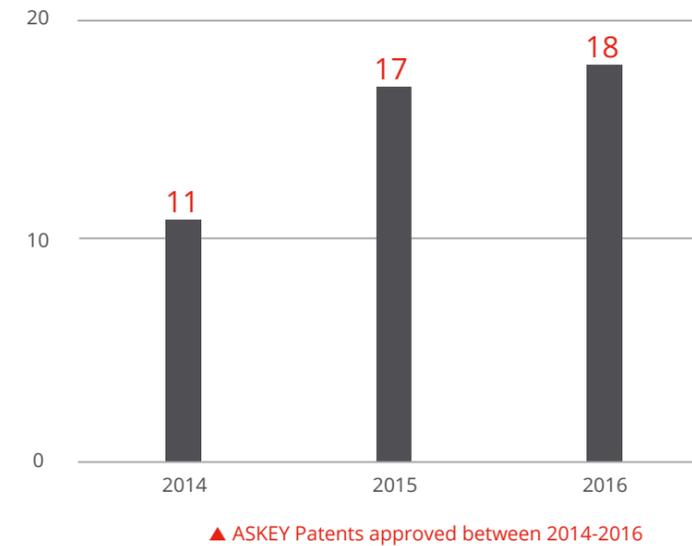
In response to the emerging of new technologies such as the Internet-of-Things (IoT) and Industry 4.0 as well as new concepts such as the Smart Home and Smart City, Askey began working on smart integration based on our many years of experience in ODM/OEM production. After launching the QBee smart home system in 2015, Askey formed a BOT partnership with the Taipei City Government at the start of 2016 to create the "Askey Smart Bus Stop" integrating safety, information, positioning and entertainment functions. A series of smart home and smart city systems from Askey now provides an extensive selection of practical turn-key solutions for future urban development. These solutions also represent our transition from contract manufacturing to smart connectivity applications.



To strengthen our R&D capabilities, boost our product competitiveness and create even greater value, Askey has invested approximately NT\$2.1 billion in R&D in 2016. We hope the continued improvements in R&D technology will revitalize industry innovation and consolidate our competitive advantage in the market.

## Patent Strategy

Faced with a highly competitive market, Askey not only strives to upgrade our core technologies but also attaches great importance to patent protection and strategy. In 2016, Askey secured a total of 18 patents and has to date secured more than 350 patents in Taiwan and overseas. The bulk of patent applications are for the U.S., China, and Taiwan. In the future, we will continue to apply for and maintain patents on the results of our technology R&D. We will also build up our patent capabilities to deal with potential patent battles and create potential patent revenues.



## 4.2.3 Customer Privacy and Customer Satisfaction

In addition to the production of high-quality products and innovative R&D, Askey provides customers with comprehensive services in the hopes of building a solid, long-term business partnership and become a trusted partner in their success.

### Customer Privacy

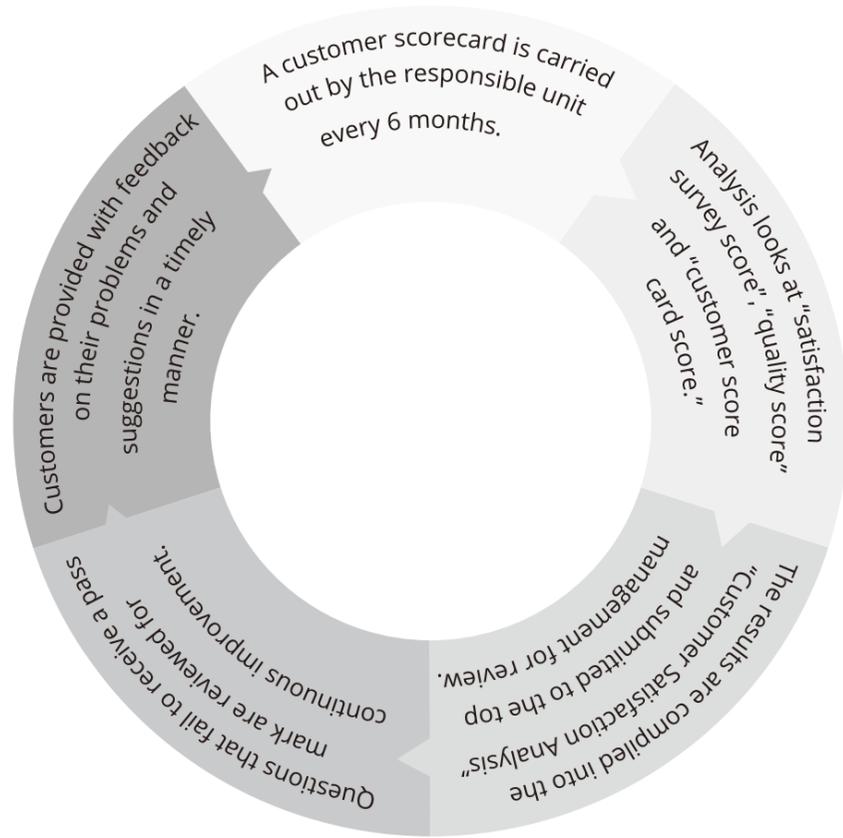
Askey believes that the protection of customer privacy and property is of even greater importance than improving customer service and satisfaction. All employees are expected to provide effective protection of tangible or intangible information and assets. There were no complaints over violations of customer privacy or loss of data in 2016.

To ensure the proper protection of customer privacy and confidential information, Askey not only signs confidentiality agreements to protect customers' interests but also require new employees to sign the "Service and Non-Disclosure Agreement" upon arrival to employees' leaking of secrets due to personal reasons. Internal regulations,

announcements and data access restrictions are used to strengthen internal protection of privacy and business secrets as well.

### Customer Satisfaction

Customer satisfaction is a basic responsibility in business. To serve our customers more effectively and become their preferred business partner, Askey conducts a customer satisfaction survey every 6 months (covering aspects such as quality and delivery time) to analyze their needs and carry out targeted improvements to boost customer satisfaction with Askey products and services.



▲ Customer Satisfaction Survey Process

In 2016, the customer satisfaction survey was sent out to the top 80% of customers by transaction amount. A total of 22 surveys were sent out and 22 responses were recovered for a recovery rate of 100%.

The customer satisfaction score for the first and second halves of 2016 were 89.1% and 86.5% respectively. Concrete improvement plans were developed by Askey in response to the suggestions made by customers during the survey. The results from customer satisfaction surveys over the last two years have remained relatively stable. Apart from the effective operation and maintenance

of the quality management system, continuous improvements to our processes have helped to strengthen our overall product quality and customer satisfaction.

### Customer Complaints

Askey treats customer complaints as opportunities and motivation for continuous improvement. They help the company provide product quality and service that better match customer's requirements and expectations. A complete customer complaints handling process has therefore been put into place to ensure that messages from customers can be conveyed to the relevant units and to the management. Customer feedback is also analyzed so that effective improvement measures can be adopted in a timely manner to protect customers' interests as well as boost and strengthen their loyalty and trust.



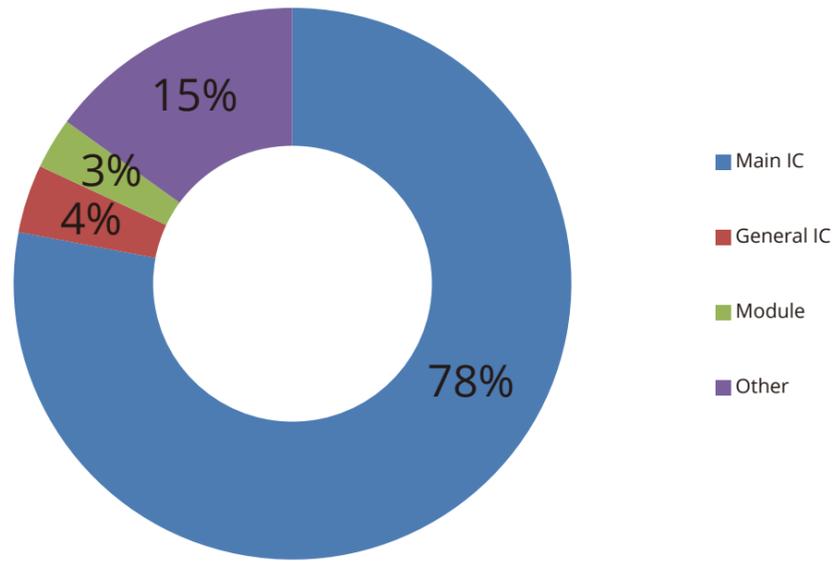
▲ Customer Complaints Handling Process

## 4.3 Supplier Management

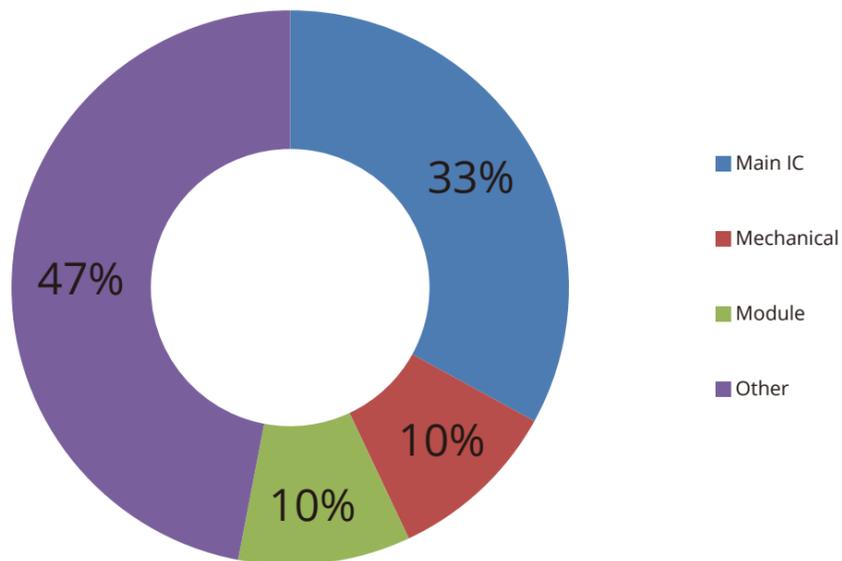
Askey not only strives to build trust with back-end customers but also works actively to establish a long-term partnership for mutual growth with front-end suppliers. The development of a mutually beneficial relationship of trust enables the joint pursuit of sustainable development and growth.

### 4.3.1 Purchasing Overview

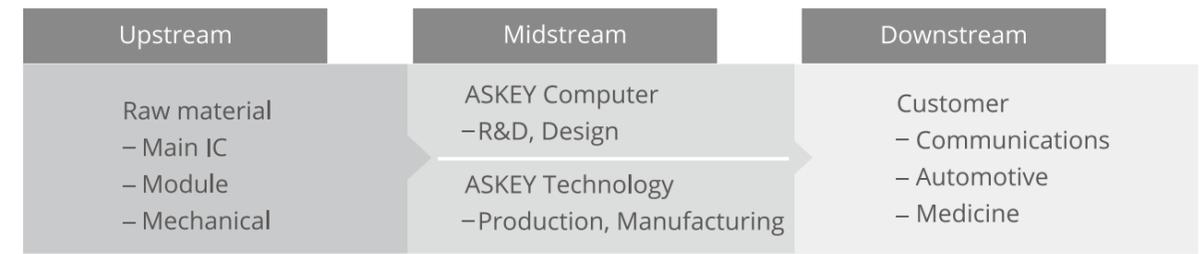
Askey has a very extensive and flexible portfolio of products and services. Our suppliers are therefore quite diverse as well. "IC" was the largest purchasing category in 2016 accounting for 78% and 33% of all purchasing by the Zhonghe and Suzhou plants respectively.



▲ Distribution of Purchasing - Zhonghe Plant



▲ Distribution of Purchasing - Suzhou Plant



▲ ASKEY Supply Chain Structure

### 4.3.2 Purchasing Strategy

#### Proportion of Local Purchasing

Localized purchasing not only offers benefits on supply efficiency and local economic stability but also reduces the environmental impact of attrition in logistics, energy resources and carbon emissions. In the future, Askey will work actively to develop local suppliers to realize localized purchasing where it is cost-effective to do so.

#### Non-Use of Conflict Minerals

As part of our commitment to CSR, Askey does not support the use of conflict minerals mined from the Democratic Republic of the Congo (DRC) in central Africa. We also use responsible purchasing to exert our influence on the supply chain and ask our supplier partners to avoid using conflict minerals as much as possible.

Conflict minerals refer to minerals illegally mined in the DRC and its surrounding countries such as Gold (Au), Tantalum (Ta), Tin (Sn) and Tungsten (W). These minerals may directly or indirectly go towards funding or benefiting armed groups that engage in human rights abuses, and lead to an escalation of armed conflicts in the region.

Askey requires new suppliers to sign a "Declaration on Non-use of Conflict Minerals" before they can become a qualified supplier. We hope these voluntary requirements and restrictions on the supply chain will make a positive impact on the issue of conflict minerals.

The latest Conflict Minerals Reporting Template (CMRT) is used by Askey to verify whether conflict minerals are used by qualified suppliers or not. Non-compliant suppliers will be directed to suspend delivery and the scope of their shipments assessed on the level of risk.

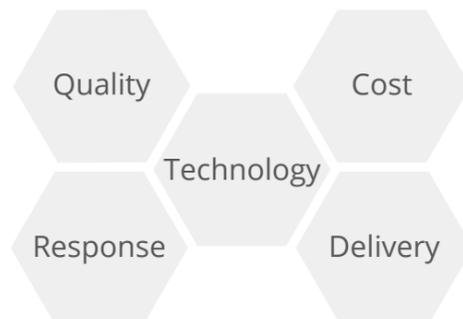


▲ Conflict Minerals Control Process - Qualified Supplier

### 4.3.3 Management Focus

Askey knows that supply chain partners are essential to the continued growth of the business. To realize sustainable supply chain management, Askey planning calls for controls and mentoring in four main areas to establish a stable, long-term partnership for mutual growth with every supply chain partner and bring about sustainable growth.

New Supplier Selection	Written review of supplier's production management, HSF and CSF. An on-site assessment is then carried out based on the outcome of the written review.
Supplier Evaluation	The supplier evaluation mechanism is divided into monthly and annual evaluations. Suppliers who fail their evaluation are disqualified.
Supplier Mentoring	Mentoring is provided to suppliers on quality system, production process system and HSF management system. Target completion review is conducted at the end of mentoring. Passing the review means mentoring is complete. If the supplier fails the review then they are notified of the problem areas and directed to make improvements.
Supplier Education	Suppliers are notified of what they need to do through the B2B Platform. Important policies are announced at the annual supplier conference.



▲ Items of Suppliers Assessment

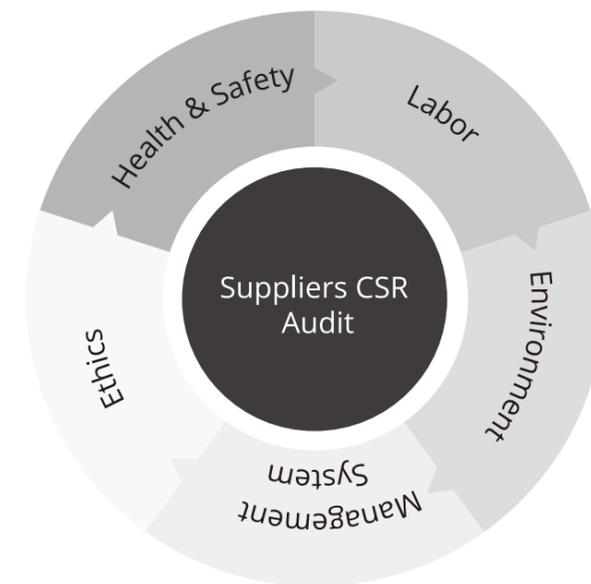
### Supplier CSR Audit

Apart from expecting suppliers to continuously improve their overall performance in terms of product quality, delivery times and pricing, Askey also uses the annual supplier conference to encourage suppliers to pay attention to employees' rights, rectifying environmental health and safety risks in the workplace, and become a partner in CSR fulfillment. CSR audits are conducted by Askey to reduce the ESG risks and boost the overall competitiveness of the supply chain. Direct reviews and assessments are used to determine and track suppliers' management performance and current progress in the economic, environmental and social aspects.

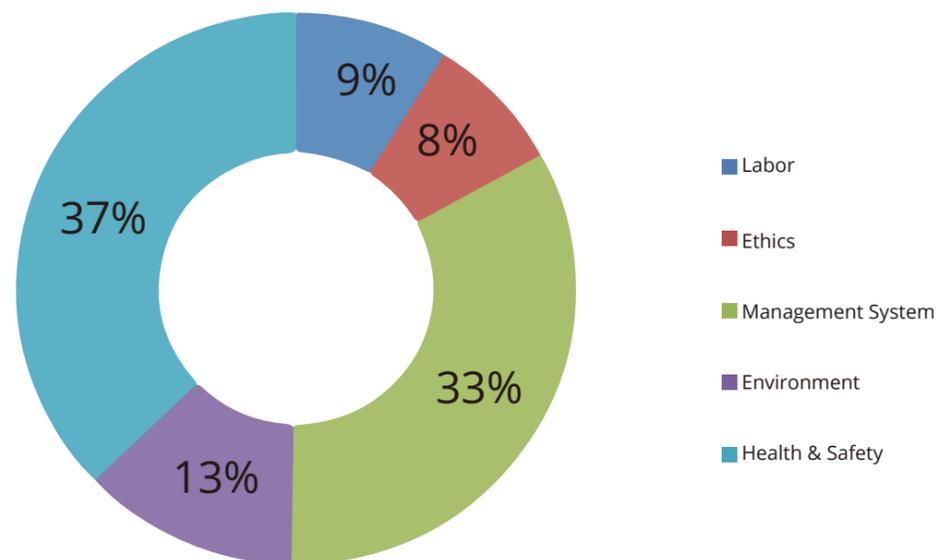
On-site audits were conducted at 50 suppliers in 2016. No significant actual or potential negative impacts on the environment or labor rights were detected. If any areas of non-compliance are discovered during the audits then Askey requires effective and feasible improvements to be proposed by the supplier. All non-compliant areas recorded in 2016 have now been corrected.

#### The Selection for Suppliers CSR Audit

- ① Suppliers who supply major subsidiary materials.
- ② Suppliers who supply the key component or parts.
- ③ Suppliers who supply the high risk HSF component.
- ④ Suppliers which happen RoHS issues.
- ⑤ Suppliers who grade C&D in quality section.



▲ Five Dimensions of ASKEY CSR Audit



▲ Allocations of CSR Audit findings in five dimensions



**5. Environmental Sustainability**  
5.1 Green Commitment  
5.2 Green Management  
5.3 Green Products and Services

## 5. Environmental Sustainability

Askey is keenly aware of a business' social responsibility on environmental protection. Our pursuit of stable business growth is tempered by the rigorous practice of environmental management and ecological protection measures. We hope that the adoption of a life cycle-based approach with checks at the product design, material purchasing, production, manufacturing and disposal stages will realize the goal of environmental sustainability.

### 5.1 Green Commitment

An "Environmental Management System" based on the ISO 140001 international standard has been established by Askey to prevent pollution and effectively reduce the environmental impact from the company's activities, products and services. The execution of standardized operating procedures, defining of continuous improvement targets and regular review of environmental performance ensure the enforcement of environmental management and improvements to environmental quality. Apart from the above, Askey also adheres strictly to all laws and regulations with no significant fines for related matters imposed in 2016.

When the new ISO 140001:2015 standard was released on September 15, 2015, Askey immediately began preparing for the conversion process. The revision of procedure documentation, training of internal auditors on the new standard, and internal auditing were progressively completed in the second half of 2016. Verification on the new standard was completed in the first half of 2017. This will hopefully establish an even more solid foundation for system management in sustainable development and CSR.

#### Askey Environmental Policy

**01** Comply with related environmental laws and provisions.

**02** Enhance the pollution source control, precede the process waste reduction and reduce the impact on the environment during manufacturing.

**03** Prevent and continuous improve pollutions, save energy and do resource recycling.

**04** Introduce the best process to improve the operation environment to protect the safety and health of staff.

**05** Implement the environment safety management training and propagandize to increase all staff's concept of safety and environment protection.

**06** Communication well inside and outside the factory, and propagandize the environmental safety management system and policies.

### 5.2 Green Management

As a citizen of planet Earth, Askey works actively to incorporate green thinking into our management process. In addition to ensuring that all activities, products and services conform to environmental laws and customer requirements, we also strive to conserve the use of energy resources, reduce waste from production processes and prevent pollution as part of our corporate social responsibility on environmental protection.

#### 5.2.1 Environmental Information

The Askey Zhonghe plant and Suzhou plant's environmental information on total inputs and outputs during 2016 are as follows.

Type	Scope	Item	Zhonghe Plant	Suzhou Plant
Input	Direct Energy Resources Consumption	Water (M³)	30,355.0	387,105.0
		Natural Gas (M³)	--	165,882.0
	Indirect Energy Consumption	Diesel (L)	520.2	--
		Gasoline (L)	--	46,961.6
		Externally Purchased Electricity (kWh)	6,755.3	35,717.6
Output	Green House Gases (GHG)	Direct Emissions (Ton CO <sub>2</sub> e)	228.2	1,202.3
		Indirect Emissions (Ton CO <sub>2</sub> e)	3,566.8	28,974.2
		Total Emissions (Ton CO <sub>2</sub> e)	3,795.0	30,176.5
	Waste	Hazardous - Recycled (Ton)	2.5	--
		Hazardous - Incinerated (Ton)	--	5.9
		Non-Hazardous - Recycled (Ton)	10.3	418.4
		Non-Hazardous - Incinerated (Ton)	81.6	36.0
		Total mass (Ton)	94.4	460.3

Note: The water and diesel consumption at the Zhonghe plant were extrapolated from annual costs and average unit price.



▲ ASKEY Energy Consumption in 2016

Note: Explanation of Energy Conversion

1) 1 kWh = 3.6 MJ 2) 1 L of Diesel = 38.7 MJ 3) 1 L of Gasoline = 34.6 MJ 4) 1M³ of Natural Gas = 8700 Kcal; 1 Kcal=4186 J

## 5.2.2 Energy Resource Management

The increasing severity of climate change and global warming has made Askey keenly aware of how precious and limited energy resources are. Systems and energy conservation initiatives have therefore been put into place to take action on environmental protection.

Due to the nature of the industry, most energy resources used by Askey are for production purposes. Total internal energy consumption in 2016 amounted to 160,588.5 GJ with around 95% being from electricity. Askey has been working aggressively to reduce energy consumption in lighting, air-conditioning and other areas in recent years. Energy conservation reduces attrition and the emission of greenhouse gases. This is also used as an opportunity to improve production efficiency and lower operating costs.

### Zhonghe Plant

Energy Conservation Project: Transformer Integration Project

Performance Improvement: Electricity Consumption ↓24,090 kWh/year  
Energy Consumption ↓86.7 GJ/year  
GHG ↓12.7 Ton CO<sub>2</sub>e/year

### Suzhou Plant

Energy Conservation Project: LED Lamp Replacement Project

Performance improvement: Electricity Consumption ↓1,289,239 kWh/year  
Energy consumption ↓4,641.3 GJ/year  
GHG ↓1,045.8 Ton CO<sub>2</sub>e/year

## 5.2.3 Greenhouse Gases Management

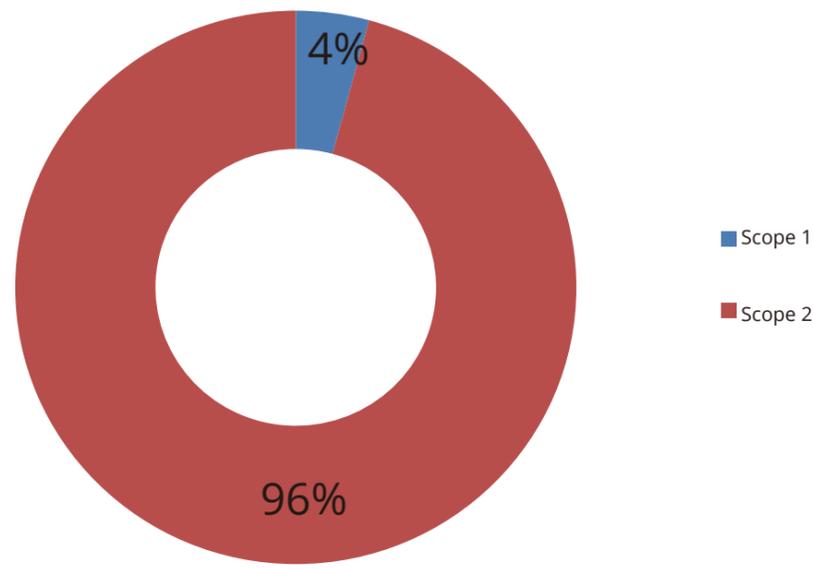
Combating climate change and global warming is now one of the most important environmental issues in business and a key challenge for management as well. A GHG inventory mechanism based on ISO 14064-1 and the inventory guidelines published by domestic/overseas organizations has now been established by Askey. Annual audits are used to identify key emission sources during production so that continuous, organized reduction measures can be developed.

Askey generated approximately 33,971.5 Ton CO<sub>2</sub>e in GHG emissions during 2016. Most (96%) came from Scope 2 indirect GHG emissions and there were no emissions from bio-fuels during the year. The scope of inventory was based on operational control so encompassed the Askey Zhonghe plant and Suzhou plant.

As a key production site, the Suzhou plant has passed third-party verification every year since 2010 to ensure the quality of the inventory data. Internal inventories are conducted at the Zhonghe plant. The results of the annual inventory and disclosure process provide a full picture of our organizational GHG emissions. Askey also continues to carry out self-reviews and improvements.

Scope	(Ton CO <sub>2</sub> e)
Scope 1: Total Volume of the Six Controlled Gas Types	1,430.5
Scope 2: Emissions from Externally Purchased Electricity	32,541.0

Note: GWP Value comes from the 4<sup>th</sup> IPCC Report



▲ Carbon Emissions by ASKEY in 2016

Background: Zhonghe Plant Inventory Baseline Year/ Baseline Year Emissions: 2016/ 3,292.5 Ton CO<sub>2</sub>e  
Suzhou Plant Inventory Baseline Year/ Baseline Year Emissions: 2009/ 41,300.7 Ton CO<sub>2</sub>e

Askey began participating in the Carbon Disclosure Project (CDP) in 2015. Questionnaire responses and disclosure were provided on the company's GHG emissions, as well as strategies for responding to the investment risks and opportunities of climate change.

CDP is an independent non-profit organization jointly set up by leading institutional investors around the world. It sends out questionnaires every year asking businesses to disclose information such as the risks and opportunities related to climate change, and carbon management system. By participating in the CDP, Askey hopes to make a contribution to climate change mitigation and natural resource protection through self-review and self-management.

## 5.3 Green Products and Services

Faced with tightening environmental regulations and to satisfy customer requirements for green products, Askey now strives to provide products and services that are friendly to the environment. Life cycle assessment is carried from the product R&D stage in order to reduce the environmental impact during raw material purchasing, production, manufacturing, usage and disposal. This will help fulfill our corporate responsibility on ecological protection.

### 5.3.1 Green Design

The Directive of Eco-design Requirements of Energy-using Products issued by the European Union (EU) in 2005 requires all future energy-using products seeking access to the EU market to conform to eco-design requirements. The requirement was expanded in 2009 from energy-using products (EuP) to cover energy-related products (ErP) as well. ErP-related requirements are taken into account by Askey from the product design and development stage to improve the environmental friendliness of EuP and make a tangible contribution to the environment.

To ensure the safety and improve the efficiency of energy supplies, all Askey products destined for EU regions conform to the compulsory CE Marking requirements. This means every aspect including design, production, packaging, user manuals, transportation, sales, product service life and recovery after use all conform to European regulations governing health, safety and environmental protection. We also ensure that the product poses no threat to the human body or environment at any point.

### 5.3.2 Green Production

Mankind and the environment are two sides of the same coin. For the sake of environmental sustainability, reduce the environmental impact of production activities, and fulfill our responsibility as a citizen of planet Earth, Askey is committed to complying with environmental laws, and effective implementation of the green management philosophy. Our goal is to strengthen our green competitiveness and green image by producing only eco-friendly products so that we can become a green enterprise.

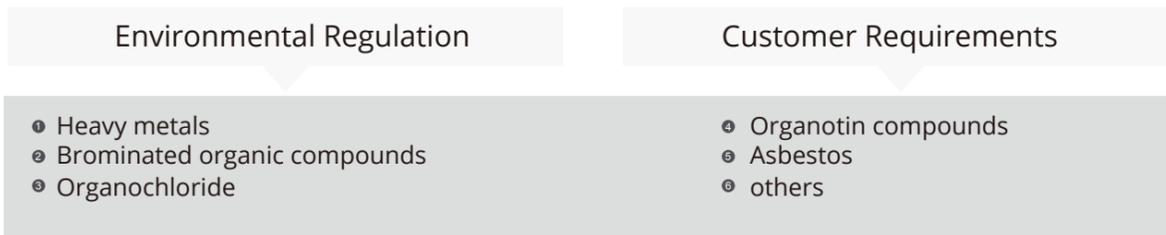
#### Restricted Use and Management of Hazardous Substances

National governments around the world are now adopting increasingly stringent requirements for Hazardous Substance Free (HSF). Askey recognizes the impact of hazardous substances (HS) on the environment as well as the importance of their management so we introduced in 2007 the "IECQ QC 080000 Hazardous Substance Process Management System for Electronic Components and Products" based around the existing quality management system. Hazardous substances are now managed in a procedural and systematic manner to ensure that all materials, parts, indirect materials and packaging materials used during production conform with international environmental regulations and customer requirements. Every effort is made to minimize the impact on the environment.

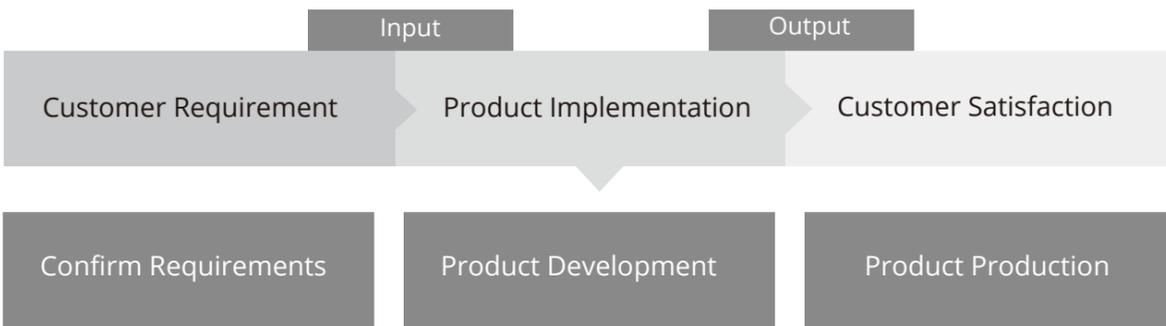
Askey adheres to the RoHS 2011/65/EU directive and all 100% of our products and components conform with RoHS requirements. An inter-departmental HSF committee has also been established with clear divisions of responsibility to ensure more effective HS management. Operating rules and checks have been defined throughout the product design, purchasing, stock-in, production and shipping stages. Regular internal and external audits are conducted as well to ensure the effectiveness of HS management. All of these demonstrate Askey's commitment and determination on environmental sustainability.

Management Level	Requirements
Level 1	Immediate Ban
Level 2	Ban after Set Period
Level 3	Disclosure Required for Deliberate Use
Exemptions	Non-Prohibited or Non-Restricted Substance

▲ ASKEY Hazardous Substance Management Levels



▲ ASKEY Hazardous Substance Management Categories



▲ HSF Management from Product Development to Mass Production

### Halogen-Free Requirements

Halogen is an element in group VIIA of the periodic table. Its fire-resistance means it is extensively used in electronic components, adhesives and fire-retardants. Scientific research in recent years however have shown that many halogen compounds pose a potential threat to the human body and the environment. Poly-brominated Biphenyls (PBBs) and Poly-brominated Diphenyl Ethers (PBDEs) in particular may interfere

with development of the brain and cause cancer. They are now therefore classified as restricted substances under the EU Restriction of Hazardous Substances (RoHS) directive.

To prevent environmental pollution and harm to the human body, the "Halogen-free technology standard" was defined by Askey. A maximum permissible concentration of 900 ppm for Bromine (Br) or Chlorine (Cl), as well as a maximum total concentration of 1500 ppm for Br and Cl together has now been set for Halogen Free products to reduce their environmental impact.

### 5.3.3 Green Disposal and Recycling

Electronic products offer tremendous convenience but the waste produced at the end of their service life or upon replacement produce massive environmental damage as well. In response, Askey begins assessing the principle of "reuse, re-circulation, recovery and recycling" from the product design stage. This is intended to reduce the environmental impact of business operations and achieve environmental sustainability.

In accordance with the EU Waste Electrical and Electronic Equipment (WEEE) directive, parts made from recyclable materials are used where possible. Coatings, welds and adhesives that complicate disassembly are also avoided in the design. Technical documents such as product disassembly manuals and assessment reports (3R report) are realize the goal of high product recovery rate.

In accordance with principle of manufacturer responsibility, Askey also cooperates with customers' recycling programs by joining the recycling systems in Italy, Spain and other regions. Products are also marked with the WEEE recycling bin mark to ensure they comply with EU regulations relating to the WEEE directive.

## 6. Social Sustainability and Prosperity

### 6.1 Recruitment and Training

Askey believes that employees play an important role in corporate sustainability and are important company assets. Apart from creating a diverse and sustainable enterprise, we also strive to attract and retain talented personnel by creating a comfortable workplace through training and development. The basis of talent development is looking after employees and caring for employees. Askey provides employees with extensive learning opportunities and resources based on the requirements of each role and the company strategy so they can improve their professional skills.

#### 6.1.1 Workforce Analysis

In 2016, the total Askey workforce was approximately 7,297 with 1,992 people at its Zhonghe plant, and 5,305 people at its Suzhou plant. Our recruiting policy also gives preference to the employing of local people in senior management. Local recruiting channels are also used to publish job openings. Personnel recruitment and appointment are guided by the Askey selection process.

#### Askey Employee Type and Gender Statistics

Gender	Employee Type	Contract Type	Zhonghe Plant	Suzhou Plant
Male	Permanent Employee	Regular	0	1,890
		Irregular	1,147	129
	Non-Permanent Employee	Foreign Worker	0	0
		Temporary	0	203
		Part-Time/Intern	2	815
Total			1,149	3,037
Female	Permanent Employee	Regular	0	1,240
		Irregular	538	101
		Foreign Worker	304	0
	Non-Permanent Employee	Temporary	0	57
		Part-Time/Intern	1	870
	Total			843

## 6. Social Sustainability and Prosperity

### 6.1 Recruitment and Training

### 6.2 Safe and Healthy Workplace

### 6.3 Social Participation and Contribution

### Askey Employee Composition

To meet the company's strategic objectives, the focus at Askey in recent years has been on innovative R&D. The Zhonghe plant has around 1,257 people assigned to R&D. As most graduates in IT, electronics and electrical engineering are still men, the majority of Askey employees are male as well.

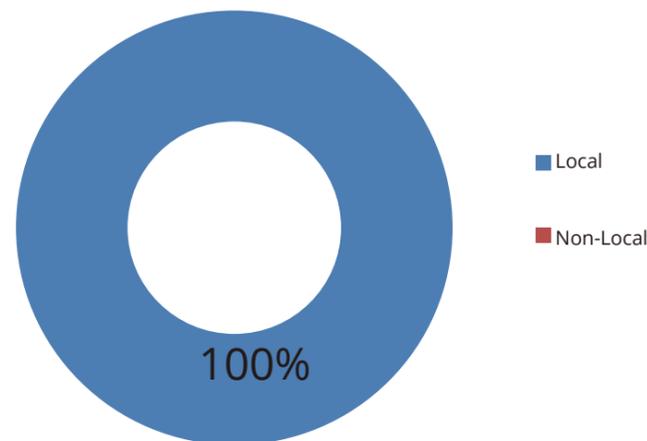
Zhonghe Plant		Manager	Specialist	Engineer	Specialized Staff	Total
< 30 years	Male	1	12	108	0	121
	Female	1	31	234	0	266
30 - 50 years	Male	273	78	589	27	967
	Female	55	191	298	5	549
> 50 years	Male	38	3	18	2	61
	Female	12	6	10	0	28
Total		380	321	1,257	34	1,992
Ratio		19%	16%	63%	2%	100%

Suzhou plant		Manager	Specialist	Engineer	Operator	Total
< 30 years	Male	167	42	491	1,671	2,371
	Female	46	162	212	1,317	1,737
30 - 50 years	Male	189	29	298	138	654
	Female	122	107	146	156	531
> 50 years	Male	2	0	1	9	12
	Female	0	0	0	0	0
Total		526	340	1,148	3,291	5,305
Ratio		10%	6%	22%	62%	100%

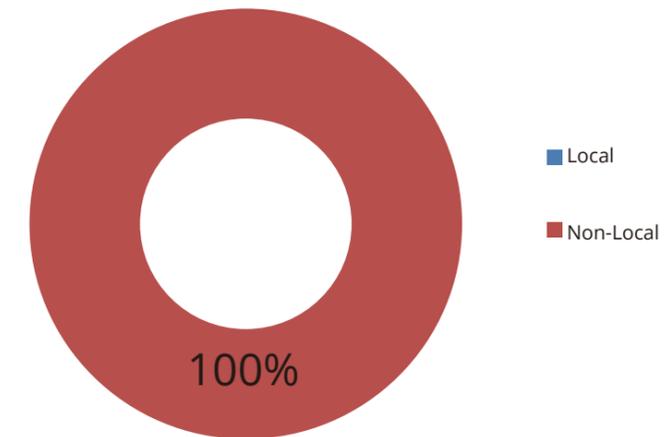
### Senior Management Statistics (Nationality)

Number of local people in office director or higher management positions.

Nationality	Zhonghe Plant	Suzhou Plant
Local	58	0
Non-Local	0	16
Total	58	16



▲ Distribution of Senior Management - Zhonghe Plant



▲ Distribution of Senior Management - Suzhou Plant

### New Employee Statistics

In 2016, there were 839 new employees at the Zhonghe plant for an employment rate of 48%. Most were research personnel. At the Suzhou plant, there were 9,800 new employees for an employment rate of 181%. Most were technical personnel.

Gender	Age	Zhonghe Plant	Suzhou Plant
Male	< 30	63	4,818
	30 - 50	283	336
	> 50	17	4
	Total	363	5,158
Female	< 30	209	4,328
	30 - 50	266	314
	> 50	1	0
	Total	476	4,642

### Employee Turnover Statistics

In 2016, 261 employees left the Zhonghe plant for a turnover rate of 15%. Most fell between the 30 - 50 age group. There were 10,214 turnovers at the Suzhou plant for a separation rate of 189%. Most were technical personnel under the age of 30.

Gender	Age	Zhonghe Plant	Suzhou Plant
Male	< 30	14	5,176
	30 - 50	110	434
	> 50	7	5
	Total	131	5,615
Female	< 30	41	4,245
	30 - 50	87	352
	> 50	2	2
	Total	130	4,599

Note: The employee turnover statistics are based on permanent employees.

## 6.1.2 Compensation and Benefits

### Performance Evaluation Ratio Statistics

Askey conducts two performance evaluations a year, once in June and the other in December. The performance evaluation excludes employees on their trial period and those below grade 2 (technicians, operators, clerks). All managers and employees are notified by e-mail to undertake the online evaluation process. To ensure fairness and objectivity, five ratings ranging from A+, A, B, C to D are assigned through self-evaluation, evaluation by their immediate superior, and evaluation by their superior levels up. The result of the performance evaluation is used as a basis for future promotions and salary adjustments.

### Parental Leave - Zhonghe Plant

Askey Zhonghe plant provides unpaid parental leave in accordance with local laws and regulations. In 2016, 9 female employees applied for parental leave and 7 returned to their original position at the end of the leave period. A total of 3 male employees exercised their right to apply for parental leave under the Act of Gender Equality in Employment as well. Suzhou plant offers female employees 128 days of maternity leave and male employees 15 days of paternity leave in accordance with local laws.

Gender	No. of employees eligible for parental leave in 2016	No. of employees who applied for parental leave in 2016	No. of employees expected to return from parental leave in 2016 (A)	No. of employees reinstated after parental leave in 2016 (B)	Reinstatement rate (B / A)
Male	134	3	1	1	100%
Female	54	9	8	7	87.5%
Total	192	12	9	8	88.9%

Gender	No. of employees reinstated after parental leave in 2015 (C)	No. of employees reinstated after parental leave in 2015 and is still with the company after 1 year in 2016 (D)	Retention rate (D / C)
Male	1	1	100%
Female	4	4	100%
Total	5	5	100%

Note: The number of employees eligible for parental leave in 2016 is an estimate based on the number of employees who applied for maternity or paternity leave between 2014 ~ 2016.

### Employee Welfare

The "Askey Computer Corporation Employee Welfare Committee" (known as the "Employee Welfare Committee" for short) was established by the Zhonghe plant in accordance with the law. To ensure the fair administration of employee welfare, the Employee Welfare Committee is made of 17 people. One committee member is appointed by the business unit while all others are elected by employees.

### Bonuses

Annual bonus, festival bonus/gifts, Labor Day bonus, birthday bonus, work bonus.

### Insurance

Labor insurance, National health insurance, employee group insurance, occupational disaster insurance.

### Recreation

Unit gatherings, club activities, end-of-year events

### System

Comprehensive education and training, unobstructed channels of promotion

### Leave

Rest on weekends , special leave, paternity leave, menstrual leave for female employees

### Other

Employee shopping discounts, employee parking spaces, health exam, merchant discounts

### Subsidies

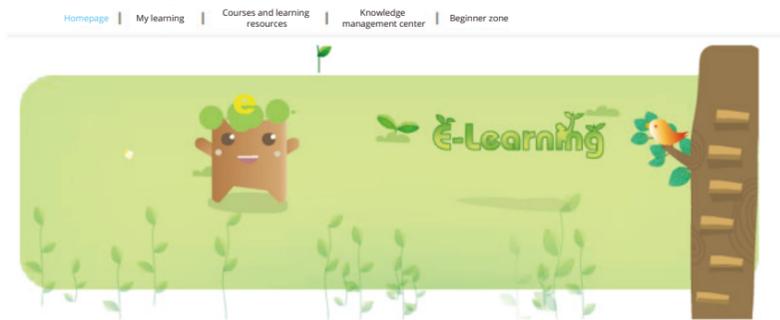
Marriage bonus, childbirth stipend, club subsidy, employee scholarship, employee offspring scholarship, travel subsidy

▲ These benefits are for the Zhonghe plant. The Suzhou plant also offers birthday bonus, marriage bonus, funeral assistance, festival gift/bonus, annual holiday, gathering subsidy, annual health exam, insurance and pension contribution (For permanent employees).

### 6.1.3 Development and Training

The sustainable development of a business depends on long-term learning and development by its employees. Employees have always been an important asset for Askey so their cultivation and development have always been an important issue as well. Unit supervisors and the HR unit provide employees in different roles and at different stages in their career with the Askey E-learning website, internal training courses and external training course. These help to improve management and professional skills.

#### ASKEY E-Learning website



#### Education and Training Roadmap

The education, training and development system is made up of 8 training types: new employee training, promotion training, management training, quality training, system training, professional training, internal instructor training and self-improvement training. The comprehensive training regime provides employees with a more challenging and fulfilling career development.

Askey Vision and Strategy										
Diligence . Improvement . Innovation										
Level	Title	Grade	Off-Job Training (OFF-JT)							
			New Employee Training	Promotion training	Management Training	Quality Training	System Training	Professional Training	Internal Instructor Training	Self-Improvement Training
High-Level Management	Plant Manager/ Vice President Deputy Plant Manager/ Director	11-12	•New Employee Consensus Training •DL New Employee Orientation Training •IDL New Employee On-the-Job Training			•6 Sigma (GB & YB) •Lean Activity •Internal Auditor Certification •QCC/QIT Quality Activity	•ISO 9001 •ISO 14001 •QC080000 •OHSAS18001 •TS16949 •TL9000 •ISO13485 •IPC QML •ESD2.0 •CSR •HSF	•CE Skills •Training •Internal Skills •Assessment •IPC Certified •Welder •R&D •Finance •Sales •IT •HR •Materials •Testing & Certification •Departmental Professional Knowledge Training	•Internal Instructor Certification Training	•Stress Management Emotional •Management Inter-Personal Relations •Communication Skills •Office Software Presentation •Techniques
Mid-Level Management	Senior Manager/ Manager Assistant Manager	8-10			•Mid-Level Management Training (MTP)					
Junior Management	Section Chief/ Deputy Section Chief	6-7		•Junior Management Promotion Training	•Junior Management Training (TWI)					
	Senior Team Leader/Team Leader Senior Deputy Team Leader	4-5		•Team Leader Promotion Training	•Team Leader Development Training (TWI)					
Junior Employee	Indirect Employees: Specialists, Clerks	1-2								
	Direct Employees: Operators, Technicians									
On-the-Job Training (OJT)										
Individual Career Development Plan										

▲ Askey Training and Development System

#### New Employee Training

A convenient learning platform is provided for training new employees. The “Askey New Employee Handbook” and access to the E-Learning website is provided to new employees to help them familiarize themselves with Askey’s business philosophy, organization and management rules more quickly. Basic courses are also offered based on the professional knowledge of each department to help new employees settle into their roles.

**Pre-Service Training for Newcomers**

For new comers to quickly and comprehensively understand Askey's corporate vision ,mission,operational philosophy,corporate culture, and systems,new employees will receive pre-service training immediately on the reporting day. In the training we also arrange education about labor safety and health, prevention of sexual harassment and sexual discrimination, and the code of conduct and code of ethics for employees.

**Professional Training for Newcomers**

For new employees to adapt to and infuse with their job as early as possible, newcomer training is implemented by means of e-learning for employees to plan a personal learning schedule more appropriately and with greater flexibility. On the e-learning platform we also arrange a wide variety general education courses and professional courses to provide employees with a more convenient self-learning environment.

**Developing the Management Competency of Managers to Improve Leadership and Management Quality**

Based on the training target of management personnel, we plan the management competency training program. Through training activities we develop the goal development, organization, decision-making, supervision and cultivation abilities of management personnel, so as to improve their leadership and management quality for the management job.

**Cumulative Number of Internal Instructors**

An internal instructor training scheme has been introduced through the education and training system. The cultivation of internal instructors assist with employees' self-development. Senior employees who demonstrate excellence or those with chief auditor certification can all become internal instructors to assist other colleagues in boosting corporate experience, culture, image and professional skills. Askey's Zhonghe and Suzhou plants have cultivated 161 instructors as of 2016.

Plant	Number of People
Zhonghe Plant	14
Suzhou Plant	147

**Education and Training Hours**

In 2016, Askey's Zhonghe and Suzhou plants undertook 104,047.2 hours of training in total with an average training hour of 14.3 hours. Employee training is not affected by gender, religion or race. Eligibility is determined only by work requirements, employee learning and equal opportunity.

Gender	Role	Total Training Hours	Total Employees	Average Training Hours
Male	Management	1,268.5	312	4.1
	Non-management	4,109	837	4.9
	Total	5,377.5	1,149	4.7
Female	Management	252.5	68	3.7
	Non-management	4,852.2	775	6.3
	Total	5,104.7	843	6.1

▲ Zhonghe Plant

Gender	Role	Total Training Hours	Total Employees	Average Training Hours
Male	Management	8,581	358	24.0
	Non-management	47,271	2,679	17.6
	Total	55,852	3,037	18.4
Female	Management	4,384	168	26.1
	Non-management	33,329	2,100	15.9
	Total	37,713	2,268	16.6

▲ Suzhou Plant

**6.2 Safe and Healthy Workplace**

We are committed to protecting the environment as well as the safety and health of our employees.

**6.2.1 Safety and Health Management**

Askey complies with the relevant laws and regulations in implementing HSF, environmental safety and health policies. We are also continuing to promote improvements to environmental safety and health management as well as everyday practices. A Safety and Health Committee has been established at the Zhonghe plant in accordance with the "Occupational Safety and Health Management Regulations". The chairman of the committee is the general manager and 3 of the committee members are labor representatives so account for 42.85% of the 7-person committee. The committee is convened every 3 months in accordance with its charter. Follow-up of areas requiring improvement is also conducted after the meetings.

Plant	No. of Labor Representatives	Total Size of Safety Committee
Zhonghe Plant	3	7

Though the establishment of a safety and health committee is not required by local laws at the Suzhou plant, an “Environmental Safety and Health Committee” with overall responsibility for the plant's environment, health and safety affairs has been established. The general manager serves as the chairman of the committee and labor representatives make up 33% of the committee membership. Under internal regulations, the committee meets once every 3 months for regular communication and consultation with employees on matters relating to environmental safety and health.

### Analysis of Occupational Injury Statistics

There were 10 cases of occupational injuries at Askey in 2016. All 5 cases at the Zhonghe plant were traffic accidents. The 5 cases at the Suzhou plant consisted of 3 traffic accidents and 2 work injuries. For accidents at work, employees receive medical attention right away from the plant's first-aid personnel. The labor safety unit also carries out an investigation into the cause of the accident. Corrective action as well as education and training are then carried out at the same time. Unit supervisors must also strengthen their education efforts to prevent any further recurrence. There were no work-related deaths or confirmed cases of occupational disease identified during the year.

Plant	Gender	F.R	S.R	A.R
Zhonghe Plant	Male	2.75	42	0.0037
	Female	0	0	0.0067
Suzhou Plant	Male	0.55	14	0.0033
	Female	1.21	33	0.0069

**Note:** (1) Disabling injury frequency rate (FR) = Frequency of disabling injuries x 1 million work hours / Total work hours  
Frequency of disabling injuries does not include minor injuries (ex. Those requiring only the application band-aid or iodine).

(2) Disabling injury severity rate (SR) = Days lost due to disabling injury x 1 million work hours / Total work hours  
Days lost due to disabling injury are calculated from the day after the incident. The statistics from the Suzhou plant are in work days. The Zhonghe plant is in calendar days.

(3) Absentee rate (AR) = Total days lost + hours of sick leave / Total hours worked

### Occupational Medical Exam

Regular physical and health exams are used to monitor employees' physical health. Occupational health exams are also conducted for employees in different roles with regular follow-ups on any anomalies to protect employee health and prevent occupational disease. The exams also help employees with awareness of their own health. Physical exam coverage in all categories is 100%. No confirmed cases of occupational disease were identified during the year.

Plant	Special Operations Category	Employees to be Examined	Employees Examined
Zhonghe Plant	Powder and Dust Operations	4	4
	Ionizing Radiation	25	25
Suzhou Plant	Occupational Health exam (Noise, Ionizing Radiation)	292	292



Occupational Medical Exam

## 6.2.2 Energetic Workplace

### Human Rights Policy

Askey is a people-centric company that does not engage in compulsory labor. We also respect the labor rights of employees and gender equality. Askey adheres to the voluntary Electronic Industry Code of Conduct (EICC) and Declaration of Human Rights in only employing those who satisfy the local laws and regulations on minimum age. No child labor is employed by Zhonghe plant in accordance with the Labor Standards Act. Suzhou plant work actively to rescue child labor as well as protect the rights of underage and prison labor. Underage workers may not be assigned to hazardous roles and night shifts. Regulations are in place to protect the physical and mental well-being of employees.

### Communication Channels

To protect the legal rights of the company and employees, maintain positive labor relations, and resolve employees complaints, questions and disputes at work, Askey has set up a sound and comprehensive management system for managing labor relations, helping employees solve their problems and boost productivity. We hope that smooth vertical and horizontal communications will help build a harmonious working atmosphere at Askey. Labor-management meetings are held in accordance with the “Labor-Management Meeting Management Regulations.” In 2016, Askey's Suzhou plant received 60 employee complaints. All cases received a response within 3 working days and the resolution rate was 100%. Askey complies with the local labor regulations on minimum notice periods for all major changes in labor conditions.

#### Diversified Complaints Channels

- Reception
- E-mail: wj\_hr@askey.com.tw / hr@askey.com.tw
- Monthly Walk-About Interviews
- Monthly Angel Counseling
- Complaints Hotline: 15162511566 or 611566
- Complaints Mailbox

### Assessment of Security Practices

Askey employs 103 security personnel. All security personnel are from licensed security companies and undergo regular training on human rights. Preventive law enforcement is practiced to prevent and reduce the incidence of crime, eliminate potential safety hazards, and ensure the effective execution of security operations. Current education and training for employees all conform to human rights laws.

Plant	Total Personnel	Total Number of Personnel Trained	Total Training Hours
Zhonghe Plant	4	4	8
Suzhou Plant	99	99	99

### Health Seminars and Activities

Askey regularly hosts seminars on LOHAS, health promotion, or to boost employee friendship. Apart from helping employees unwind, these also increase their health-related knowledge. A health care point passport scheme is also used to increase employee participation.

Item	Event Description
Medical Seminars	Chinese Acupuncture - A Free Pathway to Health (Two Sessions)
	Slim diet (two sessions)
	Longevity is Decided by the Health of Blood Vessels
	Physical Fitness Seminars
	Finding Inner Peace and Health
	Burn Prevention and First-Aid
	Workplace Relaxation and Self-Care
	Stretching Exercises for Office Workers and Introduction to the i-Care Health Promotion Service Network Guide to Psoriasis and Atopic dermatitis

Item	Event Description
Health Promoting Activity	4 Blood Donation Drives
	2016 Askey Health Challenge Camp
	Bone Density Exam
	Employee Health Exam
	Physical Fitness Club
	National Fitness Exam
	Free Pap Smear Event
	Book Donation
	Flu Vaccination
	Stair-Climbing Exercise
	i-Care Health Promotion Activity
5 <sup>th</sup> Health Care Point Passport Scheme	



Slim Diet



Stretching Exercises for Office Workers



Burn Prevention and First-Aid



Bone Density Exam



National Fitness Exam



Physical Fitness Club

### Employee Health Care Point Passport Scheme

The Askey health care point passport scheme encouraged employees to participate in health promoting activities. Collected points and lucky draws are used to win rewards such as cash bonuses and participation prizes. The event has proven popular in recent years and the participation rate has continued to climb.



### i-Care Health Promotion Activity

Assists with employees' health promotion requirements. Health education, activities and services encourage employees to take ownership of health management and monitor their own health.



### Book Donation

Book recommendations and the setting up of channels conducive to physical and mental health has now raised 113 books on knowledge, health, recreation and travel. Employees have begun borrowing these books and the feedback has been generally positive.



## 6.3 Social Participation and Contribution

Askey strives to develop a variety of high-quality networking communications equipment and to create an advanced communication environment for mankind. Apart from the production and application of networking communications technology, we also approach public issues and affairs in communication from a CSR perspective. Askey is actively involved in supporting charity events for disadvantaged groups as well. In 2016, we organized a series of charity events where Askey employees demonstrated “Communicate with Love · Love Communicate”, and our corporate spirit of compassion.

### Caring for the elderly

On January 23, 2016, HR representatives from Askey Suzhou plant visited the seniors home in Songlin Township, Wujiang District of Suzhou City. They brought warmth to the seniors on a cold winter day, delivered purchased supplies into the hands of every senior. Through the visits, they listen to the elderly attentively and bring new motivations to them. Askey organizes such charity visits every year. It is not only a demonstration of Askey’s social compassion but also an expression of our corporate culture. We will make this charitable act a part of our tradition.

Caring for the elderly



### Blood Donation Bus

To provide regular blood donations over a long period of time and support the appeal to “giving blood saves lives”, Askey invites the blood donation bus from the Taipei Blood Donation Center to stop by the ground floor of the Askey Zhonghe plant every 3 months. This provides employees and local residents with a more convenient way to make a contribution to society. Employees can donate blood during office hours or during breaks. The initiative strengthens the spirit of charity among employees and local residents. It also helps those in need.

Blood Donation Bus



### Helping Small Farmers

The spate of food safety and environmental pollution incidents in recent years has drawn our attention to food safety and environmental conservation issues. The food safety crisis also increased interest in pesticide- and toxin-free foods, leading to the rise of farmers’ markets. Some small farmers however end up being exploited by distributors because they don’t know how to market their hard-won produce. This situation inspired Askey to focus on improving the livelihood of small farmers.

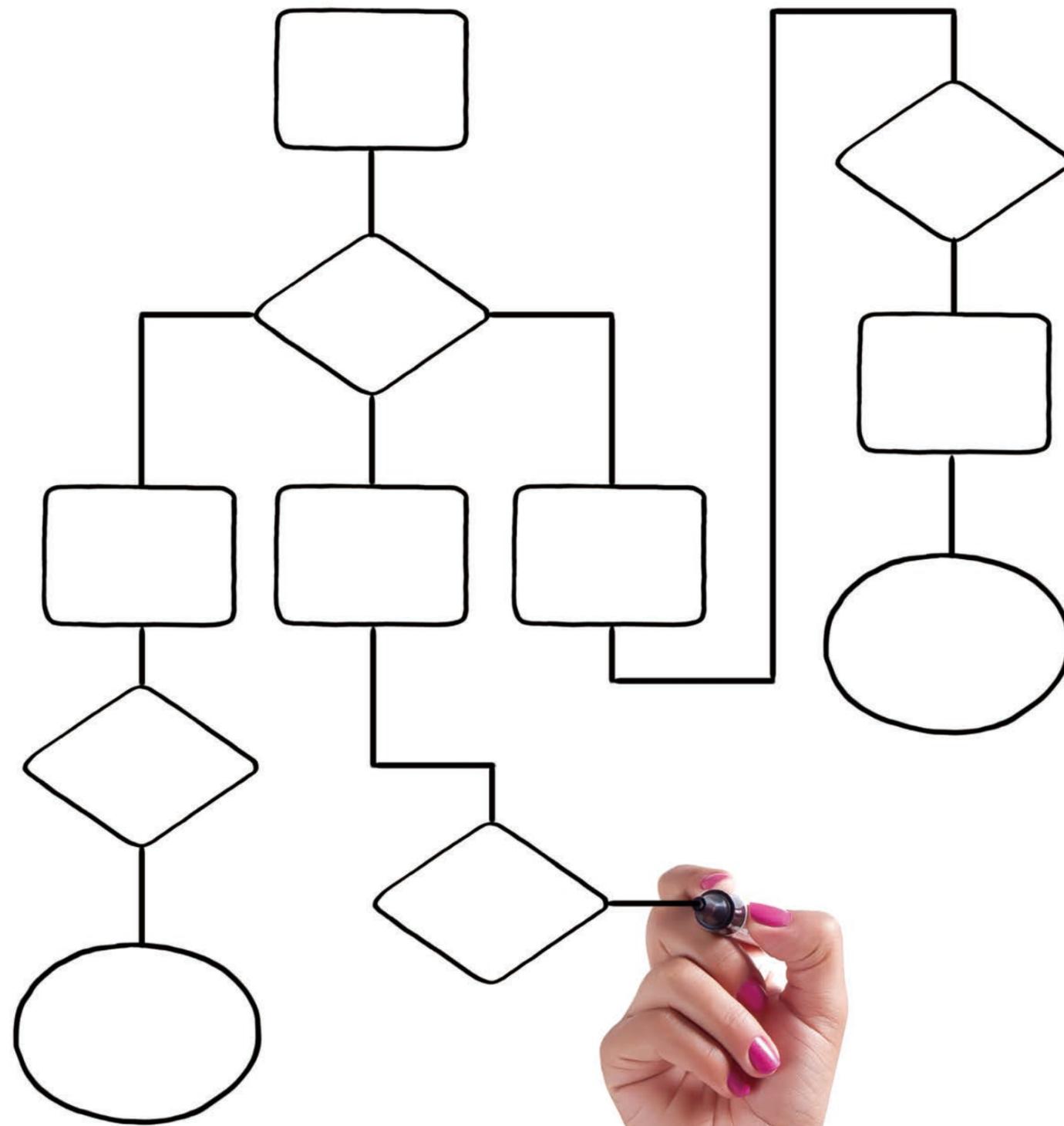
Askey contacted the “Tri-small Market” in Yunlin to let employees place pre-orders for fresh farm produce, vegetables, processed products and handicrafts each week. These are also sold through the 10F pantry at the Askey Zhonghe plant every Tuesday as well. The toxin-free agricultural products not only give employees peace of mind in their diet but also allow them to enjoy fresh produce without having to go all the way to a farmer’s market.



**Children Are Us Charity Cake Sale - Orphanage**

To add to the festive Christmas atmosphere of December, the Children are Us bakery was invited to hold two Christmas charity sales at Askey. These consisted of an internal charity sale on 10F and a public charity sale in the 1F lobby. The merchandise was Christmas-themed baked goods prepared by children with Down syndrome. The event also hoped to bring the spirit of Christmas to children's homes as well. Askey therefore purchased NT\$30,000 in Christmas gift boxes from the Children Are Us Bakery and delivered them to six children's homes in the Greater Taipei region. We hope this act will spread warmth and love.

01	Ti-hwei Children's Home	02	Chung Yi Children's Home	03	TCWC Children Home
04	The Mustard Seed Mission Children's Home	05	Bethany Children's Home	06	Tatung Children's Home



**7. Appendix**  
7.1 Assurance Statement  
7.2 GRI G4 Index Comparison Table

## 7. Appendix

### 7.1 Assurance Statement



## ASSURANCE STATEMENT

### SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE ASKEY COMPUTER CORPORATION'S CORPORATE SOCIAL RESPONSIBILITY REPORT FOR 2016

#### NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by ASKEY COMPUTER CORPORATION (hereinafter referred to as ASKEY) to conduct an independent assurance of the Corporate Social Responsibility Report for 2016 (hereinafter referred to as CSR Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the text, and data in accompanying tables, contained in this report.

The information in the ASKEY's CSR Report of 2016 and its presentation are the responsibility of the management of ASKEY. SGS has not been involved in the preparation of any of the material included in ASKEY's CSR Report of 2016.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all ASKEY's stakeholders.

The SGS protocols are based upon internationally recognized guidance, including the Principles contained within the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (2013) for accuracy and reliability and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

This report has been assured using our protocols for:

- evaluation of content veracity at a moderate level of scrutiny for ASKEY and moderate level of scrutiny for applicable aspect boundaries outside of the organization covered by this report;
- AA1000 Assurance Standard (2008) Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2008); and
- evaluation of the report against the Global Reporting Initiative Sustainability Reporting Guidelines (G4 2013).

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, CSR committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant. Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

#### STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from ASKEY, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, EICC, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

#### VERIFICATION/ ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the information and data contained within ASKEY's CSR Report of 2016 verified is accurate, reliable and provides a fair and balanced representation of ASKEY sustainability activities in 01/01/2016 to 12/31/2016.

The assurance team is of the opinion that the Report can be used by the Reporting Organisation's Stakeholders. We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting. In our opinion, the contents of the report meet the requirements of GRI G4 Core Option and AA1000 Assurance Standard (2008) Type 1, Moderate level assurance.

#### AA1000 ACCOUNTABILITY PRINCIPLES (2008) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

##### Inclusivity

ASKEY has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, CSR experts, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. ASKEY may consider having more direct two-ways stakeholder engagements for future reporting.

##### Materiality

ASKEY has established effective processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

##### Responsiveness

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

#### GLOBAL REPORTING INITIATIVE REPORTING GUIDELINES (G4 2013) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

The report, ASKEY's CSR Report of 2016, is adequately in line with the GRI G4 Core Option. The material aspects and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material aspects and boundaries, and stakeholder engagement, G4-17 to G4-27, are correctly located in content index and report. More governance related GSDs may be further enhanced in future reports. More disclosures on the specific actions taken to achieve CSR goals and targets are recommended. Detailed disclosures on supply chain management related indicators are also encouraged.

Signed:

For and on behalf of SGS Taiwan Ltd.

David Huang, Director  
Taipei, Taiwan  
6 June, 2017  
WWW.SGS.COM



AA1000  
Licensed Assurance Provider  
000-8

## 7.2 GRI G4 Index Comparison Table

Aspects	Index	Instruction	Section	Page	Omit explanations
Strategy and Analysis	G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	1.1 From the CEO	3	
Organizational Profile	G4-3	Report the name of the organization.	3.1 About Askey	11	
	G4-4	Report the primary brands, products, and services.	3.1 About Askey 4.2 Customer Service	11 22	
	G4-5	Report the location of the organization's headquarters.	3.1 About Askey	11	
	G4-6	Report the number of countries where the organization operates, and names of countries.	3.1 About Askey	11	
	G4-7	Report the nature of ownership and legal form.	3.1 About Askey	11	
	G4-8	Report the markets served.	3.1 About Askey	11	
	G4-9	Report the scale of the organization.	3.1 About Askey	11	
	G4-10	Report the total workforce by region and gender.	6.1 Recruitment and Training	44	
	G4-11	Report the percentage of total employees covered by collective bargaining agreements.			No employee labor unions were formed; No employee to sign a collective agreement.
	G4-12	Describe the organization's supply chain.	4.3 Supplier Management	28	
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	3.2 Governance Structure	15		
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.	3.3 Risk Management	19		
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	6.2 Safe and Healthy Workplace	52		
G4-16	List memberships of associations and national or international advocacy organizations in which the organization.	3.1 About Askey	11		
Identified Material Aspects and Boundaries	G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	3.1 About Askey	11	
	G4-18	Explain the process for defining the report content and the Aspect Boundaries. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	2.2 Material Issues and Boundary	8	
	G4-19	List all the material Aspects identified in the process for defining report content.	2.2 Material Issues and Boundary	8	
	G4-20	For each material Aspect, report the Aspect Boundary within the organization.	2.2 Material Issues and Boundary	8	

Aspects	Index	Instruction	Section	Page	Omit explanations
Identified Material Aspects and Boundaries	G4-21	For each material Aspect, report the Aspect Boundary outside the organization.	2.2 Material Issues and Boundary	8	
	G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.			None
	G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.			No significant change
Stakeholder Engagement	G4-24	Provide a list of stakeholder groups engaged by the organization.	2.1 Stakeholder Identification and Communication	7	
	G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	2.1 Stakeholder Identification and Communication	7	
	G4-26	Report the basis for identification and selection of stakeholders with whom to engage.	2.1 Stakeholder Identification and Communication	7	
	G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	2.2 Material Issues and Boundary	8	
	Report Profile	G4-28	Reporting period for information provided.	1.2 About this report	5
	G4-29	Date of most recent previous report.	1.2 About this report	5	
	G4-30	Reporting cycle.	1.2 About this report	5	
	G4-31	Provide the contact point for questions regarding the report or its contents.	1.2 About this report	5	
	G4-32	Report the 'in accordance' option the organization has chosen. Report the GRI Content Index for the chosen option. Report the reference to the External Assurance Report, if the report has been externally assured. GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guidelines.	1.2 About this report	5	
	G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. Report the relationship between the organization and the assurance providers. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.	7.1 Assurance Statement	61	
Governance	G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	3.2 Governance Structure	15	
	G4-38	Report the composition of the highest governance body and its committees.	3.2 Governance Structure	15	

Aspects	Index	Instruction	Section	Page	Omit explanations
Governance	G4-39	Report whether the Chair of the highest governance body is also an executive officer.	3.2 Governance Structure	15	
Ethics and Integrity	G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	3.2 Governance Structure	15	
	G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	3.2 Governance Structure	15	
	G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	3.2 Governance Structure	15	

Category	Material Aspects	DMA and Index	Instruction	Section	Page	Omit explanations
Economic	Economic Performance	DMA		4.1 Business Overview	22	
		G4-EC4	Financial assistance from government.	4.1 Business Overview	22	
	Market Presence	DMA		6.1 Recruitment and Training	44	
		G4-EC6	Proportion of senior management hired from local community at significant location of operation.	6.1 Recruitment and Training	44	
Environment	Energy	DMA		5.2 Green Management	36	
		G4-EN3	Energy consumption within the organization.	5.2 Green Management	36	
		G4-EN6	Reduction of energy consumption.	5.2 Green Management	36	
	Emissions	DMA		5.2 Green Management	36	
		G4-EN15	Direct greenhouse gas emissions (scope 1).	5.2 Green Management	36	
		G4-EN16	Energy indirect greenhouse gas emissions (scope 2).	5.2 Green Management	36	
		G4-EN19	Reduction of greenhouse gas emissions.	5.2 Green Management	36	
	Effluents & Waste	DMA		5.2 Green Management	36	
		G4-EN23	Total weight of waste by type and disposal method.	5.2 Green Management	36	
	Compliance	DMA		5.1 Green Commitment	35	
		G4-EN29	Fines and sanctions for non-compliance with environmental regulations.			
	Social-Labor Practices and Decent Work	Employment	DMA		6.1 Recruitment and Training	44
G4-LA1			Total number and rates of new employee hires and employee turnover by age group, gender and region.	6.1 Recruitment and Training	44	
G4-LA2			Benefits provided to full-time employees that are not provided to temporary or part-time employees.	6.1 Recruitment and Training	44	

Category	Material Aspects	DMA and Index	Instruction	Section	Page	Omit explanations
Social-Labor Practices and Decent Work	Employment	G4-LA3	Return to work and retention rates after parental leave, by gender.	6.1 Recruitment and Training	44	
		DMA		6.2 Safe and Healthy Workplace	52	
	Labor/ Management Relations	G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	6.2 Safe and Healthy Workplace	52	
		DMA		6.2 Safe and Healthy Workplace	52	
		G4-LA5	Percentage of workforce represented in formal joint health and safety committees.	6.2 Safe and Healthy Workplace	52	
	Occupational Health and Safety	G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	6.2 Safe and Healthy Workplace	52	
		G4-LA7	Workers with high incidence or high risk of diseases related to their occupation.	6.2 Safe and Healthy Workplace	52	
	Training and Education	DMA		6.1 Recruitment and Training	44	
		G4-LA9	Average hours of training per year per employee by gender, and by employee Category.	6.1 Recruitment and Training	44	
Social-Human Rights	Non-Discrimination	DMA		6.2 Safe and Healthy Workplace	52	
		G4-HR3	Total number of incident of discrimination and corrective actions taken.			None
	Child Labor	DMA		6.2 Safe and Healthy Workplace	52	
		G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	6.2 Safe and Healthy Workplace	52	
	Forced or Compulsory Labor	DMA		6.2 Safe and Healthy Workplace	52	
		G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.			None
	Security Practices	DMA		6.2 Safe and Healthy Workplace	52	
		G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.	6.2 Safe and Healthy Workplace	52	
	Society-Society	Anti-Corruption	DMA		3.2 Governance Structure	15
G4-SO5			Confirmed incidents of corruption and actions taken.			None

## 2016 Corporate Social Responsibility

### 7. Appendix

Category	Material Aspects	DMA and Index	Instruction	Section	Page	Omit explanations	
Society-Product Responsibility	Customer Health and Safety	DMA		5.3 Green Products and Services	39		
		G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	5.3 Green Products and Services	39		
		G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.			None	
	Product and Service Labeling	DMA				22	
		G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	4.2 Customer Service			None
		G4-PR5	Results of surveys measuring customer satisfaction.	4.2 Customer Service	22		
	Marketing Communications	DMA			4.2 Customer Service	22	
		G4-PR6	Sale of banned or disputed products.				None
		G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications.				None
	Customer Privacy	DMA			4.2 Customer Service	22	
		G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.		4.2 Customer Service	22	
	Compliance	DMA			4.2 Customer Service	22	
		G4-PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.				None



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