



**Ardentec**

A testing partner you can trust

# 2015 Corporate Social Responsibility

A TESTING PARTNER YOU CAN TRUST



**Ardentec**

## | About the Report

### ❖ Report Period and Publishing

This report is the third corporate social responsibility report published by Ardentec Corporation which discloses the performance of corporate social responsibility (CSR) from January 1, 2015 to December 31, 2015. Electronic version of this report can be downloaded from the company's website <http://www.ardentec.com>. Ardentec issues the Corporate Social Responsibility Report every year. The previous year's report was published in June, 2015, and we expect to issue the next report in June, 2017.

### ❖ Scope of Report

This report discloses the economic, environmental, and social aspects of Ardentec's performance, including its Taiwan headquarters and its Singaporean and Korean subsidiaries. There were no occurrence of major events during the reported period that would impact the company's organization and businesses.

### ❖ Drafting Principles and Guidelines

This report was prepared in accordance with Global Reporting Initiative's GRI G4 and the AA1000 APS (2008) standards. It discloses the steps taken by Ardentec to ensure business sustainability in a number of aspects, such as stakeholder response, corporate governance, economics, environmental, employees, and social engagement.

Financial figures in this report are expressed in NTD and are CPA-certified. Performances in terms of environment, safety and health are illustrated based on internationally accepted benchmarks and data filed with the competent authorities.

### ❖ Verification

The verification of this report is entrusted to a third party verification unit, BSI Taiwan Ltd., in line with G4 core disclosure level and type 1 moderate assurance level of AA1000 AS assurance standard. The BSI independent statement is attached to the appendix of this report.

### CSR Contact

## About the Report

### Letter from Chairman and President

01

## **A** About Ardentec

- 2 1.1 Company Introduction
- 2 1.2 Corporate Values
- 3 1.3 The Organization
- 4 1.4 Professional Services
- 5 1.5 Market Size and Performance
- 6 1.6 Surplus Allocation
- 6 1.7 Development Strategies and Innovations
- 6 1.8 Honors and Accolades

17

## Corporate Governance

- 18 3.1 Governance Principles
- 18 3.2 Board of Directors
- 19 3.3 Executive Compensation Policy.
- 20 3.4 Ethical Guidelines
- 20 3.5 Internal Controls
- 21 3.6 Risk Management
- 22 3.7 Major Investment and Supplier Human Rights

09

## Sustainable Business Framework

- 10 2.1 CSR Policy
- 10 2.2 The CSR Organization
- 11 2.3 Stakeholders and Issues of Concern Collection
- 14 2.4 Issue Materiality Matrix
- 15 2.5 The Consideration of Key Issues and the Identification of Boundaries
- 16 2.6 Communication with Stakeholders

23

## Environmental Protection

- 24 4.1 Environmental Sustainability Policy
- 24 4.2 Environmental Protection Expenses and Investment
- 24 4.3 Green Management System
- 24 4.4 GHG Reduction Program
- 24 4.5 Disclosure of Environmental Information
- 24 4.6 Climate Change and Opportunities
- 24 4.7 Water Resource Management
- 24 4.8 Waste Management

37



## Employees as Partners

- 38 5.1 Employee Partnership Policy
- 38 5.2 Right People for Right Job
- 38 5.3 Compensation and Benefits
- 38 5.4 Education and Training
- 38 5.5 Workplace Health and Safety
- 38 5.6 Labor-Management Harmony
- 38 5.7 Workforce Structure

59



## Community Involvement

- 60 7.1 Community Engagement
- 60 7.2 Educational Support
- 60 7.3 Caring for the Disadvantaged
- 60 7.4 Sustainability of the Environment and Ecosystem

53



## Customer Service and Supplier Management

- 54 6.1 Customer Service
- 54 6.2 Customer Secrecy Protection
- 54 6.3 Quality Optimization of Customer Service
- 54 6.4 Customer Satisfaction Surveys
- 54 6.5 Supplier/Contractor Management
- 54 6.6 Supplier Audits
- 54 6.7 Business Ethics Education
- 54 6.8 Supplier/Contractor Workplace Safety

71



## Annexes

- 72 Annex 1 Independent Assurance Opinion Statement
- 72 Annex 2 GRI G4 Reference Table
- 72 Annex 3 ISO26000 Reference Table
- 72 Annex 4 Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies Reference Table
- 72 Annex 5 The UN Global Compact Reference Table

## Letter from Chairman and President

### Dear friends caring about the sustainability development of Ardentec:

We are pleased to share the Ardentec's 2015 performance of CSR with you again.

When pursuing economic performance, we also combine social justice and environmental sustainability in our important business strategies. The Board of Directors regularly reviews the company policies, direction of development, and effectiveness of CSR practice. Through corporate governance, we combine CSR with routine operations to realize corporate social responsibility.

Ardentec Corporation is a member of the semiconductor industry, and the President personally supervises Company's CSR Committee. Apart from ensuring total compliance with relevant laws, regulations, and international conduct codes, we combine economic development, human rights, ethics, energy saving, and emission reduction with routine operations in accordance with the Electronic Industry Code of Conduct (EICC) and Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies, makes continual improvement, and pursues environmental sustainability.

Ethics and corporate governance are the foundation of our business philosophy. All employees concur with the core value of integrity, righteousness, and care; observe the law and uphold ethics, and object to corruption and bribery.

As a semiconductor testing service company, electricity and a small amount of water is our main use of environmental resources. However, we make great efforts to save energy and reduce and recycle waste in all parts of our operational activities. As green house gas (GHG) reduction is also part of our concern, in 2010 we began establishing our own GHG inventory and management system at Taiwan headquarters, Singapore subsidiary, and Korea subsidiary in accordance with ISO 14064-1 to aggressively promote GHG reduction and control, implement GHG inventory, and review the effectiveness of our efforts every year. Our efforts in GHG reduction and removal have been assured by the British Standard Institution (BSI), a third-party assurance authority, with an assurance statement. Enhancement of the efficiency of water resources utilization and effective management of waste reduction are how we realize our determination for environmental protection.

In addition, employees at home and abroad bring their family and friends to join our coastal cleanup and tree sitation activities every year to turn our concerns into real actions concerning nature, the environment, and habitats of living organisms. Employees also adopt eco-fields to support a home for environmental protection and eco-diversity with money and diet. The care for biodiversity and environmental protection runs in employees at home and abroad, and everyone does his/her part for the environment step by step.

At Ardentec, employees respect one another, treat one another fairly without discrimination, and balance work and family life well. We are glad that all employees not only find their interest and vision from work but also have warm and enthusiastic compassion. They voluntarily accompany homeless seniors in Hukou of Hsinchu and in Pyeongtaek of South Korea where the company lies; make monetary and in-kind donations and organize charitable sales for dementia, disabled, and homeless seniors; and arrange warm year-end dinner dishes for all dementia, disabled, and homeless seniors in Hukou. They also sponsored students from remote Qalang Smangus to fulfill their field trip dream



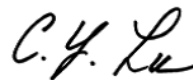
and support the Lion Dance and Drum Team of Chung Cheng Junior High School to continue Chinese culture. Employees are involved in care for disadvantaged groups, support for education, and other philanthropic activities and indigenize social concerns and compassion as the traits and culture of Ardentec employees.

We are fortunate that all customers value corporate social responsibility. Therefore, we gather certain suppliers to realize our corporate social responsibilities to vie for sustainability. We are grateful for the commitment and cooperation of suppliers who turn partnership from mutual support in the economic aspect into a supply chain that values and pursues social justice and environmental sustainability.

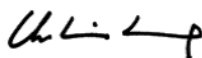
In terms of economic performance, we adequately disclose our performance in writing or over the internet to all stakeholders in accordance with relevant laws and regulations of the Republic of China. We also regularly disclose on the corporate website the performance or performance data of our governance, human rights, energy saving and emission reduction, water resources utilization, and environmental sustainability. By publishing the CSR report every year, we share with all stakeholders and adequately disclose information related to corporate governance and environmental sustainability. Stakeholders are welcome to give us their comments and pursue the sustainability and co-prosperity of both the environment and society together with us.

Semiconductor technology advances by leaps and bounds, and the flexibility and change of the macro environment are the main impacts on the semiconductor industry. To cope with such risks, we make continuous technological innovations and improvements. Constant enhancement of manufacturing efficiency and quality discipline, information service that wins customer trust, and keeping close to custom requirements are the opportunities for us to overcome risks and create competitiveness in the blue ocean. We believe that only enterprises that create sustainable operations from risks can continuously contribute to society and environmental protection.

**Chairman** Chih-Yuan Lu



**President** Chi-Ming Chang





# A About Ardentec

- 1.1 Company Introduction
- 1.2 Corporate Values
- 1.3 The Organization
- 1.4 Professional Services

- 1.5 Market Size and Performance
- 1.6 Surplus Allocation
- 1.7 Development Strategies and Innovations
- 1.8 Honors and Accolades





## 1.1 Company Introduction

Ardentec Corporation is a specialized semiconductor testing company. The company's service includes testing engineering development and product testing of various semiconductors. OTC public offering in 2005 made the company a 100% private investment enterprise.

Ardentec's headquarters is in Hsinchu Industrial Park, Hukou Township, Hsinchu County, Taiwan. Taiwan headquarters has a total of 4 Sites, including Kaiyuan, TingShin, Gaosheng and Paoching. Headquarters in Taiwan, Singapore subsidiary and Korea subsidiary connected as the circular Asia service band, forming a complete business development and testing operation service network of Europe, Asia and America.

The front-end and back-end (such as testing and packaging) in the semiconductor industry require huge equipment investment. The technology and production management of the front end and back-end are very different. Therefore, in the semiconductor industry, the professionalization of the back-end such as testing and packaging becomes a parallel and complementary division of labor with the front-end. With the industry-leading engineering capability, quality system and IT technical service and through the industrial vertical integration, Ardentec has established a long-term cooperative relationship with big domestic and foreign semiconductor manufactures and become one of top three specialized wafer testing service provider in Taiwan. With a specialty in niche services, Ardentec hopes to secure its foothold in the world's semiconductor industry.



Kaiyuan Site



TingShin Site



Gaosheng Site



PaoChing Site



Singapore Site



Korea Site

## 1.2 Corporate Values

Ardentec aspires to be a model company that creates a positive cycle conducive to the development of society, the economy and the industry by emphasizing business ethics, exercising diligent in governance, adhering to laws and regulations as well as international rules and standards, making transparent disclosures, and using the "right" business processes to provide customers with the best professional services and provide employees with the best care and benefits. To us, the most enjoyable aspect of corporate management is to engage employees, customers, suppliers and business partners with "passion" and create the right values through "rationality." These beliefs are the cornerstones of "Ardentec."

In addition, Ardentec has incorporated issues of environmental protection, employee care, and society feedback into its corporate governance, and thereby ensure sustainable growth for the Company, the employees, the environment, and society alike.

### Corporate Values



With the spirit of continuous improvement, Ardentec meets the requirement of high quality clients and the expectation of long-term stakeholders.



With enthusiastic and innovative attitude, Ardentec provides valuable key service in the global semiconductor industry.



With balanced humanity and professional demands, we drive the co-growth of employees and company.

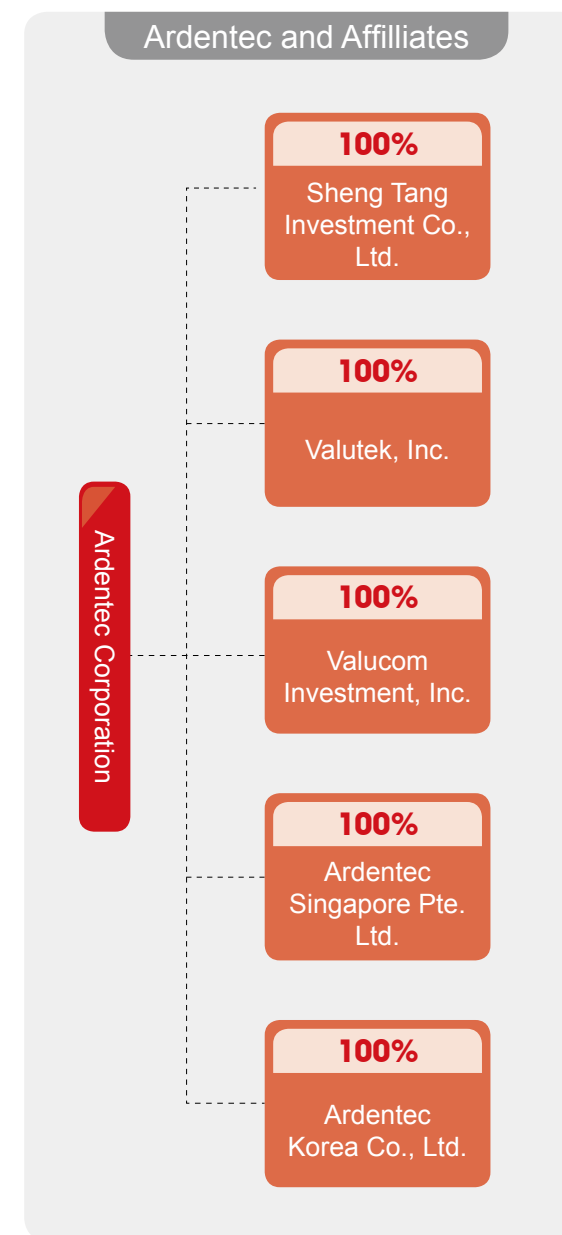
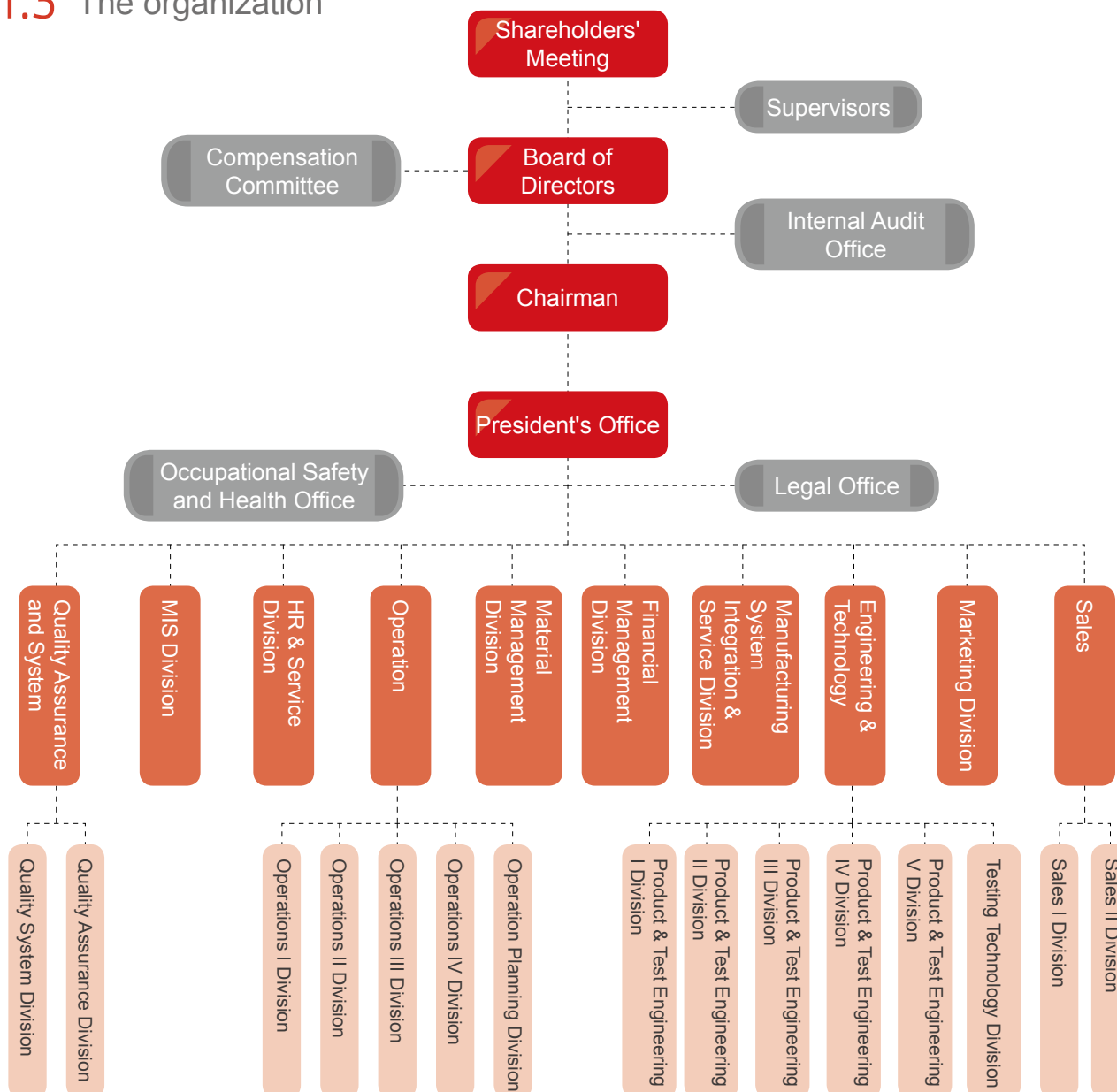


With a commitment to business integrity, we endeavor to care for the sustainable development of society and the environment.



About Ardentec

## 1.3 The organization





## 1.4 Professional Services

With engineering expertise, service enthusiasm, and lean on-site management, we are committed to providing customers with complete semiconductor testing solutions. Our scope of service includes pre-production engineering service, mass production engineering service, probe card service, wafer probing service, final testing services, wafer-level chip scale packaging (WLCSP) service, and other related engineering support services.

In Ardentec, we have independently developed highly automated information platforms. Our outstanding engineering team builds custom information service for customers with different needs and provides customers with engineering services from the design phase to mass production to enable customers to quickly start mass production and maximize added value for customers. By combining highly automatic test production with the rigorous quality system and production error automatic alarm system, we assure the production quality of customer products.

### Ardentec Services



#### 1. Wafer probing service

- Provide Wafer probing service of semiconductor products
- Includes 6", 8", 12" wafer, solder pad, bumping format cold temp and high temp probing



#### 2. Production engineering service

During the mass production stage, we use precision testing equipment and systems to help customers increase yield and reduce testing costs. We also provide proper management of test programs and data.



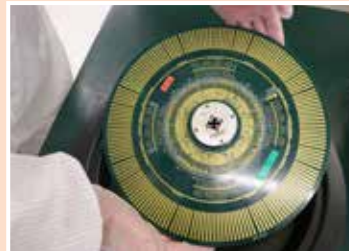
#### 3. Final test service

- Laser repair service
- SoC and embedded IC test development
- IC test development and analysis



#### 4. wafer level chip scale packaging (WLCSP)

Provide wafer-level chip scale packaging services such as wafer size backside grinding, wet and dry polishing, cutting, picking of the die and T&R.



#### 5. Probe card service

Provide complete probe card solutions to help customers design, fabricate and maintain probe cards. We also have a complete management system in place to give customers full control over their probe cards.



#### 6. Pre-production engineering service

While the customer is undergoing IC design, we provide professional suggestions on wafer testing so that products may be in the best quality to undergo testing at the lowest cost, after the pre-production stage.



#### 7. Others

- Laser repair service
- SoC and embedded IC test development
- IC test development and analysis



## 1.5 Market Size and Performance

While the international economic condition becomes conservative, major institutions of international economic analysis<sup>1</sup> have revised their forecast for global economic growth in 2016. Whether or not the US interest rate can maintain stable economic performance, the impact of the continuing slowdown of China and emerging ASEAN economies, and the political turmoil in the Middle East also bring uncertainties to the future international economics. At this critical moment, we continue to uphold our careful investment concept, maintain a cautious and steady pace in business operations, continuously optimize customer service, and improve self-competitiveness to incessantly maximize benefits for customers, shareholders, and employees with our competitive strength: continuously improving quality.

With a reputation in the semiconductor testing market, apart from the continuous growth in the logic and mixed-signal IC wafer test services, growth is seen in security control, auto, and telecommunication wafer sort service. In 2015, semiconductor testing service commanded at 95% of our sales.

<sup>1</sup> World Bank, IMF, and HIS.

### 2015 product sales proportion

(Unit: NT\$1,000)

Product	Revenues	Weight
Wafer Test	5,269,839	89%
Final Test	343,777	5.8%
Others (equipment rental)	310,886	5.2%
<b>Total</b>	<b>5,924,502</b>	<b>100%</b>

In recent years, major IDMs (Integrated Device Manufacturers) in Europe and the United States have outsourced increasing amounts of work to Taiwan's semiconductor manufacturers and are eager to look for local packaging and testing partners. Ardentec, with its rich testing experience and customized services, has won the favor and trust of international clientele, and therefore saw its overseas revenues rising year after year.

### 2014 and 2015 Testing Service Sales Region

(Unit: NT\$1,000)

	2014	2015
Taiwan	2,072,284	1,644,883
USA	2,373,029	2,553,538
Singapore	663,439	530,004
Mainland China	120,957	103,519
Others ※	604,290	1,092,558
<b>Total</b>	<b>5,833,999</b>	<b>5,924,502</b>

※ Primarily consists of European customers, Malaysia and Thailand

### 2014 and 2015 Financial Performance (Consolidated)

(Unit: NT\$1,000)

Year	2014	2015
Operating revenues	5,833,999	5,924,502
Operating costs and expenses	4,567,573	4,777,464
Operating net profit	1,266,426	1,147,038
Non-operating revenues and expenses	170,684	41,517
Pre-tax profit	1,437,110	1,188,555
Income tax expense	230,380	201,607
Current period net profit	1,206,730	986,948



## 1.6 Surplus Allocation

According to the Company's Articles of Incorporation, when there is a profit after the annual closing of books, besides paying taxes and covering up losses in previous years, the Company will appropriate 10% of the balance as the legal reserve and the special reserve by the law or based on actual needs. Then, according to the need for operational activities, the Board of Directors will draw up a proposal to distribute the balance (including reverted special reserve) together with the unappropriated earnings in the previous year and submit the proposal to the annual general meeting of shareholders (AGM) for resolution before distributing the profit.

The 2015 net profit after tax is NT\$1,206,730,273. The Board of Directors approved on March 10, 2016 the distribution of cash dividends at NT\$1.3 per share and free stock dividends at 10 shares each 1,000 shares, provided that the dividend allocation proposal will not take effect after it is approved by the annual general meeting of shareholders (AGM) on June 28, 2016.

## 1.7 Development Strategies and Innovations

The experience accumulated from providing wafer testing services for leading manufacturers at home and abroad has enabled Ardentec to establish core competitiveness in key technologies, such as advanced testing technology, test process analysis systems, and test production automation.

To cope with the market trend of industry, we have shifted our R&D resources and focus to the technology for testing auto ICs, security control ICs,

and IoT-related ICs in recent years, and we are at the harvesting stage now. Together with the existing technical capacity for testing portable devices, our technical capacity becomes more complete.

We have also embarked on the R&D and successfully integrated technologies relating to IC testing, such as information system, logistics management, and automated production, to provide customers with integrated products and services.

Aiming to improve production quality and enhance production efficiency, we continuously research and develop information systems to achieve the dual goal of product quality improvement and testing cost reduction. We also continuously optimize and develop the test process analysis system and test machine real-time monitoring system to meet the comprehensive demands and quality requirements of different customers.

Top cope with the industry trend, we continuously expand our testing capacity for 12-inch wafers to become the largest testing team for 12-inch wafers in the industry. Apart from providing long-term mass production testing service for numbers of professional IC manufacturers at home and abroad, we launch cooperation with upstream IC design houses to advance the development of product testing programs for customers at the product design phase to facilitate customers to quickly start mass production.

One-stop, high-end, and automated testing services have become a market trend. In addition to participating in the professional division of labor and launching strategic alliances with the industry chain at home and abroad for global market deployment, we have also established the Patent Review Committee to develop patents for cutting-edge testing, advanced IT technologies, and automation technologies. The committee also continuously optimizes and innovates research energy and services to achieve the goal of “leading brand of testing and qualification service and technology development” with complete and custom

services. By the end of 2015, our R&D team and individual engineers have obtained nearly 180 patents, including 8 items granted in 2014 and 2015. With these patents, we can make a big step forward in the testing of finished/semi-finished products to become an expert in wafer testing leading the industry.

## 1.8 Honors and Accolades

### Membership

Site	Members
Taiwan Headquarters	Global Semiconductor Alliance (GSA)
	Taiwan Semiconductor Industry Association
	Chinese Institute of Engineers, Hsinchu County Chapter
	Monte Jade Taiwan
	Hsinchu Industrial Society
	Hsinchu Industrial Park Association
	Hsinchu Industrial Park Security Alliance
	Hsinchu County Nurses Association
	Automobile Electronic SIG Exchange Seminar
Singapore Site	Chinese Institute of Industrial Engineers (CIIE)
	Singapore Business Federation (SBF)
Korea Site	Singapore Semiconductor Industry Association (SSIA)
	Korea Customs Logistics Association
	Eoyeon Hansan Industrial Complex Manager Association
	GG Association of Foreign Invested companies
	Korea Fire Safety Association
	Korea Energy Engineers Association
	Korea Electric Engineers Association





## Verification/Certification

Starting year of validity	Taiwan Headquarters	Singapore Site	Korea Site
2000	ISO 9002		
2001			
2002	QS 9000		
2003	ISO 9001		
2004	ISO 14001		
	ISO/TS 16949		
2007	OHSAS 18001		
2008	ISO 27001		
2009	TOSHMS	ISO 14001	
		OHSAS 18001	
2010	ISO 14064 (Note 1)	ISO 27001	
	IECQ QC080000		
	Authorized Economic Operator, AEO		
2011		ISO/TS 16949	ISO 9001

Starting year of validity	Taiwan Headquarters	Singapore Site	Korea Site
2012	Internal Compliance Program (ICP)	ISO 14064	ISO/TS 16949
2013	CNS 15506 <sup>Note 1</sup>	Strategic Trade Scheme (STS) Tier 3 Permit	ISO 14001
	Common Criteria (Security Site) Tingshin Site		OHSAS 18001
	AA1000 AS		
2014	ANSI/ESD S20.20	Approved Contract Manufacturer and Trader (ACMT)	ISO 27001
	Common Criteria (Security Site) Kaiyuan Site	TradeFirst & STP certificate	CP (Compliance Program) AA grade
	ISO/IEC 17025	Common Criteria (Site Certification)	Automatic Customs Approval
2015	Common Criteria (Site Certification) EAL 6 <sup>Note 2</sup>	ISO 22301	
	Healthy Workplace Certification Health Promotion Mark		

**Note 1** Not renew from 2015

**Note 2** Includes Gaosheng Site data center and Paoching Site data center

## 2015 Awards

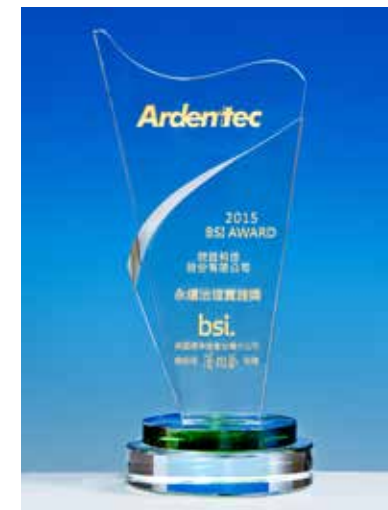
- The 2014 Engineering Sciences Award of The World Academy of Sciences (TWAS)
- Chairman and CEO Dr. Chih-Yuan Lu was awarded the “Engineering Sciences Award” by the World Academy of Sciences to recognize his outstanding achievements in semiconductor physics and component technology.
- TWAS was founded in 1983 by a distinguished group of scientists from the developing world and is a world academic organization supported by UNESCO. TWAS aims to assist the developing world on scientific research and science development and application. Every year, TWAS selects and honors scientists with outstanding achievements and contributions in agriculture, biology, chemistry, earth science, engineering sciences, mathematics, physics, medical sciences, and social sciences to recognize their personal academic achievements and their native country's continuous support and assistance for science development in the developing world. The award marks the significance of humanitarian concerns for humankind.
- In 2015, TWAS announced 11 award-winners in nine sciences for 2014. Three scientists in three different fields from Taiwan received the award. They included Ardentec Chairman and CEO Dr. Chih-Yuan Lu in “Engineering Sciences,” Academic Sinica Distinguished Research Fellow Dr. Sun-lin Chung in “Earth Science,” and Dr. Tse-Wen Chang in “Medical Sciences.” At Academic Sinica, this award is an import academic research award and honor. The prize presentation ceremony was held at the 26th TWAS Annual Meeting in November 2015 at the Austrian Academy of Science.



- 2015 at the Austrian Academy of Science



- The 2nd Prize of Excellence, Company and Factory Defense Group Category, 2015 Civil Defense Group Basic Training, Hsinchu County Government



- 2015 BSI Sustainable Governance Awards (for two consecutive years).



- Singapore Environmental Achievement Award 2015



- Singapore Sustainability Awards Winner 2015



# Sustainable Business Framework

2.1 CSR Policy

2.2 The CSR Organization

2.3 Stakeholders and Issues of Concern Collection

2.4 Issue Materiality Matrix

2.5 The Consideration of Key Issues and the Identification of Boundaries

2.6 Communication with Stakeholders



## 2.1 CSR Policy

Upholding the concept of enhancing the competitiveness of enterprises while taking into account the social sustainable development, Ardentec expects to drive the culture and establish a society that values ethics and maintains social welfare and environmental sustainability. The Board of Directors reviews the CSR policy and evaluates the implementation performance of the economic, environmental and social issues annually.

**The Board of Directors has established Ardentec's CSR policy which are as follows:**

- Business ethics and corporate governance
- Compliance with laws and international standards
- Fully disclose corporate governance and CSR information.
- Development of a sustainable environment

## 2.2 The CSR Organization

Ardentec assembled its "CSR Committee." Chaired by the President and staffed with senior managers of various departments, the CSR committee has been given the mission to oversee Ardentec's corporate social responsibilities. Four teams have been created under the committee to supervise CSR through "Corporate Governance," "Environment, Health and Safety (EHS)," "Human Rights Protection" and "Social Engagement" aspects, and to achieve Ardentec's goal towards building a sustainable business. President reports CSR performance to Board of Directors annually.

The CSR committee is responsible for the implementation of the sustainable management goals as well as following the development of domestic and international CSR system and the change of corporate environment closely, developing measures that cope with and enhance the implementation of CSR, setting up sustainability goals, continuing to strengthen the CSR management system established by Ardentec and ensuring the continuous enhancement of the effectiveness of CSR implementation.

Ardentec has established the "Ardentec Corporate Social Responsibility Best Practice Principles" as the directive for promoting and managing our positive efforts for economic, environmental, and social sustainability.

**Ardentec Corporate Social Responsibility Best Practice Principles**

<http://web.ardentec.com/zh.php?m=126>



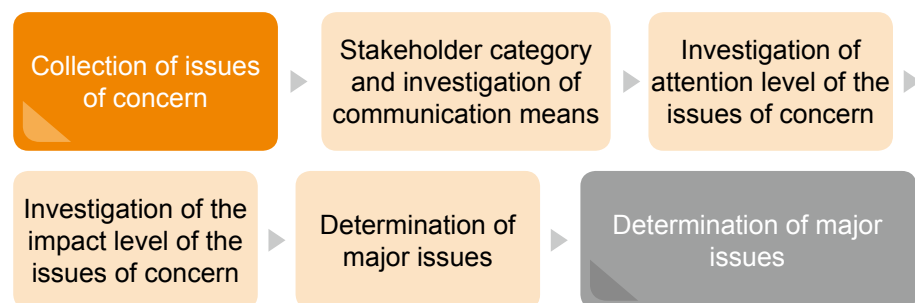




## 2.3 Stakeholders and Issues of Concern Collection

Ardentec aggressively establishes multidimensional channels to make transparent communication with and real-time responses to stakeholders to understand their concerns and expectations toward Ardentec. Stakeholder's feedback is the major reference for our CSR efforts and planning and for achieving sustainable development.

The type of stakeholders and issues corresponding to business activities are comprehensive. To identify stakeholders potentially related to business activities and assess the materiality of issues and their impact on organizational operations, we identify stakeholders and assess material issues according to the process below every year.



### Collection of issues of concern

Every year Ardentec collects information regarding the concerns and issues raised by stakeholders and the news issues of benchmarking enterprises in related industries at home and abroad. After analyzing the trend of these concerns and issues, we conclude the general concerns and issues raised by stakeholders.

### Identification of stakeholders

The head of each function identifies the stakeholders in the business activities and the communication methods and channels with these stakeholders based on the identified issues. Based on the identification results, we conclude eight major types of stakeholders: employees, customers, government and regulatory agencies, suppliers and contractors, investors, cooperation institutions, communities and creditors.

### Stakeholders Category and Top 10 Issues of Concern

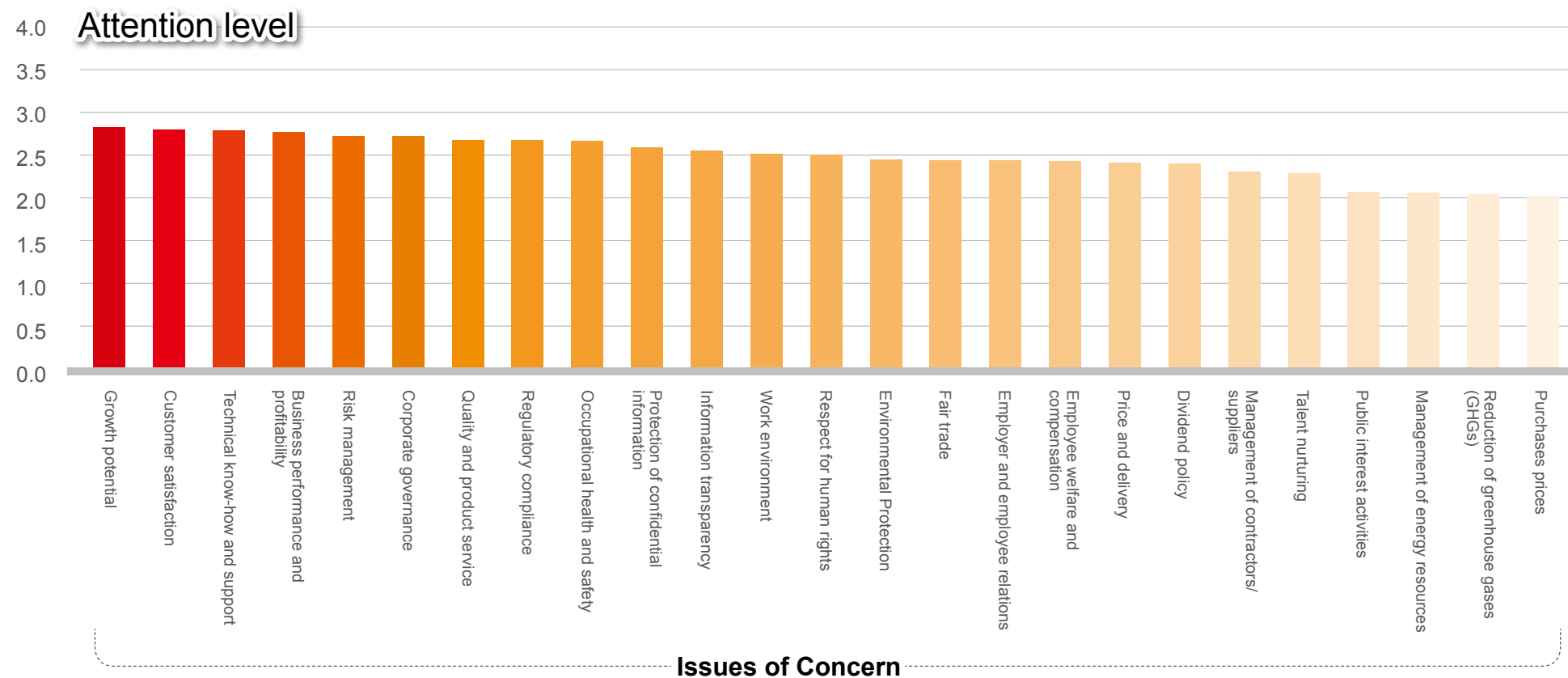
category	Stakeholder	Employees	Customers	Suppliers and contractors	Government and regulatory agencies	Investors	Cooperation institutions <sup>1</sup>	Community	Creditors
Employee welfare and compensation		✓					✓		
Occupational health and safety		✓	✓		✓		✓	✓	✓
Respect for human rights		✓			✓				
Customer satisfaction		✓	✓	✓		✓			✓
Quality and product service		✓	✓	✓			✓	✓	✓
Work environment		✓	✓		✓				
Protection of confidential information		✓	✓	✓			✓		
Employer and employee relations		✓							
Business performance and profitability		✓				✓	✓		✓
Growth potential		✓	✓		✓	✓	✓	✓	✓
Technical know-how and support			✓	✓	✓	✓	✓		✓
Risk management			✓	✓	✓	✓	✓	✓	✓
Price and delivery			✓		✓			✓	
Talent nurturing					✓				
Environmental Protection				✓	✓	✓	✓	✓	✓
Regulatory compliance					✓	✓			✓
Information transparency				✓					
Management of contractors/suppliers				✓					
Purchases prices				✓		✓			
Fair trade			✓	✓			✓	✓	
Management of energy resources								✓	
Public interest activities								✓	
Share price						✓		✓	
Dividend policy						✓			✓
Corporate Governance									

<sup>1</sup> The cooperation institutions include accounting firms, audit unit, cooperative schools, etc.



## Investigation of attention level

After identifying stakeholders and surveying communication methods and channels, the CSR Committee investigate attention level relating to stakeholders within and outside of the organization by questionnaire survey to provide the management with an overview of the stakeholders and the materiality of issues raised by them. The materiality of issues raised by stakeholders is as follows:

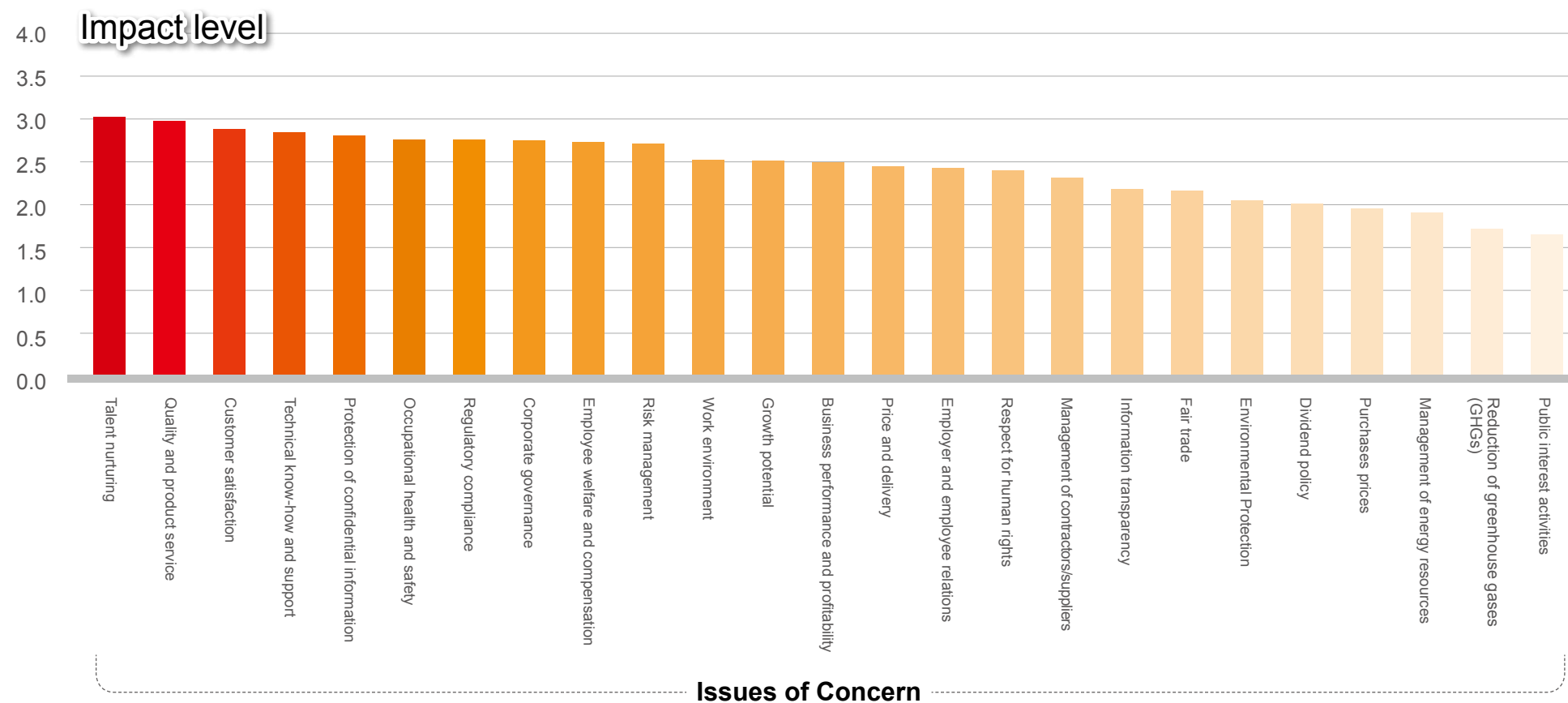


※ Description of attention level: 4-Extreme, 3-Heavy, 2-Attention, 1-Not attention, 0-Not relevant/Unknown



## Investigation of impact level

After investigate the attention levels raised by stakeholders, further investigation was conducted to the impact level on organizational operations. The investigation results below are the important reference of the Company's operations for the year.



※ Description of impact level: 4-Extreme, 3-Heavy, 2-Impact, 1-Not impact, 0-Not relevant/Unknown

## 2.4 Issue Materiality Matrix

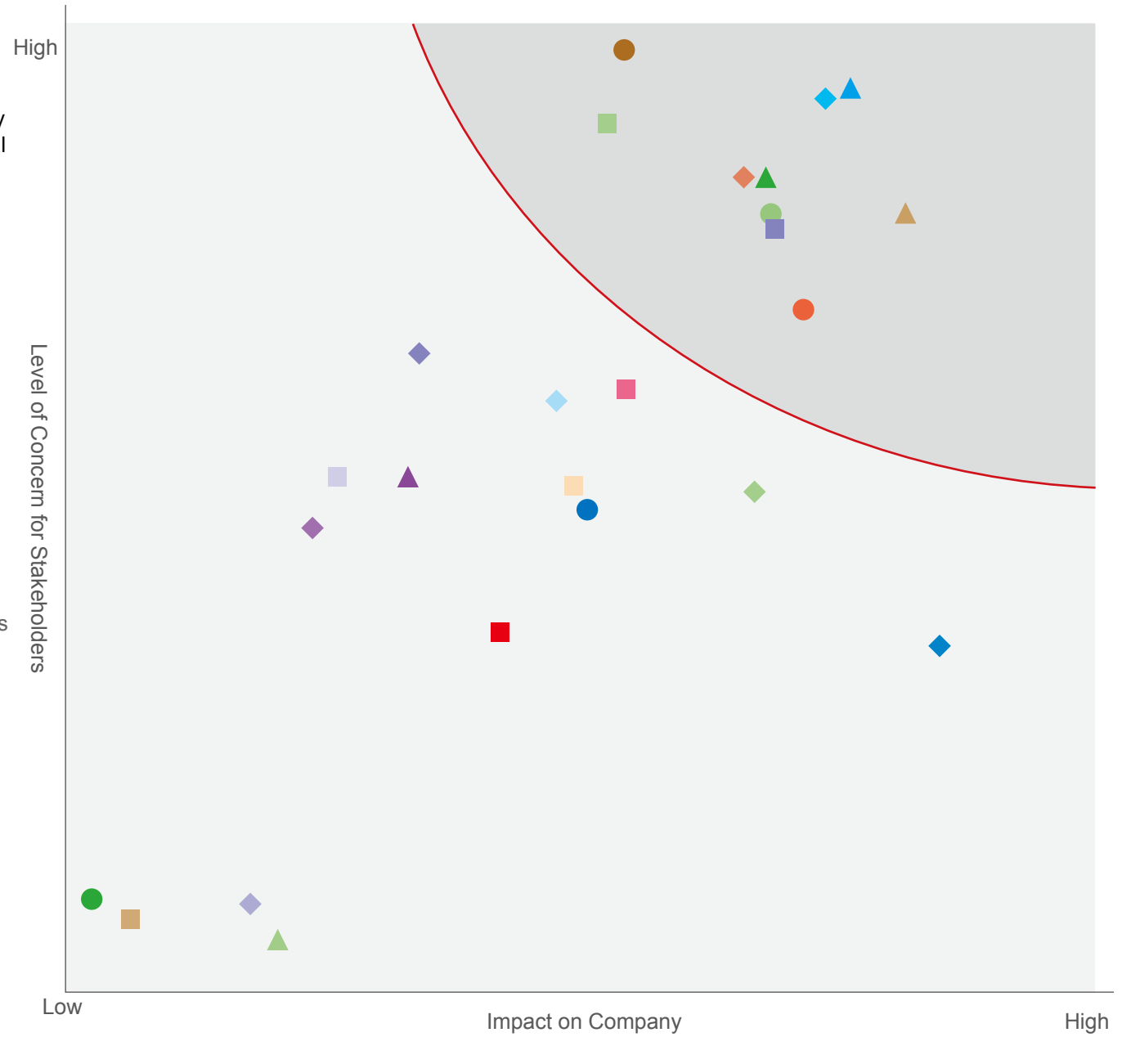
After combining the results of Issue materiality assessment, questionnaire survey, and the internal assessment of the reasonability of Issues, the materiality of issues raised by stakeholders are concluded and prioritized as distributed below.

### Matrix of Issues

- Growth potential
- ◆ Risk management
- ▲ Customer satisfaction
- Business performance and profitability
- ◆ Risk management
- ▲ Corporate Governance
- ▲ Quality and product service
- Regulatory compliance
- Occupational health and safety
- Protection of confidential informatio

### Other Issues

- ▲ Fair trade
- ◆ Dividend policy
- Employer and employee relations
- Price and delivery
- ◆ Employee welfare and compensation
- ◆ Talent nurturing
- Management of contractors/suppliers
- Public interest activities
- ◆ Management of energy resources
- Reduction of greenhouse gases (GHGs)
- ▲ Purchases prices
- ◆ Information transparency
- Environmental Protection
- ◆ Respect for human rights
- Work environment





## 2.5 The Consideration of Key Issues and the Identification of Boundaries

After analyzing the attention level and Impact level on Company, materiality of issues and their impacts on organizational operations and, the CSR Committee considers the actual situation of the company to identify the consideration of key issues and to identification their boundaries as shown below.

Category	Key issues	Consideration aspect	GRI indicators	The corresponding chapter of the management approach	Inside of the organization boundary			Outside of the organization boundary					
					Taiwan Headquarters	Singapore Site	Korea Site	Investor	Customers	Government and regulatory agencies	Suppliers and contractors	Cooperation institutions	Creditors
Social/product responsibility	Quality and product service	Products and service labels	PR3-PR5	6.1 / 6.3	✓	✓	✓		✓				
	Customer satisfaction			6.4	✓	✓	✓		✓				
	Technical know-how and support			1.7	✓	✓	✓		✓		✓		
	Protection of confidential information	Customer privacy	PR8	6.2	✓	✓	✓		✓		✓		
Social/labor practice and dignified labor	Occupational health and safety	workplace health and safety	LA5-LA8	5.5	✓	✓	✓			✓	✓	✓	
Economy	Corporate governance	Economic performance	EC1-EC4	3.1	✓	✓	✓	✓					✓
	Risk management			3.6	✓	✓	✓			✓			✓
	Growth potential			1.5	✓	✓	✓	✓				✓	✓
	Business performance and profitability			1.5	✓	✓	✓	✓			✓	✓	✓
Environment/Society/product responsibility	Regulatory compliance	Compliance with regulations	EN29/SO8/PR9	3.6	✓	✓	✓			✓	✓	✓	✓

## 2.6 Communication with Stakeholder

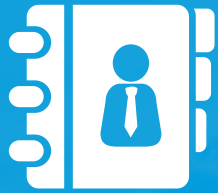
Ardentec communicates with the stakeholders officially through the company's website, annual reports, business reports and the annual publication of the CSR report. For the sake of keeping the lines of communication open with stakeholders, Ardentec has planned the following communication channels and methods based on the needs of each category of stakeholders. Through the use of a timely, reciprocal communication system, we hope to engage stakeholders in examining and feeding back on Ardentec's corporate social responsibilities. Ardentec has also established a corporate social responsibility site on the corporate website for stakeholders to freely express their issues and concerns, so that we can make timely responses to the issues raised by stakeholders.



### Communication Channels with the Stakeholders and the Frequency

Stakeholder category	Communication methods and channels	Frequency		
		Monthly	Quarterly	Irregularly Annually scheduled
Employees	Labor-management meetings:		✓	
	Safety window meetings		✓	
	Occupational safety and health committee meetings		✓	
	Employee exchange e-platform (e.g. intranet)			✓
	Channels for employees suggestion (website or physical suggestion box/ telephone/Email)			✓
	Announcements			✓
	Department meetings			✓
	Customer audits			✓
Customers	Customer meetings			✓
	Customer satisfaction management or survey		✓	
	Customer visit			✓
	Regular contacts			✓
	Company website			✓
Government and regulatory agencies	Regulation seminars or public hearings			✓
	Financial statements	✓	✓	
	Reports or responses on demand			✓
	Official correspondences			✓
	Participation in industrial development conference			✓
	Report and reply of each business			✓
Suppliers and contractors	Contractor training		✓	
	Supplier CSR and business ethics guidelines			✓
	Protocol meeting			✓
	Supplier/contractor audit			✓
	Information exchange			✓
	Face-to-face or phone communication			✓
Investors	Shareholder meetings			✓
	Investor meeting			✓
	Annual report			✓
	Market observation post system			✓
	Company website			✓
	Communication with investors face to face or by phone			✓
Cooperation institutions	Audit meetings			✓
	Meetings, visits or phone communications			✓
	Enterprise-academy collaboration program			✓
	Company website, e-mail, etc.			✓
Community	Social welfare activities			✓
	Participation in educational activities			✓
	To provide the relevant information or reply as required			✓
Creditors	Periodical interviews			✓
	Financial statements			✓





# Corporate Governance

3.1 Governance Principles

3.2 Board of Directors

3.3 Executive Compensation Policy.

3.4 Ethical Guidelines

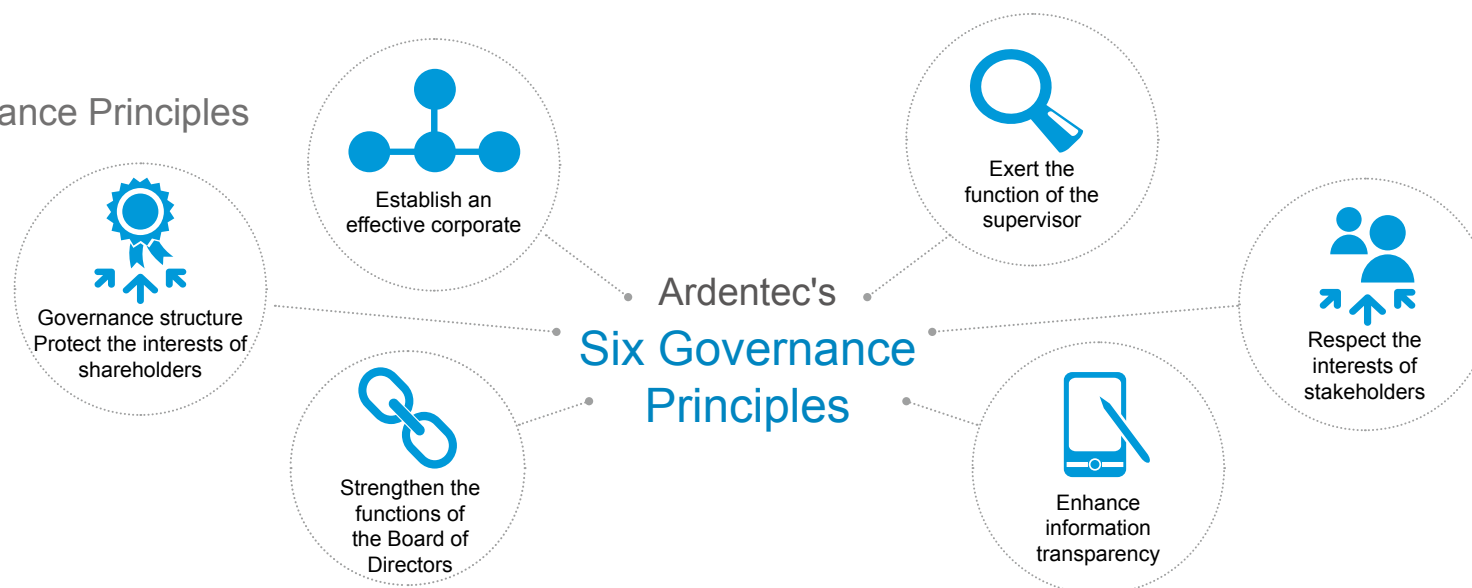
3.5 Internal Controls

3.6 Risk Management

3.7 Major Investment and Supplier Human Rights



### 3.1 Governance Principles



At Ardentec, we request all employees to value corporate governance, embrace enthusiasm, and care about environmental and social sustainability to run an everlasting enterprise. Therefore, we have established the “Corporate Governance Best Practice Principles,” “Ethical Corporate Management Best Practice Principles,” and “Corporate Social Responsibility Best Practice Principles” as the code of conduct of Ardentec.

Ardentec has incorporated issues of environmental protection, employee care, and society feedback into its corporate governance. In 2015, the Board of Directors conducted further reviews and enhancements to the corporate value, CSR policy and functioning of the CSR Committee to strengthen the implementation of CSR.

On the corporate website, we have set an investor email ([investors@ardentec.com](mailto:investors@ardentec.com)) for shareholders, employees, and other stakeholder groups to express their advice on organizational operations and suggestions to the highest governance body.

We also establish our governance framework in accordance with relevant laws and regulations and

standards at home and abroad, such as the Company Act and Securities and Exchange Act of the Republic of China, ISO standards, and the EICC Code of Conduct. Stakeholders can enquire important codes and regulations relating to corporate governance on the CSR site of our corporate website. These codes and regulations include: Ardentec Articles of Incorporation, Rules for Election of Directors and Supervisors, Rules of Procedure for Meetings of Shareholders, Procedure for Acquisition or Disposal of Assets, Procedure for Engaging in Derivatives Transaction, Procedure for Loaning of Funds to Others, and Procedure for Making Endorsement/Guarantee for Others.

After the CPA audits and certifies our annual financial statements, we will submit them together with the business report and profit distribution proposal to the supervisor for review and issuing an audit report.

We also timely disclose material information of the company over the Market Observation Post System in accordance with the “Guidelines for Online Filing of Public Information by Public Companies” promulgated by the Securities and Futures Bureau of the Financial Supervisor Commission.

### 3.2 Board of Directors

The Board of Directors of Ardentec has 9 seats and the Supervisors have 3 seats. 3 of the directors are corporate entities, which accounts for one-third of total directors. To ensure the independence and effective operation of the board of director, three seats are for independent directors which accounts for 1/3 of the board of director. Directors and supervisors all have rich professional background and technical experiences. Among the 12 Directors and Supervisors, one is female which accounts for 8.3%. Eleven are male, accounting for 91.7%. In terms of age distribution, 4 members are in the age group of 51 to 60, while the other 8 members are in the age group of 61 to 70.

Upholding the principles of corporate governance, all board members, managerial personnel, and administrators do not hold shares of the companies of suppliers and other stakeholders, and no board member represents any financial holding company.

The Board of Directors operates in accordance with relevant laws and regulations and the



## ► List of Ardentec Directors

<b>Chairman</b>	Now: Chairman and CEO of Ardentec	<b>Corporate Director</b> Representative of Sheng Tang Investment: <b>James Song</b>	Vice President of Etron Technology, Inc. Ltd. Executive Vice President of Semiconductor Manufacturing International. Ph.D. in EE, Texas Tech University, U.S.A. Institute of Technology, U.S.A.
<b>Chih-Yuan Lu</b>	Director and President of Macronix International Co., Ltd. President of Vanguard International Semiconductor Corporation Deputy General Director of ERSO, ITRI Ph.D. in Physics, Columbia University, U.S.A.	<b>Director</b>	Now: Director and President of Ardentec
<b>Vice Chairman</b>	Now: Vice Chairman and Chief Technology Officer of Ardentec	<b>Chi-Ming Chang</b>	Division Director of Vanguard International Semiconductor Corporation Deputy Division Director of ERSO, ITRI Ph.D. in Industrial Engineering, Texas Tech University, U.S.A.
<b>Shaulong Chin</b>	President of Ardentec Division Director of Vanguard International Semiconductor Corporation Master of Science in EE, Texas Tech University, U.S.A.	<b>Independent Director</b>	Now: Special consultant, Shanghai Baosteel
<b>Corporate Director</b> Representative of Macronix International: <b>Yen-Hie Chao</b>	Now: Vice President of Macronix International Co., Ltd. Department of Material Science and Engineering, National Tsing Hua University	<b>Ta-Hsiung Chen</b>	Senior Consultant, Lianhua gas company General manager of Asia, Praxair, Inc. General manager, Praxair Chemax Semiconductor Materials Co. Ltd Ph.D. in Chemical Engineering, University of Houston
<b>Corporate Director</b> Representative of Kingwell Investment: <b>Mickey Ken</b>	Now: Vice President of Product and Quality Assurance Center, Etron Technology, Inc. Master of Electronics Engineering, National Chiao Tung University	<b>Independent Director</b>	Now: Professor of Chung Yuan Christian University
		<b>Wei-Shan Hu</b>	Vice President of Chung Yuan Christian University Ph.D. in Financial Management, University of Oklahoma, U.S.A.
		<b>Independent Director</b>	President of Retail Banking Business Group, Bank SinoPac President of Retail Banking Business Group, Chien Hua Bank MBA, University of Wisconsin, U.S.A.
		<b>Chen-I Chia</b>	

## ► List of Ardentec Supervisors

<b>Corporate Supervisor</b> Representative of Mega International Bank: <b>Dong-Liang Huang</b>	Now: Chief of Operation Center, Central Area, Mega International Commercial Bank Branch Manager of Chiao Tung Bank, Taichung Master of EMBA, National Chung Hsing University	<b>Corporate Supervisor</b> Representative of Chiu Chiang Investment: <b>Jing-Amy Chao</b>	Now: Director and Chief Financial Officer of Te-Mao-Hsing Investment Vice President of General Administration, China Times Master in Economics, California State University, U.S.A.
		<b>Supervisor</b>	President of China General Plastics Corporation President of Taita Chemical Company, Ltd. Ph.D. in Chemistry, Michigan State University, U.S.A.
		<b>Dahchieh Otto Cheng</b>	

“Regulations Governing the Procedure for Meetings of Board of Directors” established by this Company. To extend the spirit of ethical management and comply with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies, when a proposal involves the personal interest of directors or the personal interest of directors that may conflict with the company, these directors disassociate with all discussions and voting of the proposal or represent other directors to exercise their right of vote according to the principles of avoidance of conflicts of interest.

We have also formulated a well-established internal control system. Under this system, supervisors and internal audit chief can attend board meetings as guests and CPAs are invited to board meetings from time to time. We also timely disclose information regarding the business operations, finances, and corporate governance of the company to enhance the governance efficiency.

Every year, we arrange further education for board members according to the Directions for the Implementation of Continuing Education for Directors and Supervisors of the TWSE Listed and TPEX Listed Companies to improve their competencies. We also disclose information regarding the length, scope, and system of further education for board members and the attendance of directors and supervisors on the MOPS to ensure adequate disclosure of information.

## 3.3 Executive Compensation Policy

A Compensation Committee was composed of three independent Directors of Ardentec's Board of Directors. Its function includes establishing the policies and system related to the performance and salary remuneration of the Directors, Supervisors and Managers and regularly reviewing the salary remuneration of the Directors, Supervisors and Managers to achieve the goal of reasonable remuneration and retaining



talents. The committee holds at least two meetings per year. A total of three meetings have been held in 2015, and proposals were formulated in accordance with the resolutions of the meetings and were submitted to the Board of Directors for review.

Ardentec adopts a gender and age-neutral approach when remunerating its management officers. Employees' compensations are set to reflect individual and team performance as well as the future risks of the company, at levels that are comparable to industry peers. Compensations are also formulated in such a way that attracts, inspires and retains top talent.

Compensation for directors and supervisors comprise travel allowances and remunerations. Travel allowance is paid based on their attendance at board meetings, while remuneration is determined based on current year earnings at proportions laid out in the Articles of Incorporation, and distributed once resolved during the meeting of shareholders. Managers are remunerated at levels comparable to competitors given their roles, while taking into consideration their responsibilities and contributions to the company's targets. Compensation for employees are determined based on current year earnings at percentages specified in the Articles of Incorporation, and are distributed once resolved by the meeting of shareholders. Remunerations to directors, supervisors, and managers<sup>1</sup> are subject to the Compensation Committee's review and Board of Directors' resolution, and are fully disclosed in the company's annual reports. When discussing remuneration proposals, related members of Board of Directors would disassociate themselves from discussions and voting that pose conflicts against their own interests.

Based on the company's Articles of Incorporations, we respectively appropriate 12% and 3% of the profit of the current year as compensations for employees and remunerations to directors. However, when there are accumulated losses, they should have been covered.

According to the explanation of the Ministry of Economic Affairs, "profit of the current year" described above refers to the balance after deducting the compensations for employees and remunerations to directors and supervisors from the income before tax.

Profit of the current year refers to the profit balance after deducting the compensations for employees and remunerations to directors and supervisors from the income before tax.

In 2015, the remuneration for directors and supervisors is NT\$41,592,280 and the compensation for employees is NT\$166,369,120.

### 3.4 Ethical Guidelines

Ardentec's belief in being "A Testing Partner You Can Trust" is manifested in its technical service as well as its business activities and employees' conduct.

Ardentec has been insisting on the integrity management since it was founded. Ardentec promotes and advocates the moral behavior of integrity management to all employees. Any forms of corruption, extortion and misappropriation of public funds are strictly prohibited. We refuse to provide or accept any improper benefits, abide by fair trade, and do not participate in illegal market competition such as false advertisement, and restraint the employees from corruption, misappropriation of public funds and other behaviors that might lead to a significant loss of the company. Ardentec also formulates the employees' code of behavior and ethics based on each moral norms of conduct. In addition to the establishment of a complete internal control system and operating procedure, the company has set up various channels for the employees and external units to report or complain, and the company has designated the senior management to handle them

personally. All employees are required to accept moral standards and anti-corruption training. As of December 31, 2015, all employees of Ardentec have completed the anti-corruption training. In 2015, all business personnel and managers graded department head and above had completed their "Conflict of Interest Reports." No corruption has occurred in 2015.

Every year, trainings on "Supplier Chain Ethic Norm" have provided to the manager level and above, procurement and sales, hoping to enhance the business ethnic culture through business interaction. Ardentec also continues to sign customer CSR and business ethnic commitment to show Ardentec's recognition and support of the business ethical standards.

### Handling violations of ethical guidelines

A business ethics grievance hotline ((03) 597-6688 ext. 1211) and a grievance email (grievance@ardentec.com) have been established and also announced on the corporate website. Employee or external party may file a signed or unsigned grievance or report on matters of violation to our code of business ethics, relevant laws and regulations, or organizational integrity. After receiving a grievance or report, the HR Division will initiate an investigation and report to the management. If the grievance or report is confirmed, for employees violating such codes will be punished according to the "Employee Reward and Punishment Regulations", for suppliers violating such codes, we will cease all transactions with this supplier. If this also violates the law, the case will be referred to relevant authorities.

### 3.5 Internal Controls

To ensure the efficiency of business operations, reliability of financial reports and compliance with

<sup>1</sup> Managers refer to those who are Senior Director or above and the Chief Finance Officer



applicable laws and regulations, Ardentec has designed, implemented and maintained its internal control systems in accordance with "Regulations Governing Establishment of Internal Control Systems by Public Companies" promulgated by the Financial Supervisory Commission(FSC). Competent and appropriate auditors are allocated in the audit office under the Board of Directors. The audit office drafts an annual audit plan in accordance with regulations which should be approved by the board of director in order to carry out the audit for each item and propose suggestions for improvement. All audit reports are subject to the Chairman's acknowledgment as well as independent directors' and supervisors' review, before they are reported during board meetings. By conducting audits, the Internal Audit Office is able to assist the board and the management with their internal control and risk management.

### The highlights of the 2015 audit include:

- ▶ The highlights of the 2015 audit include:  
Audit the annual audit items required by the FSC: It includes acquisition or disposition of assets, engagement of derivative transaction, loans to others, management of endorsement or assurance to others, supervision and management to the subsidiaries, management of meeting operation of the Board of Directors, information and communication security check, sales and receivable cycle, procurement and payment cycle, management of International Financial Reporting Standards (IFRS), accounting professional judgment procedure, accounting policies, procedure of projected change, and the management of the operation of the Compensation Committee.
- ▶ In addition to the annual audit items required by the FSC, part of the operating cycle and control activities are included in the annual audit items based on the result of risk assessments.

Supervise the internal units and subsidiaries to conduct self-check and review the self-check reports provided by each units and subsidiary in order to determine the effectiveness of the design and implementation of the internal control system.

## 3.6 Risk Management

Sound risk management, proper crisis management and constant attention to stakeholders' interests are the keys to ensuring business sustainability. In order to manage risks, we have implemented risk assessment methodologies into our various operations.

### Risk Category



Financial risks



Operational risk



Safety risk management

### Risk Management Strategies

Ardentec focuses its efforts solely on the semiconductor testing business, and does not engage in any high-leverage or high-risk investments. Ardentec and its subsidiaries adopt a stringent approach towards cost management; we also monitor our operations and profitability constantly for potential risks, and coordinate to devise strategies to accommodate changes in the economy and ultimately deliver optimal performance and earnings. The audit officer and accountants carry out in-depth audit every year to check and prevent possible financial risks, regularly publish the accountants' audit report, hold shareholder meetings and irregular legal person information meetings and publish relevant financial risk information on the Market Observation Post System. The Company also makes regular disclosures of financial and business information on its website to keep stakeholders informed of the Company's risk management activities.

In order to avoid the risk of supply chain disruption, "Supply Chain Risk Evaluation Measures" is established to reduce the risk of resources disruption during operation. The Company has established a set of "Business Continuity Management Procedures" to ensure the continuity of the Company's operations. These procedures provide the basis of which the Company responds to the various types of risks.

Ardentec has continually enhanced its abilities in managing operational risks. Every manager has been trained to exercise due diligence in their daily management tasks, which include observing changes in the internal and external environment, and proposing strategies and plans in response to possible risk events.

With regards to operations, activities, products and services that are likely to cause major impacts on the environment, and causes that may possibly result in injuries, illnesses, loss of property or damages to the work environment, the Company has a set of "Environmental Risk Evaluation Procedures" in place to help define potential risks and therefore facilitate control and ongoing improvements. The risks identified are then graded and addressed in the company's ESH policy, goals and management guidelines.

The Company has devised emergency response plans to address possible disasters. Each site has its own emergency response team in place and holds regular rehearsals to ensure the team's responsiveness. Through the use of ongoing trainings, the Company has been able to develop employees' responsiveness to emergencies and raise their safety awareness which ultimately reduce chances of accidents.

The global climate change has caused frequent abnormal climate which poses risks on the interruption of production. The Company has implemented a set of "Emergency Response Procedures" that outlines how employees should respond to natural disasters such as typhoons and earthquakes, and therefore keeping employees and operations safe from climate anomalies.



## Risk Category

## Risk Management Strategies



Legal and  
intellectual  
property risks

the Company has implemented its "Intellectual Property Rights Protection Guidelines" to ensure the protection and proper use of intellectual property rights of the technology industry. The Company also has a Legal Office in place to monitor changes in local and foreign regulations, and to manage patents that are relevant to the Company's operations. In addition, the Company has implemented "Compliance Identification Procedures" to help identify laws that are relevant to its businesses. Each department is required to conduct its own regulatory compliance assessments on a regular basis, and adjust their activities to conform to the Company's internal control system if need be, and thereby ensure the legitimacy of the Company's operations at all times. The CSR Committee conducts its performance reviews on a half-yearly basis.

Ardentec requires all employees to duly comply with the Company's security requirements, and take steps to ensure the security of customers' and the Company's information. Information is the lifeblood of the technology industry and the clients. In order to achieve the strict protection of information security, 11 documents related to information security including "information security manual" are developed. Information security training to all employees is conducted annually.

All system development and maintenance, data access, backup mechanism, virus and internet intrusion have rigorous protection measures. The computer room is equipped with automatic fire extinguishing system, uninterruptable power system and video surveillance measures.

"Information security committee" was established in 2007 to develop multiple information security protection mechanism and conduct regular risk assessments. The committee conducts review meetings on a monthly basis, during which they would recommend improvements wherever appropriate. The company passed "ISO 27001 standard" verification in 2008. Until 2015, the Taiwan headquarter Tingshin site, Kaiyung site, Gaosheng site, Paoching site and Singapore site passed the Common Criteria certification. Under the robust protection of Ardentec's information security system, there had been no incidents of leakage of commercial or personal information as of 2015.



Information  
risk

## 3.7 Major Investment and Supplier Human Rights

The major investment of Ardentec in 2015 is in the equipment and software required by the main business operation. Ardentec's management to the subsidiaries fully complies with the local labor and human rights related regulation, and it is autonomously managed by Ardentec. There is no question of insufficient human right protection.

The US and Japanese manufacturers are our major equipment suppliers. Both countries are developed countries with well-established human rights protection laws and regulations. As Ardentec also purchases from local suppliers, legally established local enterprises is the prerequisite of our purchase to ensure suppliers or contractors comply with local human rights protection laws and regulations. Therefore, we do not need to include human rights laws and regulations in supplier selection, as suppliers in all business locations are located in places with well-established human rights protection laws and regulations. In 2015, Ardentec made no major investment in any new country, nor did we accept any new suppliers





# Environmental Protection

- 4.1 Environmental Sustainability Policy
- 4.2 Environmental Protection Expenses and Investment
- 4.3 Green Management System
- 4.4 GHG Reduction Program
- 4.5 Disclosure of Environmental Information
- 4.6 Climate Change and Opportunities
- 4.7 Water Resource Management
- 4.8 Waste Management



## 4.1 Environmental Sustainability Policy

Ardentec is committed to energy saving, carbon reduction, maintenance of ecological environment, implementation of “environmental sustainable development” policies and practice the concept of environmental sustainable development.

### Environmental sustainable development policy

Devoted to environmental protection through legal and international standard compliance.  
Promote energy saving and emissions reduction and sustainable use of resources.  
Continuously improve environmental performance and develop a sustainable environment.

Regarding the purchase of each site or lease assessment, selection and business activity planning, our first consideration is to be away from the habitat and conservation areas with rich biodiversity. In addition, another important selection factor is to be as close as possible to the clients to achieve low-carbon and energy saving transportation. We do our best to minimize the transportation mileage and energy consumption of daily operation in order to reduce the impact on the environment. All dormitories are located within the walking distance of the site to reduce the carbon emission generated by vehicles.

## 4.2 Environmental Protection Expenses and Investment

In 2014, the total expense in the environmental category is about NT\$4,237,754 (headquarter NT\$2,594,055 and Singapore Site NT\$1,019,416, South Korea Site: NT\$624,283) The majority is the cost of business operation and management, including environmental system standard audit, pollution prevention, environmental monitoring, educational activities of environmental protection and sponsorship of environmental groups. The cooperation units include third party verification units, such as BSI and UL, and recycling, professional wastes removal, and environmental monitoring units.

Ardentec actively invests in environmental protection. In 2015, our environmental expenditure was 120% higher than that of the 2014, and the spending was even 182% higher at Taiwan Headquarters. In 2015, the total amount of environmental expenditure was NT\$9,315,038. This included the cost of business operations and management activities, covering the audit of the environmental system standards, pollution prevention, environmental surveillance, environmental education, and sponsorship of environmental groups. Cooperation units includes third-party assurance units BSI and UL, resource recycling,



professional waste disposal, and environmental surveillance units.

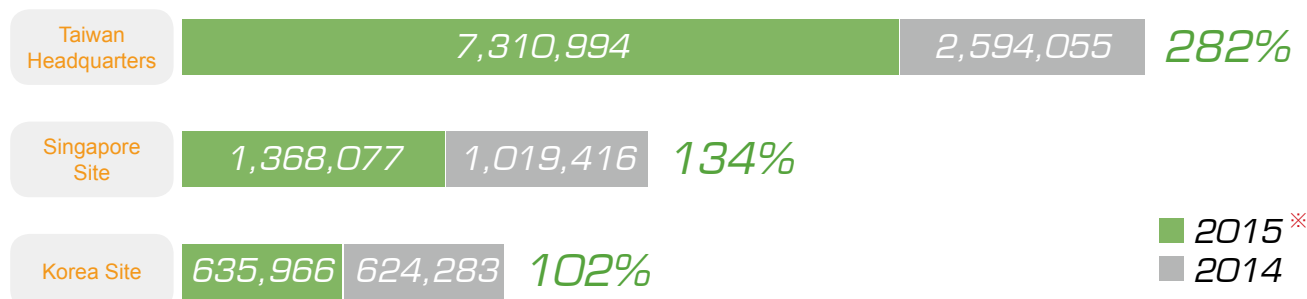
✘ In 2015, we expanded the WLCSP process of Kaiyuan Site. To cope with the unavoidable increase in wastewater, we expanded and upgraded the wastewater treatment facility of the site to ensure all effluents comply with the effluent standard of the industry park.

## 4.3 Green Management System

To cope with global climate change and the characteristics of the semiconductor industry, Ardentec establishes an interdisciplinary management system with dedicated environmental staff to establish, promote, and maintain the environmental management system (EMS) and action plans and review the entire business process to ensure GHG emission inventory and management through source reduction.

### Environmental Expenditures and Investments

(unit: NT dollars)







## Environmental Management System

Ardentec is committed to realizing energy saving and environmental protection. From promoting the concept “cherish the resources from Earth” to practicing it in daily life, all employees do their part to contribute to the protection of Earth. Both Ardentec and subsidiaries have passed ISO14001 EMS certification. All

activities comply with international environmental regulations, such as the EU's RoHS and REACH directives. By doing all these, we enable employees to understand our determination to realize our sustainability policy and the need to protect Earth together. We also enable external stakeholders to understand our sustainable efforts in realizing environmental sustainability.



- Taiwan Headquarters

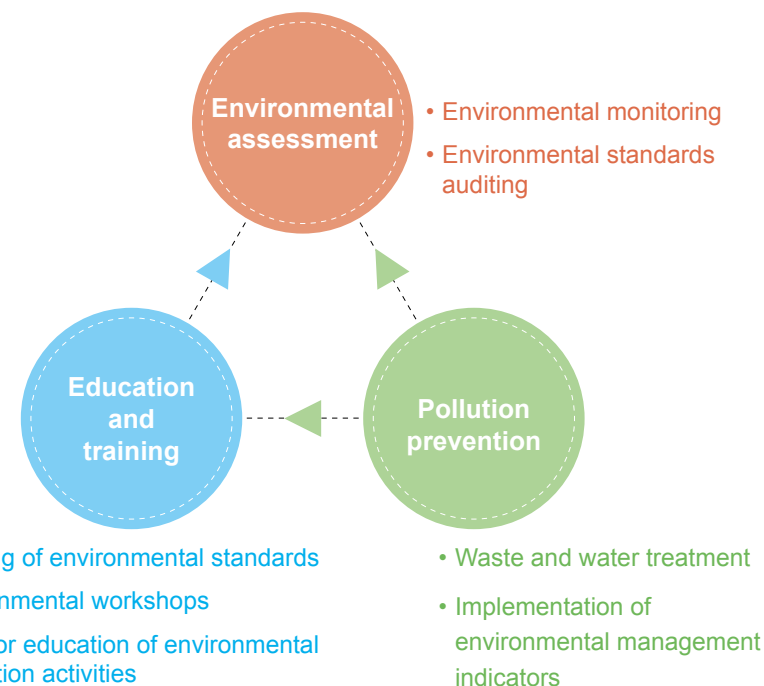


- Singapore Site



- Korea Site

## Environment-related Activities



## Environmental objectives and EMS effectiveness

The energy and water consumption and waste production of the semiconductor industry are positively correlated to the scale of testing equipment. Ardentec establishes explicit and practicable energy saving programs and objectives and include them in the long-term business strategy to achieve internal reduction and influence external suppliers and contractors to achieve the goal of emissions reduction throughout the industry chain. To continuously improve the performance of environmental management, we calculate the annual unit consumption of energy and water resources and unit production of waste based on the startup frequency of testing equipment. We also set a 1% target for reducing annual unit energy/water consumption and annual unit waste production. As no relevant data of Paoching Site of Taiwan Headquarters is available in 2014, it was excluded in the comparison with that of 2015.

## Management Effectiveness of Energy, GHG, and Water Resources

(by average running testing equipment)

		2014	2015	Less in 2015
Electricity (kWh)	Taiwan Headquarters	130,593	128,840	1.3%
	Singapore Site	148,755	147,660	0.7%
	Korea Site	158,515	142,567	10.1%
	Average	133,172	131,136	1.5%
Greenhouse gas emissions (MT)	Taiwan Headquarters	69	68	1.5%
	Singapore Site	74	64	13.6%
Water (MT)	Taiwan Headquarters	303	295	2.4%
	Singapore Site	308	275	10.7%
	Korea Site	273	187	31.6%
	Average	302	288	4.5%

## Management Effectiveness of Waste

		2014	2015	Less in 2015
Household waste (MT)	Taiwan Headquarters	0.0990	0.1088	-9.9%
	Singapore Site	0.1154	0.1113	3.6%
	Korea Site	0.1053	0.1190	-13.0%
	Average	0.1006	0.1095	-8.8%
Plastic waste (MT)	Taiwan Headquarters	0.0326	0.0295	9.5%
	Singapore Site	0.0011	0.0009	18.2%
	Korea Site	0.0294	0.0122	58.5%
	Average	0.0300	0.0262	12.7%
Paper Waste (metric tons)	Taiwan Headquarters	0.0350	0.0088	74.9%
	Singapore Site	0.0323	0.0021	93.5%
	Korea Site	0.0294	0.0244	17.0%
	Average	0.0346	0.0090	74.0%

## Management of Hazardous Substances

Ardentec establishes an IECQ QC 080000-certified hazardous substance process management (HSPM) system to ensure all services we provide comply with the requirements of international standards and customers for hazardous substance management.



By establishing the “Hazardous-free Substance (HFS) Policy,” we observe environmental laws and regulations and provide customers with products complying with green product requirements. Based on the spirit of “continual improvement,” we implement environmental protection, achieve the HFS goal, conduct regular internal audits, and hold the biannual management review meeting to ensure conformity to the requirements of customers and stakeholders. At Dingxing, Kaoyuan, Gaosheng, and Paoching sites of Taiwan Headquarters, we have implemented IECQ QC 080000 HSPM system and passed its certification.

## Management of GHG

The global warming phenomenon has led to a series of climate changes that directly or indirectly impacted the ecosystem. As a result, greenhouse gas reduction has been identified by many governments as one of the main strategies to mitigate global warming. The increasingly stringent restrictions on carbon emission will inevitably pose barriers on corporate trade. Reducing energy consumption and carbon emission not only minimizes impacts on the ecosystem, companies may also have the potential to reduce operating costs through more efficient use of energy. There are three different scopes of greenhouse gas emission:





Scope	Types	Coverage	Source of emission
Scope 1 Direct GHG emission	Production process emissions, emergency and move emissions sources, including CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFC <sub>s</sub> , PFC <sub>s</sub> and PFCS.	Emission of GHG while generating electricity, heat, steam, or during combustion of fossil fuel.	Diesel (gasoline) used in emergency generators
		GHG emitted from transportations that the Company has control over.	Diesel (gasoline) used in trucks and company vehicles
		Fugitive emissions.	Methane gas from the septic system, refrigerant used in the air-conditioning system, carbon dioxide used in fire extinguishers, and SF <sub>6</sub> used by electric switches
		GHG emissions from biological, physical or chemical processes.	Chemical reactions
Scope 2 Indirect GHG emission	The indirect greenhouse gas emissions from the externally purchased electricity, including CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O.	Emission of GHG from purchased supply of electricity, heat, steam, or outsourced combustion of fossil fuel.	Purchased electricity
Scope 3 Other indirect GHG emissions	Other indirect emission not belonging to self-owned or self-controllable	Emission of GHG while generating electricity, heat, steam, or during combustion of fossil fuel. GHG emitted from transportations that the Company has control over. Fugitive emissions. GHG emissions from biological, physical or chemical processes.	Vehicles used by contractors or for employees' commuting and travel, fuels used in outsourced employee cafeteria, outsourced wastewater treatment, outsourced waste disposal, etc.

※ The types of GHG have been classified given Ardentec's business characteristics; it does not represent that Ardentec is an emitter of all GHG types.

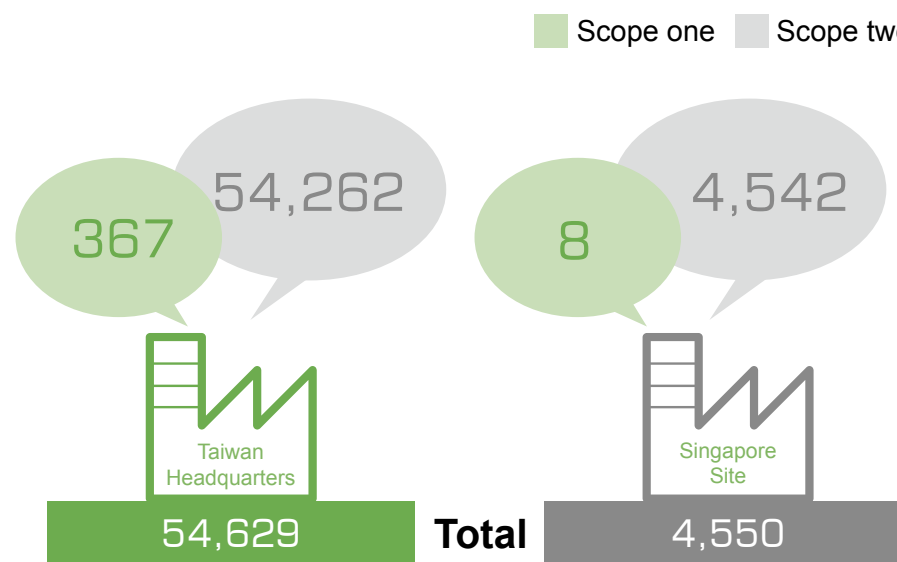
## GHG emission information

Electricity and shipping transportation is the main type of energy used by Ardentec. The Company conducts annual inventory on GHG emissions to determine how its business activities have impacted the environment.

The GHG inventory shows that CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O emissions at our sites are indirect emissions from consumption of purchased electricity for operating our testing equipment round the clock. Other emissions include fugitive HFCs from the refrigerant used in the air-conditioning system and a small amount of fugitive PFCs from the testing equipment.

## 2015 Scope/Site GHG Emissions

(unit: metric ton CO<sub>2</sub>e)



- 1 The GHG emission figures disclosed above belong to Scope I and Scope II, including CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFC<sub>s</sub> and PFC<sub>s</sub>.
- 2 There is no SF<sub>6</sub> and NF<sub>3</sub> emission during the business operation, so it is not included in the statistics. A small amount of R123, R22, HCFC-141b and HCFC-124 controlled by the

Montreal Protocol was emitted in 2015.

The GHG inventory provides quantified indicators for establishing GHG reduction strategies. With the results of GHG inventory and environmental information disclosure, we can draw up action plans and targets for continuous emissions reduction. We have entrusted BSI to conduct GHG inventory of all four sites in Taiwan and the Singapore Site according to international standards. Due to the small scale operations the South Korea Site emits a very small amount of GHGs. In the future we will plan GHG inventory and GHG verification for the Korea Site as its scale of

operations expands.

## 2015 ISO 14064 GHG Emission Opinion Statement

### 4.4 GHG Reduction Program

#### Energy saving program

Although wafer testing is not a high electricity-consuming business in the semiconductor industry, we persistently search for every opportunity to save energy in our business activities, given that every little bit helps. We aggressively promote energy saving and electricity saving at every site. The CSR Committee assigns the Facility Department which manages all powered equipment and provides resources including water, electricity, and compression air to form a cross-site energy saving team by integrating with the quality control circle (QCC) concept. With strategic and integrated management, we aim to optimize and minimize the energy consumption of infrastructures.

In 2015, Taiwan Headquarters, Singapore Site, and Korea Site saved a total of 1,323,495kWh of electricity, reducing GHG emissions at 650.3 ton of CO<sub>2</sub>e.

**bsi.**  
Opinion Statement

**Greenhouse Gases Emissions**  
Verification Opinion Statement

This is to verify that: Ardentec Corporation  
No. 3, Gungye 3rd Rd,  
Hsin-Chu Industrial Park  
Hu-Kou  
Hsinchu Hsien  
Taiwan

信益科技股份有限公司  
台灣  
新竹縣  
湖口鄉  
勝利村工業三路3號

Holds Statement No: GHGEV 1036

Verification opinion statement

As a result of carrying out verification procedures, it is the opinion of BSI with reasonable assurance that:

- The Greenhouse Gas Emissions with the Ardentec Corporation for the period from 01/01/2015 to 31/12/2015 is 54,629 tonnes of CO<sub>2</sub> equivalent, including scope 1 emissions 367 tCO<sub>2</sub> equivalent and scope 2 emissions 54,262 tCO<sub>2</sub> equivalent.
- No material misstatements for the year 2015 Greenhouse Gas Emissions calculation were revealed.
- Data quality was considered acceptable in meeting the principles as set out in ISO/CNS 14064-1:2006.

The verification process was subject to the following limitation(s):

- The emission factor for electricity for the year 2015 is not published by Taiwan government so far, the emission factor used for electricity is 0.521 kgCO<sub>2</sub> per kWh instead which may potentially result in materially different greenhouse gas emissions estimates.

The detailed Greenhouse Gas Emissions for the year 2015 of each sub location are described as follows:

For and on behalf of BSI: *Peter Pu*  
Managing Director BSI Taiwan, Peter Pu

Originally issued: 07/04/2016 Latest Issue: 07/04/2016 Page: 1 of 2

**bsi.** ...making excellence a habit.

The BSI Standards Institution is incorporated by the above named client and has no financial interest in the above named client. This Opinion Statement has been prepared for the above named client only for the purpose of verifying its conformity with the BSI Standards Institution and not for any other purpose. It is not to be used for any other purpose. The BSI Standards Institution and not, in providing this Opinion Statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other provision for which it may be used or in any person for whom the Opinion Statement has been prepared. This Opinion Statement is prepared at the sole discretion of the BSI Standards Institution and is not intended to be used for any other purpose. The client does not intend to use this information for any other purpose. The BSI Standards Institution has assumed that all such information is complete and accurate. Any opinion that may arise from this Opinion Statement is limited to the information provided to the BSI Standards Institution.

• Taiwan Headquarters

**bsi.**  
Certificate of Registration

**CARBON FOOTPRINT VERIFICATION**  
VERIFICATION OPINION STATEMENT

This is to certify that: Ardentec Singapore Pte Ltd  
12, Woodlands Loop,  
#01-04, #02-00, #03-03, #03-04  
Singapore 738283

Holds Statement No: GHGEV 646546

Verification opinion statement

As a result of verification procedures, it is the opinion of BSI with reasonable assurance that:

- The Greenhouse Gas Emissions for Ardentec Singapore Pte Ltd at the period from 2015/1/01 to 2015/12/31 is 4548.98 tonnes of CO<sub>2</sub> equivalent.
- Main operational activities carried out in the defined organizational boundary includes Provision of semi-conductor Test Services and Backend Services.
- No material misstatements in the selected base year Greenhouse Gas Emissions calculation were revealed.

Data quality was considered acceptable in meeting the principles as set out in ISO 14064-1:2012.

For and on behalf of BSI: *Todd Redwood*  
Todd Redwood, General Manager

Originally registered: 28/04/2016 Effective Date: 28/04/2016 Latest Issue: 28/04/2016

**bsi.** ...making excellence a habit.

BSI Standards Institution is incorporated by the above named client and has no financial interest in the above named client. This Certificate of Registration has been prepared for the above named client only for the purpose of verifying its conformity with the BSI Standards Institution and not for any other purpose. It is not to be used for any other purpose. The BSI Standards Institution and not, in providing this Certificate of Registration, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other provision for which it may be used or in any person for whom the Certificate of Registration has been prepared. This Certificate of Registration is prepared at the sole discretion of the BSI Standards Institution and is not intended to be used for any other purpose. The client does not intend to use this information for any other purpose. The BSI Standards Institution has assumed that all such information is complete and accurate. Any opinion that may arise from this Certificate of Registration is limited to the information provided to the BSI Standards Institution.

• Singapore Site



### The energy saving programs and effectiveness promoted in 2015 are as follows:

Site	Energy Saving Program		Electricity Saved (kWh)	Electricity Bill Saved (NT\$)	CO <sub>2</sub> e reduced (MT)
Taiwan Headquarters	Heating dryer energy Saving	Replaced non-thermal dryers with heating dryers using heat regeneration; and reduced compressor load with zero air loss heat regeneration.	62,338	162,078	32.48
	Chiller optimization	Planned the chiller operation cycle according to the chiller operating efficiency to minimize chiller operating cost.	90,863	236,243	47.34
	Chiller system energy saving	Adjusted the optimal chiller startup frequency according to seasonal change.	445,102	1,157,265	231.90
	Inverter compressor energy saving	Minimized the motor activation frequency with inverter compressors to reduce electricity consumption of idle compressors to significantly reduce the activation current of compressors.	193,763	503,783	100.95
Singapore Site	Chiller system energy saving		188,989	523,696	81.87
	LED lamps		111,560	309,137	48.33
Korea Site	Floating (non-compulsory) energy use		230,151	720,418	107.09
	Lighting and air-conditioning system optimization		729	2,282	0.34
Total of 2015			1,323,495	3,614,902	650.30

### Calculation basis

	Taiwan Headquarters	Singapore Site	Korea Site	Unit
Conversion rate per kWh Announcement unit	Ministry of Economic Affairs	Singapore Power Authority	South Korean Ministry of Environment	
Power consumption unit	kWh	kWh	kWh	kWh
CO <sub>2</sub> emission	1kW · h x 0.521	1kW · h x 0.4332	1kW · h x 0.4653	metric tons
Power-saving amount in NT\$	kWh energy saved x NT\$ 2.6 / kWh	kWh x SGD 0.12 x 23.092	kWh x KRW111 x 0.0282	NT\$
The amount of saving electricity convert to NTD rate		23.092	0.0282	



- Air conditioning system cooling tower energy saving plan



- Inverter air compressor



- External heat drier

There is a consensus among Ardentec employees to save energy from the little things in life. By changing work habits bits by bits, they were able to drastic reduce the carbon footprint of their lifestyles.

### Simplification of lighting and air-conditioning

Ardentec promotes carbon reduction life, control and management of office lighting and air conditioning zoning and implementation of energy saving measures of lighting and air conditioning during night time and holidays, for example: Concentrate the night and holiday duty workers to certain work areas. Promote readily energy saving. Turn off the lighting and power of air conditioning in accordance with the control chart when leaving the office. Lighting and air-conditioning are just the beginning of a series of conservation measures that the Company has planned for the future.

Office lighting and air-conditioning have been divided into sections with operating hours clearly detailed. Corridors have been placed with light sensors so that lighting is turned off automatically when there is sufficient outdoor light. Corridors where people seldom visit have infrared sensors built in and power turned off by default. Only when people pass through the area will the lighting turn on automatically.

### Saving energy on the MIS

The MIS Department has outlined energy-saving measures for all types of devices. Employees' terminals, wafer test monitors, hard drives and screens are shut down, dimmed and set to go into sleep mode under pre-configured circumstances to reduce energy consumption.

### Mitigating global warming "Meat-free Monday"

2015 is the 8th year of Meat-free Monday. Through a meat-free day a week, all employees have reduced the carbon footprint of food from their plates. With a reduction of 10% livestock products from the daily diet, we not only reduce the livestock's harm to the global warming but also give our employee a chance to practice the healthy, low-carbon and green lifestyle.

### Forest protection: Use of unbleached recycled paper

According to the studies conducted by British firm Tesco, the amount of energy required to recycle paper waste and produce reprocessed paper is only 10% to 40% of that used to produce from wood. In addition, the use of reprocessed paper reduces GHG emission by 47%, air pollution by 28%, water pollution by 33%, and solid waste by 54%. In an attempt to preserve our forest, Ardentec has adopted the practice of using only "unbleached, reprocessed toilet paper and paper towel" since 2010. By reusing our resources, we can reserve our forest as habitat for a great number of species, and in the meantime reduce the impact of garbage processing on the environment. Furthermore, without the bleaching process, there would be lesser pollution to the air and water. In 2015, we consumed a total of 68,928 recycled toilet rolls and 23,040 packs of paper towels, reducing GHG emissions at a total of 7.8 ton of CO<sub>2</sub>e

✗ Calculated by: carbon emissions from the use of original paper minus the carbon emissions from the use of recycled paper, multiplied by the amount of use.

✗ Carbon emissions reference: Cheng Loong corp. (original paper: Mayflower, recycled paper: Dandelion)



Environmental Protection

## 4.5 Disclosure of Environmental Information

The business operation of Ardentec is wafer and final product testing. The main environmental resource consumed is the electricity for the testing machines running 24 hours a day. The following presents details of waste produced and water, electricity, oil, and refrigerant consumed during site operations, cooling, transportation, and personnel activities:

### Operations and Related Consumption of Environmental Resources/Energy

Use		Operational activities		Emissions	
► Energy consumption		2014	2015	Unit	
	Diesel <sup>1</sup>	3,686	2,562	Liter	
	Gasoline <sup>2</sup>	299	0	Liter	
	Electricity <sup>3</sup>	111,217,773	120,478,938	Kwh	
	Electricity intensity	19,067	20,336	Kwh/ Turnover, million NT\$	
► Water		2014	2015	Unit	
	Water use <sup>5</sup>	249,362	264,692	metric tons	
	Recycled water	13,362	21,071	metric tons	
► Packing materials		2014	2015	Unit	
	Carton <sup>9</sup>	117,597	121,020	KG	
	Cushioning material <sup>10</sup>	16,150	24,192	KG	
	Foil bags <sup>11</sup>	20,472	23,738	KG	
► Recycle and reuse <sup>12</sup>		2014	2015	Unit	
	Cassette (12 inches)	82	58	%	
	Carton (8 inches)	72	98	%	
	Carton (12 inches)	49	64	%	
► Waste cleanup		2014	2015	Unit	
	General industrial waste <sup>7</sup>	137	136	metric tons	
	Hazardous industrial waste	1	1	metric tons	
► Greenhouse gas emissions <sup>4</sup>		2014	2015	Unit	
	Direct emissions	362	375	metric tons CO <sub>2</sub> e	
	Indirect emissions	54,372	58,804	metric tons CO <sub>2</sub> e	
	Total emission	54,734	59,179	metric tons CO <sub>2</sub> e	
► Water		2014	2015	Unit	
	Wastewater discharge <sup>6</sup>	96,841	107,629	metric tons	
► Resourceization of waste <sup>8</sup>		2014	2015	Unit	
	Paper	42	41	metric tons	
	Plastics	32	36	metric tons	

#### [ Notes ]

- <sup>1</sup> Emergency generator (annual maintenance, routine operation testing or power outage use)
- <sup>2</sup> Pumps for emergency use
- <sup>3</sup> General electricity usage for testing machines and office area
- <sup>4</sup> It includes Scope I and Scope II, mainly the indirect greenhouse gas emissions from the externally purchased electricity.
- <sup>5</sup> Air conditioning water and general domestic water
- <sup>6</sup> Wastewater of cooling towers of air conditioning/general domestic water and process wastewater
- <sup>7</sup> Packaging materials, confidential documents, garbage, etc.; Hazardous industrial waste: Handle the scrap IC, wafers and probe card cleaning solution, etc. for clients
- <sup>8</sup> Paper and plastic (waste wafer box/ PVC/waste plastic) recycling
- <sup>9</sup> Wafer and IC shipping cartons
- <sup>10</sup> Wafer and IC shipping cushioning material to avoid collision
- <sup>11</sup> Wafers are placed in vacuumed aluminum bags before shipment, in order to prevent oxidization.
- <sup>12</sup> Reuse of the cassette and the wafer shipping carton



## 4.6 Climate Change and Opportunities

With the exacerbation of global warming, energy crisis and climate change, the requirement of relevant regulations will become stricter. Reduction of GHG emissions is a top priority of climate change management. In addition to complying with the government's environmental protection guidelines and obtaining certifications, Ardentec has also taken further steps to review its operations given the characteristics of the supply chain it plays part of and impacts from global climate changes. It was able to introduce measures to inventory and reduce greenhouse gas emission, promote the recycling and reuse of waste etc and progressively achieve its sustainability goals.

As a provider of semiconductor testing services, technology and testing equipment are Ardentec's key service resources, and electricity is the main form of energy used. Facing the unavoidable increase in the cost of energy and environmental protection caused by climate change, Ardentec is committed to various energy saving projects to lower the impact on the cost structure. Meanwhile, Ardentec is also committed to waste reuse or recycling, working towards the lowest consumption of environmental resources and optimal cost management to enhance the competitiveness.

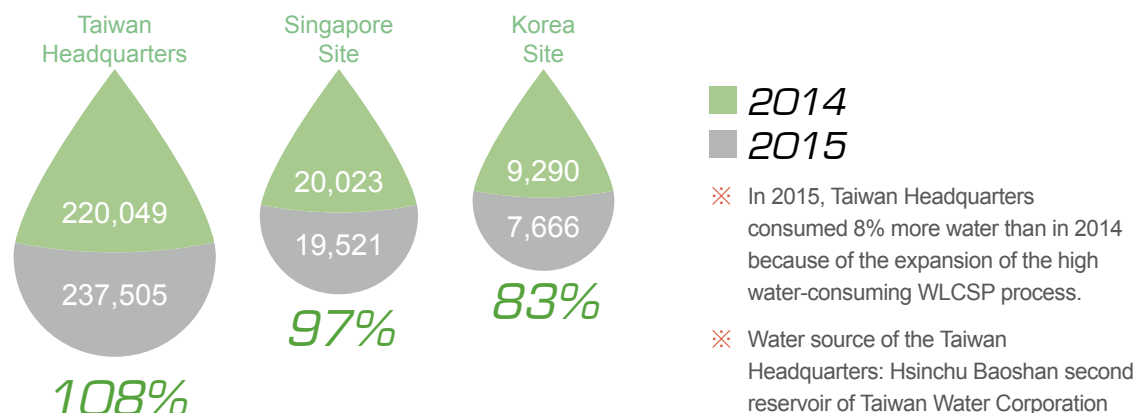
## 4.7 Water Resource Management

### Use of water resources

The bulk of Ardentec's water usage was for air conditioner cooling in its 24-hour test rooms. Other water usages include general and fire safety purposes. Even though it uses a relatively small amount of water, Ardentec

### Water Resources Consumption in 2014 and 2015

(unit: metric tons)



is also committed to "reduce, recycle and reuse" water resources. Ardentec currently draws water supply entirely from the public water system. In 2015, the four sites in Taiwan used 237,505 metric tons of water in total. In 2015, the four sites in Taiwan plus Singapore Site and Korea Site used 264,692 metric tons of water in total.

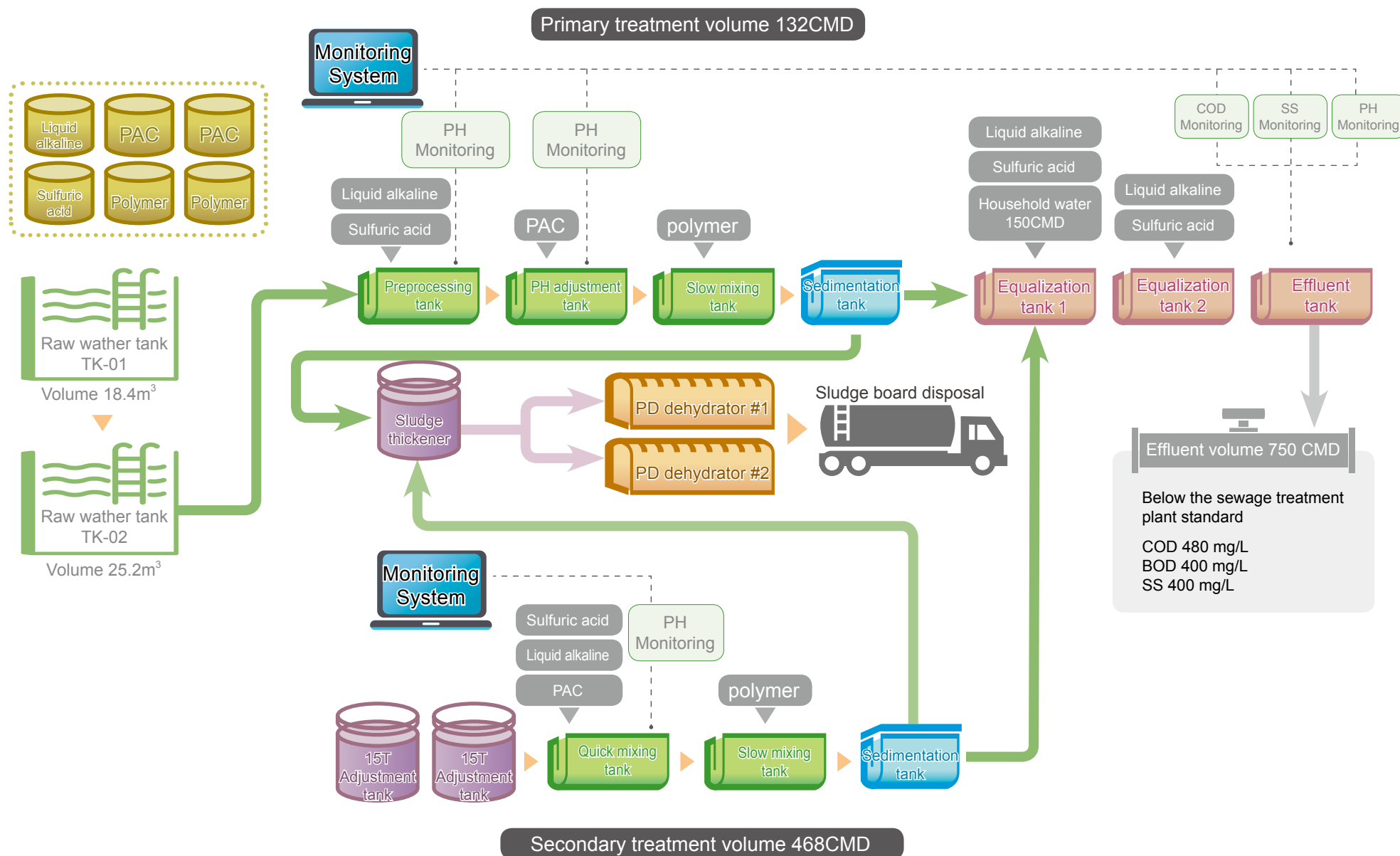
### Water conservation results

Ardentec also took on a more active step towards promoting water conservation, replacing water conservation facilities at various sites, and tightened its management over the use of water. Under the impetus of the water conservation measures, to increase the water recycling/reuse ratio as much as possible. Regarding water conservation performance, the air conditioning condensation water and the RO discharge from the process have been reused as cooling water for the air conditioning. We hope this maximizes the recycling and reuse rate of water resources and reduce the impact on the environment. The cost saved from water conservation will be transferred to the environmental education related to water resources which is in line with the Company's positive circulation of green management system. In

2015, Taiwan Headquarters and Singapore Site recycled a total of 21,071 MT of water, commanding at 8.2% of total water consumption, which is one big step forward compared to the 5.2% in 2014.

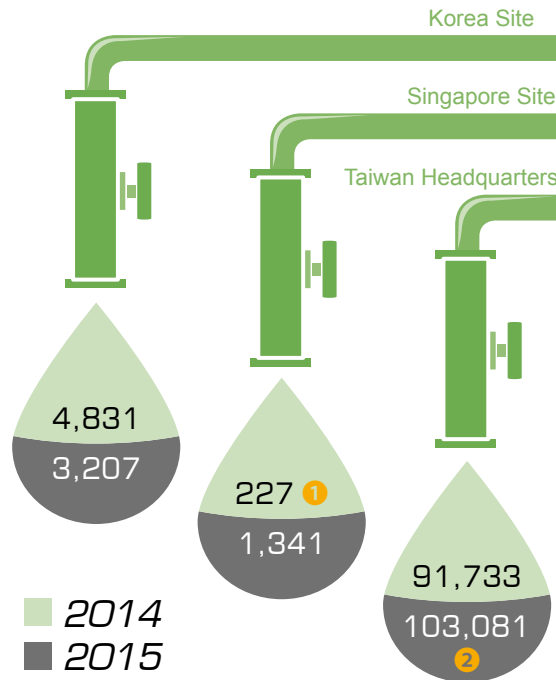
### Sewage discharge

Sewage discharge of business activities mainly comes from the wastewater from the air conditioning cooling tower in the factories and general domestic water consumption such as cleaning and kitchen sewage. Sewage discharge of Kaiyuan Site increased in 2015 after the equipment expansion of the WLCSP process. The following diagram shows the sewage treatment system of Kaiyuan Site Phase II. Prior to discharge, the water quality (pH and COD) and water quantity monitoring facilities ensure process effluents comply with the sewage treatment plan standard of the Hsinchu Science Park for the park to implement necessary treatment before discharging to the river. Therefore, Sewage discharge from our sites will not influence or impact biodiversity within and outside of the protected area.



## 2014 and 2015 Sewage Discharge

(Unit: metric tons)



### [ Notes ]

- ① Singapore site is rented building. Data was collected after the installation Sewage Scale from September 2014.
- ② In 2015, Taiwan Headquarters consumed 8% more water than in 2014 because of the expansion of the high water-consuming WLCSP process.

## 4.8 Waste Management

### Management principles

Ardentec generates two types of waste from its operations: general industrial waste and hazardous industrial waste. The Company adopts centralized treatment of waste produced so that may effectively monitor the volume from generate sources. The Company turns waste into resources by recycling and reusing resources wherever it can then cooperate with recycling companies to put waste into best use. Ardentec do all the best to reduce the impact to environment. For those waste can not be turned to be resource, The Company engages certified treatment companies to dispose waste in manners comply with law., and is not involved in any import or export of hazardous industrial waste..

In 2014, Taipei Headquarters disposed of a total of 121MT of general industrial waste and about one MT of hazardous industrial waste. In 2015, the volume of general industrial waste increased by about 0.8% to 122MT because of the sludge produced by the treatment of wastewater from the WLCSP process. However, the volume of hazardous waste about one MT was less than that of 2014. In 2015, the total volume of general industrial waste produced by Taiwan Headquarters, Singapore Site, and South Korea Site was 136MT, and the total volume of hazardous industrial waste was about 1 MT.

### Waste Items and Treatment

(Unit: metric tons)

Category	Waste type	2014			2015			Cause of waste	Treatment
		Taiwan Headquarters	Singapore Site	Korea Site	Taiwan Headquarters	Singapore Site	Korea Site		
General industrial waste	Mixture of waste plastic	24	0	1	23	0	1	Packing materials	Incineration
	Mixture of waste paper	25	2	1	6	0	1	Shredded confidential documents	Incineration (not recyclable)
	Daily living waste	72	8	3	85	8	5	General garbage	Incineration
	Sludge				8	0	0	Wastewater ①	Physics treatment
Hazardous industrial waste	Waste electronic components, offal products, defective product	0	0	0	1	0	0	Scrapped IC/wafer ②	Chemical treatment
	Waste liquid pH >=12.5	1	0	0	0	0	0	Alkaline solution from probe card rinsing	Chemical treatment

### [ Notes ]

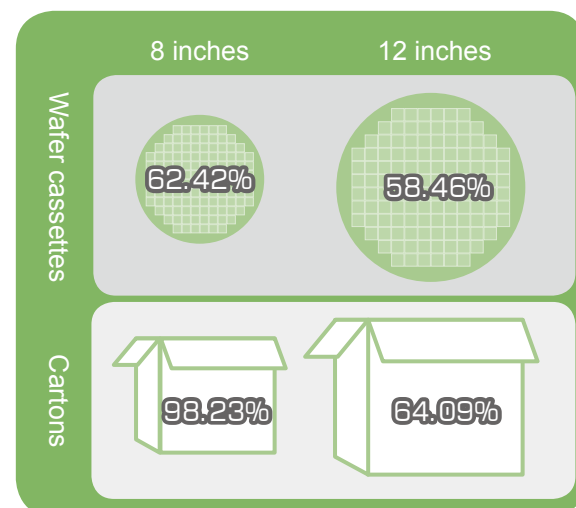
- ① Sludge produced by the treatment of wastewater from the WLCSP process.
- ② Customers authorize Ardentec to scrapped product on customers behalf; Ardentec does not generate scrapped IC/wafer from service process



## Reuse and reduce of packing materials

Ardentec has specifically requested for cartons and wafer cassettes are being reused as much as they can be, unless specifically requested by customers, the wafer cassettes for customer product are thoroughly cleaned by professional companies and used repeatedly when shipments are made to the customer. The Company also takes initiative to negotiate with customers for the reuse of packing materials, so that waste can be reduced to the minimum. In the meantime, the Company is exploring all possibilities to avoid one-time wear and tear of packing supplies, and to increase the chances of which packing materials can be reused. By collaborating with upstream and downstream participants, Ardentec is able to reduce waste and reuse resources to a greater extent that achieve its goals of sustainability.

## Resource Reuse in 2015



## Resources Recycled and Reused

(Unit: kg)

Waste Resource	Item	Method of reuse	2014			2015		
			Taiwan Headquarters	Singapore Site	Korea Site	Taiwan Headquarters	Singapore Site	Korea Site
Paper	Cartons and documents	Paper raw materials	39,460	2,097	500	39,860	147	505
Wafer cassette	Scrapped wafer cassettes	Plastic raw materials	23,021	230	0	27,613	75	0
PVC	PVC gloves	PVC raw materials	7,940	110	0	6,690	64	0
Plastic	Plastic bags, bubble wraps, and other plastic	Reused by the recycling agent	997	70	80	1,665	64	85
Mixed metal		Recycling agent to extract precious metals or for other purposes	2,190	8	210	1,690	606	195
Iron	Engineering waste, scrapped equipment...	Recycling agent to extract other metals	935	51	30	2,275	181	95

(Unit: NT\$)

Others <sup>①</sup>	Scrapped PC, monitors, lamps, batteries...	Reused by the recycling agent	26,398	603	0	10,070	323	0
---------------------	--	-------------------------------	--------	-----	---	--------	-----	---

【 Notes 】 <sup>①</sup> Already reduced from the source, less PC and monitors are scrapped.



## Waste reduction initiatives

### Refuse to use of disposable dining utensils

There has already been excessive use of disposable dining utensils in Taiwan. Most of the disposable dining utensils are made from fossil materials that produce high amounts of carbon when incinerated. They also pose substantial liabilities to waste disposal and risks of water pollution. 75% of disposable chopsticks contain bleach, sulfur dioxide, hydrogen peroxide and a number of chemical substances that are harmful to our health. As Ardentec believes in the idea that "health comes to those who are friendly to the environment," it launched a campaign that "refrains use of disposable dining utensils" in 2010, and started encouraging employees to bring chopsticks to their meals. Meanwhile, the cafeteria was instructed to use only environmentally friendly utensils. Through real actions, the Company was able to cut back on the use of disposable dining utensils that are difficult to decompose. There are about 1,400 employees in 2015. It could save nearly 330,000 meal's worth of disposable dining utensils each year, and reduce the amount of carbon they emit and the level of pollution they could have done to the environment.

## Reuse of paper waste

Since Ardentec was first incorporated, the Chairman has been urging Ardentec employees to care for the sustainability of the society and to fulfill this mission through daily actions. For more than 16 years of its existence, Ardentec has never purchased any envelopes or memo pads for internal correspondence. Instead, any envelopes that Ardentec receives over the course of business are refurbished with one-side printed paper, which allows the envelope to be used another 20 times, and then refurbished again another 20 times... Effectively, each envelope can be used as many as a hundred times. Paper waste that have been printed on one side are gathered and sent to our printing partner, where they are cut and glued into memo pads free of charge. As a result, the life of each tree that went into the making of paper is used to the extreme in Ardentec. All employees are aware that every time we reuse our resources, we save one tree from disappearing and preserve room for more biodiversity.







# Employees as Partners

- 5.1 Employee Partnership Policy
- 5.2 Right People for Right Job
- 5.3 Compensation and Benefits
- 5.4 Education and Training

- 5.5 Workplace Health and Safety
- 5.6 Labor-Management Harmony
- 5.7 Workforce Structure

**Ardenttec** 欣銓科技



## 5.1 Employee Partnership Policy

By viewing employees as partners of the Company, Ardentec has developed an employee partnership policy that is centered on 4 core values: "Right People for the Right Job," "Reasonable Compensation and Benefits," "Career Development," and "Workplace Health and Safety." Through empathy and trust, we strive to grow with our partners. We hope that employees not only enjoy their work, but also the time they have with their families. Moreover, we long to see Ardentec employees become the core of the Company's competitiveness in the global semiconductors industry, working alongside the Company for a brighter future.



## 5.2 Right People for Right Job

Ardentec evaluates the professional skills of job applicants with discreet standards and a systemic assessment process. Moreover, we look for hard-working professionals who have similar beliefs and are willing to grow with Ardentec. We comply with local employment regulations in every place we do business. We give priority to hiring local talent under of the principles of equal opportunity and recruiting the right people for the right job.

One of Ardentec's business philosophies is to ensure the sustainability of its business and to provide people with more opportunities to look after their families. We adopt a recruitment policy that hires local residents as the first priority. When production requirements increase to an extent that our existing workforce no longer suffices, Ardentec would then file an application with the local labor administration to hire foreign workers in manners compliant with laws, so that it could grow its business further and create more jobs for the local population. When hiring foreign workers, Ardentec chooses only to collaborate with workforce agencies that have demonstrated sound records of humane practices. The head of human resources and the department in need of recruitment would personally visit the countries through which workers are sourced, and interview them to ensure that all workers are hired through legal procedures and have their human rights protected.

### Hiring Process



Ardentec prohibits the hiring of child labor aged below 16. It has a due diligence process in place that verifies the age of any employee it hires and ensures compliance with labor regulations local to the place of business. Ardentec's headquarters and subsidiaries in various countries all adopt the policy of hiring local workers as the first priority. Ardentec treats every employee fairly and equally; employees have the same opportunities for recruitment, rewards and promotions regardless of their race, religion, or gender. Except for two officers dispatched from Taiwan Headquarters, all management members of the South Korea Site are hired locally; and the all management members of the Singapore Site are hired locally.

All employment contracts are established with the consensual agreement between the employer and the employee. As required by law, any changes to the terms of employment would need to be consented by the employee. Ardentec sources talent through supportive and protective workforce agencies. It takes into consideration the suit-



ability of disabled persons to create job opportunities for them, and thereby increases the chances for the socially disadvantaged to work at the Company. In addition to making changes to the nature of work and the working environment, the Company also provides disabled employees with full training so that they can realize their best potentials on their own, and improve their quality of life while contributing towards the development of society. With regards to the hiring of disabled employees, in 2014 the employment of disabled people is nearly 140% of that required by "People with Disabilities Rights Protection Act."

Meanwhile, the Company also requires its suppliers to avoid unfair treatments and eliminate any form of forced labor (including slavery, use of trafficked, imprisoned, or debt-burdened labor etc). It is imperative for labors to perform work out of their own free will. This initiative ensures that Ardentec's CSR extends to other ends of the supply chain.

### 5.3 Compensation and Benefits

Ardentec employees' salaries are set at a highly competitive level within the given industry. Review of salary is in no way connected to employees' gender, and while doing so the Company ensures full compliance with labor regulations local to its places of business. Market salary level, industry pay level and the Company's operating performance are regularly assessed. Performance evaluation and salary adjustment are carried out in the first quarter of each year based on the contribution, performance and responsibilities of previous year. Gender, race, religion or marriage status does not make a difference. Our salary policy ensures that the Company's talent maintains a high degree of competitiveness in the regional job market. In addition to salaries, the Company also has operational benchmarks and bonus systems in place to guide and reward employees' performance. In 2015, the Taiwan headquarters and subsidiaries spent a total of NTD 1,417,598,000 on employees' salary, welfare and training.

The Articles of Incorporation states that employees are entitled to share the Company's earnings when the Company is profitable on governmental accounting base. This system is consistent with Ardentec's view that employees are its closest business partners. The 2015 surplus of Taiwan Headquarters allocable to the employee is NT\$166,369,120.

Ardentec remunerates its employees under the principle that everyone is treated equal. Employees' salaries, rewards and bonuses are determined based on their performance and contribution without taking into account their gender, age, race, religion, political association or marital status.

#### Welfare

##### Taiwan Headquarters and overseas locations



Wedding/funeral subsidies and festive gifts



Pension contribution



Comfortable dormitory



Free medical consultation by stationed physicians



Year-end party

Besides, there are also various local welfare measures:

##### Taiwan Headquarters

- Profit sharing
- Health insurance, labor insurance, and travel insurance
- Free group insurance for employees, spouses and children
- Pension contribution
- Comfortable dormitory
- Meal subsidies and complimentary refreshments
- Multi-functional health center
- Annual employee travel
- Long-term service trophy and bonus

##### Singapore Site

- Long-term Service Bonus
- Vacuum bottle
- Group medical insurance, life insurance, and travel insurance.
- Vision and dental allowances
- Free night-shift snack
- Welcome luncheon and weekly tea party
- Dumplings for the Dragon Boat Festival and moon cake for the Mid-Autumn Festival
- Childbirth encouragement bonus
- Travel allowance
- MO birthday leave

##### Korea Site

- Health insurance, labor insurance, travel insurance
- Free breakfast, lunch, dinner, and night-shift snack
- Vision and dental allowances
- Free physician and nurse consultation
- Company bus service
- Gifts for Mid-Autumn Festival and Lunar New Year



The retirement arrangement of the employees should be appropriately planned. The Taiwan Headquarters transfers the pension contribution to the employees' personal bank accounts every month in accordance with the new retirement policy. Pension contribution following the old retirement contribution is also deposited to the specific accounts every month in accordance with the law. Every year, the Company hires actuaries to calculate the rate of employees' pension contributions, in order to ensure that monies provided to the defined benefit account held with Bank of Taiwan and amounts budgeted for pension contributions do suffice to guarantee employees' lifestyles after retirement. A Pension Supervisory Committee comprising of employee and management representatives would review the pension account every quarter and discuss issues

regarding employees' retirement.

The Singapore Site complies with local regulations by contributing to the government-managed Central Provident Fund (CPF), whereas the Korea Site follows the "Pension Protection Act" and makes contributions to a "Defined Contribution" (DC: Defined Contribution Retirement Pension) plan that the employer and the employees have agreed upon.

In 2015, the Taiwan headquarters and its subsidiaries made pension contributions totaling 3.9% of employees' salaries.

Balanced work and life maintains the vitality of the employees and the Company. We encourage our employees to exercise,

socialize, travel and participate in any leisure activities and enjoy their time with their family.

The Employee Welfare Committee organizes staff travel every summer. Different routes are provided every year and at least two echelons are held for each route to ensure all employees have full choices. Local employees and expatriates all invited their family and friends to the tour. It not only deepened the relationship between families and friends but also provided an opportunity to see the beauty of Taiwan in depth.

The exciting and warm year-end party is the most expected event of employees in all locations. On the party day, employees regardless of nationality form their own teams and rehearse their performances from early morning. The year-end party provides the best stage for employees to showcase their talent outside of work. Singing, dance,







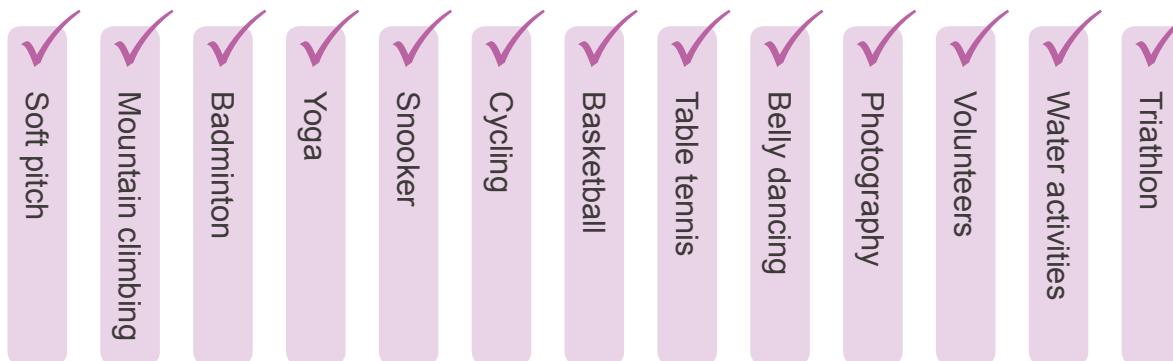
fun drama...they amuse themselves and entertain others.

The Employee Leisure and Health Center is the best place for employees to strengthen their body and mind. During the break, employees can use the equipment inside to relieve their stress and exercise a bit. To sports loving employees, it is a comfortable and convenient environment for exercise. The equipment at the center includes the treadmill, upright bike, table-tennis, and snooker. The health classroom provides comprehensive fitness courses, including the aerobic dance, Pilates, yoga, belly dance, etc. There are different courses for employees to exercise and relax their body and mind after work.

Each club would organize events from anything between fun and games to the physically challenging. Since family members are invited to join, these events became good opportunities for participants to learn more about each other and work more closely as a team.

\* Ardentec has a number of club activities including: soft pitch, mountain climbing, badminton, yoga, snooker, cycling, basketball, table tennis, belly dancing, photography, water activities, and triathlon.

### Ardentec has a number of club activities including:



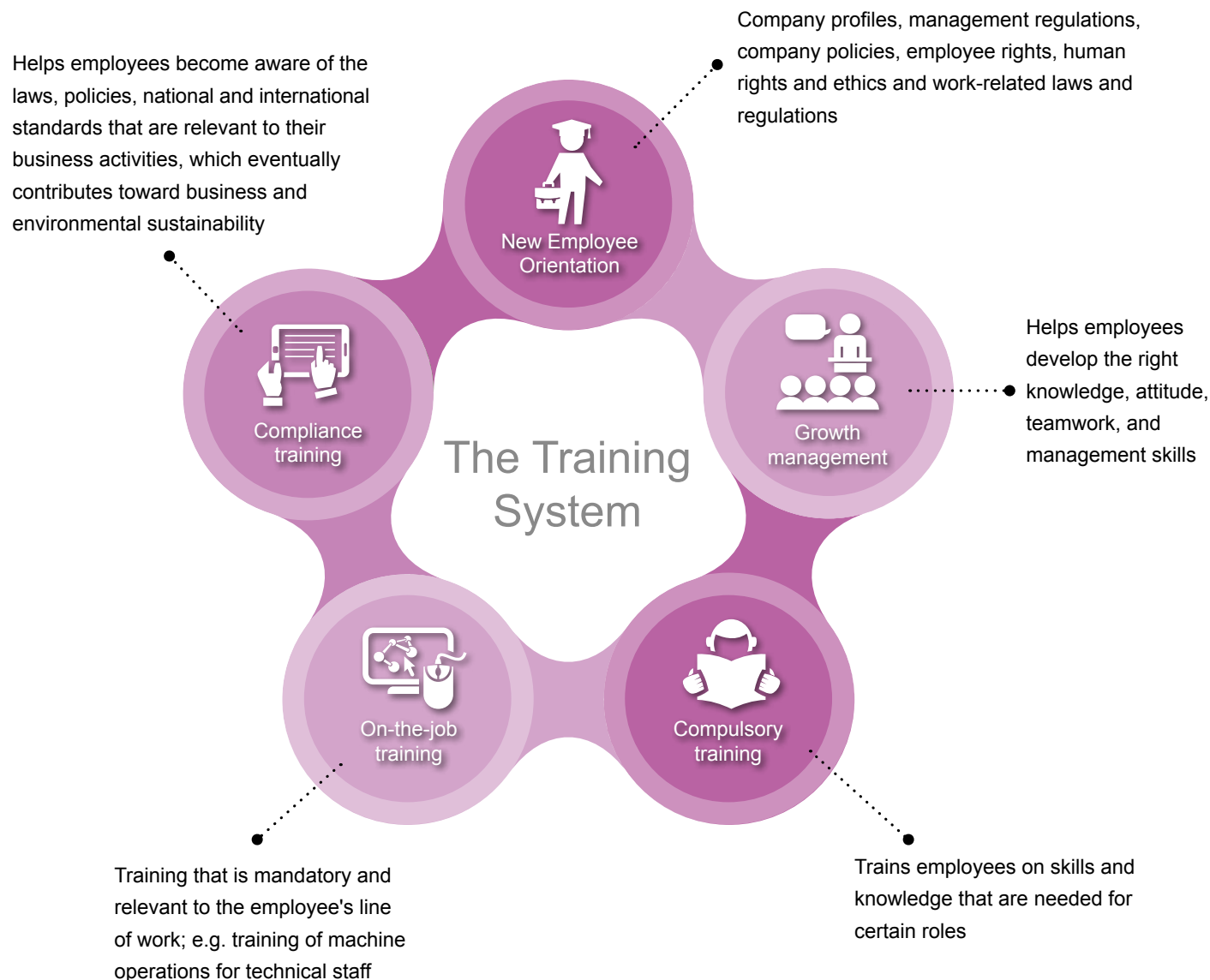


## 5.4 Education and Training

Talent training is the key to sustainable business for any company. In Ardentec, nurturing talent in the direction of the Company's growth has become one of the critical management focuses. We have developed a multitude of training solutions that are centered on the Company's goals and employees' career development. Through the use of systematic learning roadmaps, we have built an environment where employees may learn and grow on the job.

The performance evaluation in the first quarter of each year involves training requirement and personal development plan (PDP) review. The supervisor and employee discuss the personal work and annual growth requirement required by the future target and create a customized training program in order to assist the employee's career development and lifelong learning.

Ardentec offers five different types of training:





Technical skill development is one of the major focuses in the Company's training. Employees who have been trained on Ardentec's testing procedures and system operations are given the responsibility to pass on their knowledge and bring new comers to the expected standard of professionalism. In 2015, Ardentec received a subsidy of NTD98,828 under the Intelligent Electronics Institute program organized by Industrial Development Bureau, Ministry of Economic Affairs, for its dedication to talent training.

Apart from the five main types of training, the Company has also organized seminars featuring a variety of issues to broaden the scope of employees' learning and to enrich their lives.

### Employees were also entitled to the on-going educations below

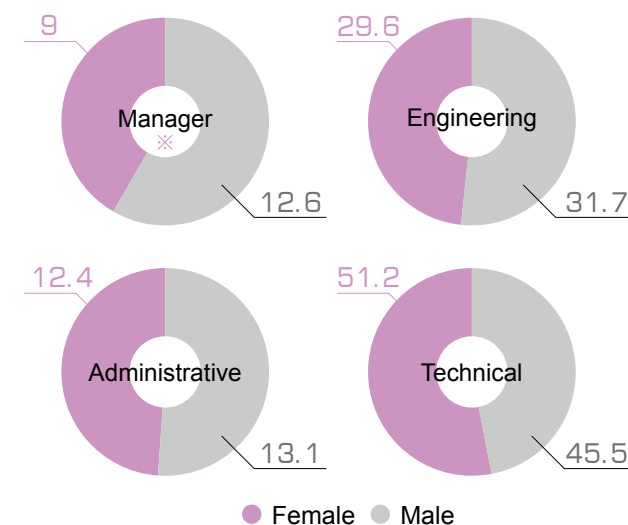
- 1 Training at overseas institutions.
- 2 Working at overseas subsidiary/parent companies for practical multinational experience.
- 3 Quarterly managers' forums where managers may develop leadership skills by discussing trends of the industry, regulatory developments, upcoming international standards, business planning, and share practical experiences.
- 4 As our foreign market expands, employees need to contact with customers from all over the world more frequently. To improve the employee's communication skills with foreign customers, every year we hire well experienced experts to provide training for employees regarding manners, conference English, and negotiation English to continuously strengthen our ability for global expansion.



Ardentec places special emphasis on the human rights and ethic training. Training of human rights policy and consideration has been provided to all securities responsible for security control to ensure that the securities comply with Ardentec's respect to human rights when doing their duties. As of 2015, a total of 1,159 hours of "Human Rights and Ethics" training was provided, and it achieved 100% completion training rate.

In 2015, Ardentec's headquarters and subsidiaries organized 57,700 hours of training and received 29,081 enrollments in total. On average, every male employee had 30 hours of training. Every female employee had 42 hours of training. 100% of employees received training.

### 2015 Training Hours by Job Role and Gender



※ refers to managerial roles of section grade and above

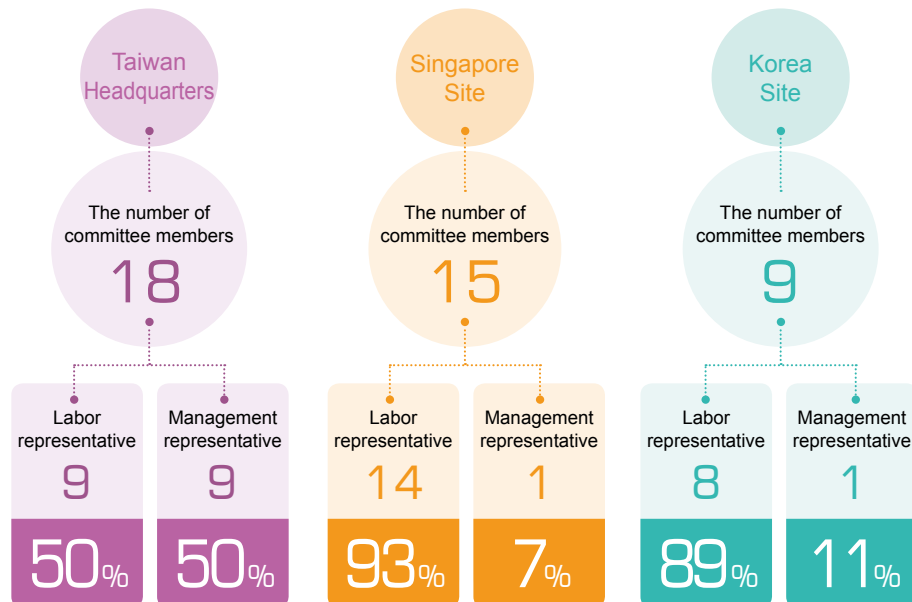
## 5.5 Workplace Health and Safety

### Ardentec's OSH Policy

"Legal and regulatory compliance, Safe and health work environment, Continuously improving safety and health performance."

### Occupational safety and health committee

The employee representative of the OSH Management Committee is nominated by the employee representatives of the Labor-Management Meeting at a percentage higher than the statutory requirements. The OSH Committee is established to review programs/plans relating to workplace safety and health and the effectiveness of implementation, coordination and proposition of affairs relating to labor safety and health. As a platform for direct involvement and transparent communication, the committee meeting enables all employee representatives to freely express their opinions regarding safety and health. All agreements and conclusions made at the committee meeting are maintained in relevant documents and the minutes for the reference of supervision and OSH planning in the future.



### Environment, Safety and Health Management System

At Ardentec, we observe OSH-related laws and regulations and management system requirements at home and abroad, promote and implement various OSH measures, and make no compromise to the legal compliance of all work. We have implemented OHSAS 18001 Occupational Health and Safety Management Systems at Taiwan Headquarters, Singapore Site, and Korea Site. All three locations also passed OHSAS 18001 certification. With the risk assessment in the management system, we identify all risks of hazards and timely control the effectiveness of system implementation with internal audits to ensure continual improvement.



- Taiwan Headquarters



- Singapore Site



- Korea Site



## Safety and health education

Following our Rules for OSH Education and Training, we arrange safety and health education and training for all new employees and safety and health management education and training (including chemical management, contractor management, and procurement and EC management precautions). Employees working on the production line must finish relevant pre-service safety and health training before working on the production line.

Employees working with chemicals must receive the hazard communication training to understand the properties of chemicals, exposure prevention, and emergency response.



## Safe workplace

Every month, section managers up to department manager conduct inspection to the operation area of the department. For company wide safety inspection, OSH inspects monthly, Fab Directors and Vice Presidents lead management team inspect quarterly.

Problems found in inspections will be recorded in the follow-up list. After relevant units make the improvement, the OSH Office will check if the improvement is completed to ensure workplace safety.

Working environment measurement is conducted on a biannual basis to ensure the intensity of CO2 in air, the exposure intensity of chemical, and illuminance are comply with the regulatory requirements to provide employees with a safe and comfortable working environment.

## Commutation safety

Major occupational accidents are traffic accidents occurred during employee commutation. In 2015, commutation accidents commanded at 95% of all occupational accidents, and most traffic accidents occurred to employees using motorcycles. To effectively reduce commutation traffic accidents, the OSH Office organized 17 traffic safety publicity activities of different themes to improve the safe commutation concepts and skills of employees.

## Health and safety information disclosure

Every year we produce statistics on the disabling injury frequency rate and disabling injury severity rate defined by the Ministry of Labor and the lost day rate and absence rate defined by GRI; review employee occupational accident management and health management; and use relevant data as the reference for continual improvement.

In 2015, there is no occupational death has occurred, 21 occupational incidents, including 20 communication traffic and 2 falls occurred at the workplace, only minor injury occurred.



## Occupational Injury Statistics

Item	Taiwan Headquarters		Singapore Site		Korea Site		Total
	Male	Female	Male	Female	Male	Female	
No. of occupational injuries	16	6	0	0	0	0	22
Disabling injuries	0	1	0	0	0	0	1
Work days lost	0	5	0	0	0	0	5
Work lost/times	0	1	0	0	0	0	1
Work Day Lost/GRI	0	0.4	0	0	0	0	0.4
Lost day rate	0	0.00003%	0	0	0	0	0.00001%
Frequency of disabling injuries	0	0.67	0	0	0	0	0.30
Severity of disabling injuries	0	3.34	0	0	0	0	1.48

The frequency of disabling injuries and severity of disabling injuries defined by the Ministry of Labor is calculated as follows:

Frequency rate of disabling injuries = number of disabling injuries / total work hours elapsed x 1,000,000

Severity rate of disabling injuries = total work days lost / total work hours elapsed x 1,000,000

Lost day rate (LDR) = (total days lost due to occupational injuries / total work hours) x 100%

- ✗ Given the condition of Ardentec's workplace and employees' work nature, there are no concerns of occupational illness
- ✗ Occupational injuries include commutation traffic accidents. The occupational injuries have never occurred in Singapore Site and Site Korea Site

## Absence Information

Item	Taiwan Headquarters		Singapore Site		Korea Site		Total
	Male	Female	Male	Female	Male	Female	
No. of absent days	788	1,118	304	510	24	4	2,748
Absence rate	0.49%	0.71%	1.81%	2.99%	0.27%	0.07%	0.75%

The number of days absent includes medical leaves, menstrual leaves, occupational injury leaves, and disease control leaves

Absence rate (AR) = (total days absent during the reporting period / total working days in the reporting period) x 100%

## Healthy workplace program

To provide employees with a healthy and comfortable work environment, promote the Health Workplace Program, balance work and life, and continuously maintain the mental and psychological health of employees are always our goals. In 2015, all four sites under Taiwan Headquarters were awarded the "Excellent Healthy Workplace Self-Certification – Health Promotion Mark" by Health Promotion Administration of the Ministry of Health and Welfare.





To provide employees with a healthy and comfortable work environment, promote the Health Workplace Program, balance work and life, and continuously maintain the mental and psychological health of employees are always our goals. In 2015, all four sites under Taiwan Headquarters were awarded the “Excellent Healthy Workplace Self-Certification – Health Promotion Mark” by Health Promotion Administration of the Ministry of Health and Welfare.



• Health consultation

### 1 > Health examination

We arrange physical examinations for employees every two years, which is better than the regulatory requirements. For employees with abnormal examination results, we arrange medical center physicians to provide them with individual health instructions and health education. We also provide assistance on further medical attention and referrals.

### 2 > Health consultation

Resident occupational doctor: Working in collaboration with medical centers, we arrange regular occupational doctor service at each site to provide employees with information regarding occupational and general diseases and injuries, health consultation, first aid, and emergency service. We also provide health consultation service for employee dependents and residents of local communities.

### 3 > Care for high-risk employees

For employees categorized in the high-risk group according to the health examination results, we arrange the overwork risk survey for them to calculate their 10-year probability of cardiovascular diseases. According to their risk level, we also arrange doctor to provide consultation and evaluation, follow up consultation services, and health courses to develop the health self-management ability of employees.

### 4 > Treatment of emergency patients

When employees feel ill or are injured at work, we provide first aid, nursing aid, or evaluate the need to seek medical attention. For employees who need further medical attention, we contact and arrange nursing and healthcare organizations in order to assist them.

### 5 > Epidemic control

We have established a well-planned epidemic control mechanism and have adequate resources to cope with infectious diseases and viruses. We also regularly provide the latest epidemic information across the world and health education materials and provide employees with the epidemic prevention “Business Trip Kit” for precaution purpose.

### 6 > Care for women employees

We arrange 3-in-1 cancer screening for women employees, dedicated parking spaces for pregnant employees, special care and courtesy color for the cleanroom gowns of pregnant employees, and well-equipped, warm, and comfortable breastfeeding rooms for mothers.

When arranging doctor consultation for pregnant employees, and OSH nurse will identify hazards in the work environment of pregnant employees for graded management to ensure the health of mothers and their babies.

### 7 > Zero second-hand smoke workplace

Ardentec has supported the government's policies by introducing programs that protect its workplace against second-hand smoke. The Company prohibits smoking at any indoor space, and has created designated smoking areas outside the office. Professional physicians have been invited to give talks regularly regarding smoking cessation seminars for the smokers. Campaigns against smoking have also been advocated to encourage the employees to quit smoking, prevent other employees from the harm and pollution of second hand smoke, build up the self-health management capacity and create a healthy non-smoking life.

## 8 > Emergency aid

We deploy first aiders more than the regulatory requirements. We also arrange recurrent training for first aiders at planned intervals. Every year we provide training on AED operation and first aid knowledge training. A total of 9 Automated External Defibrillators (AED) are provided in all sites in Taiwan for use at any time.

## 9 > Health promotio

We plan all kinds of health promotion activities, including stress management, weight loss management, and first aid training. In 2015, a total of 817 employees participated in these activities.

To encourage employees to lose weight for health, the CSR Committee launches the “Donate rice of lose weight for disadvantaged groups” activity. In 2015, a total of 107 employees joined the activity and turned a total of 166 kg lost weight into the rice of love for disadvantaged groups.



• Emergency aid



• Emergency aid



• Health promotio





## 5.6 Labor-Management Harmony

### Employee communication

"Communication" is the path to harmony, and Ardentec is dedicated to building a harmonic partnership with its employees. Ardentec offers a friendly working environment where employees can express any opinions face-to-face with their line managers, or raise suggestions via phone or email to any relevant department within the Company. In order to provide a more open means of communication through which the Company may respond quickly and effectively to employees' queries, Ardentec has implemented a set of "Employee Communication and Protection Guidelines" that offers a diverse and comprehensive range of communication channels from labor-management meetings to online and physical opinion/grievance boxes. Meanwhile, employees are encouraged to raise suggestions or problems concerning their work and the environment to the decision makers.

Furthermore, Ardentec has assembled a number of committees comprising of representatives from both the management and the employees, whose responsibilities are to discuss various issues and to maintain sound communication. In an environment of open communications, Ardentec was able to develop trust between the management and the employees; there has never been any employment-related dispute that result in losses or negatively affect employee relations.

### 1 > Labor-Management meetings

A total of 6 management representatives have been assigned by the Company, comprising the Vice President of Operation and directors. A total of 6 labor representatives have been selected by the employees ranked below the director. Labor-management meetings are held on a quarterly basis, or at anytime deemed necessary. If no foreign worker is elected as an employee representative, a foreign worker communication meeting will be held beforehand, and proposals made during the session will be submitted to the quarterly labor-management meeting for discussion.

The quarterly labor-management meetings ensure that employees are given the chance to express opinions. During the quarterly meetings, employees are able to raise suggestions regarding employment relations, employment terms and welfare, and discuss with the management to reach an acceptable solution. Most of the suggestions raised during labor-management meetings are able to reach solutions that are acceptable to both sides. This channel of communication permits discussions of any topic ranging from the





management system, the employment terms, to employees' welfare. All issues discussed are recorded on file to enable follow-up tracking.

Any changes to the Company's operations that require an adjustment to employees' jobs are discussed through labor-management meetings and notified to affected employees at least 30 days in advance. Meanwhile, all necessary assistance is given to employees to effect the new arrangement. For any employees out-stationed at overseas subsidiaries, Ardentec would provide the necessary subsidies and make arrangements to have employees' family members accompany them overseas.

## 2 › Employee complaints

Employees may file complaints personally to their line managers or to human resource should they encounter any problems at work, including but not limited to physical or verbal violence, coercive conducts, sexual harassment or assault. Handlers of employee complaints are required to discuss and explore solutions in the shortest time possible. Employees may file complaints anonymously by sending e-mails using their personal e-mail addresses to [grievance@ardentec.com](mailto:grievance@ardentec.com), and by describing clearly the circumstances, details and evidence involved. Where a complaint involves other employees, the investigator would be required to protect the basic rights of all those involved during investigation. All complaints, whether identified or anonymous, will be investigated with corrective measures implemented where appropriate. Line managers and the Human Resource Department have the responsibility to resolve employees' complaints, while in the meantime giving employees the rightful protections they deserve, including the right to confidentiality. However, employees are expected to file complaints on the basis of truth, and refrain from use of abusive language.

## 3 › Suggestion box

Suggestion boxes have been made available online and at the cafeteria, which employees may use to express opinions on an identified or anonymous basis. Queries raised through the suggestion box are answered or looked into by the relevant functional units. Where improvements need to be made, the underlying issues will be followed upon until completion, while in the meantime good communication with the proposer is maintained. Anonymous opinions that do not involve any particular person are announced publicly once resolved. Suggestions that have been deemed practical are mostly implemented in the end. In 2015, we received 51 mails from the suggestion box, including 18 suggestions or grievances from the internal email platform and 33 unsigned suggestions or grievances from the anonymous suggestion box. The comments and complaints via the Internet and electronic suggestion boxes have been replied. The comments from the anonymous suggestion boxes of each

site have been replied by the relevant units and announced to the whole company in Chinese and English.

Apart from the means described above, the Company also has other internal channels of communication in place, such as work safety meetings, Labor Health and Safety Committee meetings, and Employee Welfare Committee meetings. The Employee Welfare Committee has the authority to determine employees' welfare, including the choice of caterer for employees' meals.

### Suggestion box

Physical suggestion boxes are placed at cafeterias of each site; any suggestions received through which are forwarded by the HR & Service Division to the relevant department, where the head of department would offer its reply and have the reply announced or passed on to the employee once confirmed by





## Work-life balance

We admire employees who enjoy their work or are self-motivated in learning, and we also care for employees' work-life balance. We ensure strict compliance with local regulations regarding employees' work hours. The Taiwan headquarters, for example, adheres to the terms of the Labor Standards Act by providing "at least one day's rest for any seven-day period" and "at least 30 minutes of break time for every four consecutive work hours," while limiting work hours to "no more than 12 hours a day" and "no more than 46 overtime hours in a month." If there is a need to arrange overtime working, we would demand line managers to make overtime arrangements only with employees who are willing to participate. In order to ensure that employees' work hours are managed according to the above rules, the Company has implemented an electronic overtime application system that caters for all overtime scenarios. Overtime arrangements that do not comply with such rules will be automatically rejected by the system without exceptions. Ardentec has strict rules to ensure that it does not exceed its authorities when managing employees' work hours and rights. There were no incidents of forced labor or violation of employees' rights in 2015.

Ardentec's Employee Welfare Committee has signed an agreement with a nearby daycare center to provide their children with proper pre-school education at discounted rate.

## Respect for career plans

Employees who wish for a change of role or to take on different career plans may do so by raising a transfer request, subject to department head's approval. Employees who wish to resign may do so freely by serving a required period of notice. Managers and human resource staff would stay in contact with employees who have left Ardentec, and invite them back to work at a proper time.

## Respect for freedom

The Company fully respects the employee's rights to set up associations or participate in any legitimate organizations or union, and encourage the employees to exercise their civil rights. The Company also has full respect for the political orientation of individual employees and has communicated this belief with the suppliers for a mutual

understanding. Neither the Company nor its suppliers was involved in any violation of freedom in the reporting year.

## 5.7 Workforce Structure

As of December 31, 2015, Ardentec had 1,606 employees worldwide with a gender distribution of 1.05:1 (male:female). Details of which are as follows:

### Job Role/Gender Distribution

Job role	Taiwan Headquarters		Singapore Site		Korea Site	
	Male	Female	Male	Female	Male	Female
Manager ※	99	22	15	4	9	0
Engineering	450	130	44	16	23	2
Administrative	44	57	3	7	3	3
Technical	128	463	6	56	0	22

※ section head or higher management

### Academic Distribution

Education background	Taiwan Headquarters		Singapore Site		Korea Site	
	Male	Female	Male	Female	Male	Female
High school and below	99	191	5	45	7	19
College/ university	495	429	58	34	25	6
Postgraduate and above	127	52	5	4	3	2

### Nationality Distribution

Nationality	Taiwan Headquarters		Singapore Site		Korea Site	
	Male	Female	Male	Female	Male	Female
Local	683	447	27	8	35	24
Foreign	38	225	41	75	0	3

### Gender Equality

Ardentec respects what employees have planned for their careers. It adopts an equal gender perspective and accepts applications for child care leave of absence. There were 31 females and 3 males applied for child care leave of absence in 2015. A total of 29 females applied for maternity leave in 2015; A total of 37 males applied for paternity leave.





# Customer Service and Supplier Management

6.1 Customer Service

6.2 Customer Secrecy Protection

6.3 Quality Optimization of Customer Service

6.4 Customer Satisfaction Surveys

6.5 Supplier/Contractor Management

6.6 Supplier Audits

6.7 Business Ethics Education

6.8 Supplier/Contractor Workplace Safety

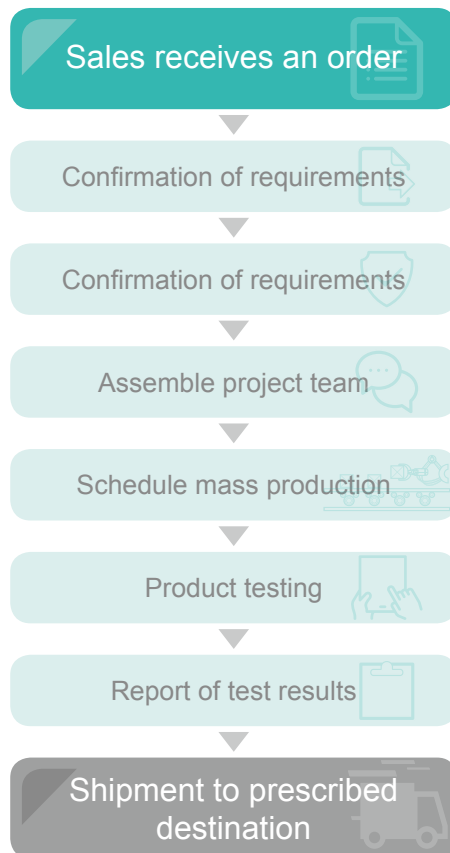




## 6.1 Customer Service

With industry-leading technology in wafer testing, Ardentec aims to become customers' ideal business partner by offering comprehensive services as well as sustainable and mutually beneficial solutions.

### Customer Service Procedures



Ardentec has established an interdepartmental “customer project” for each customer in order to establish a smooth service system and communication channel. We build our support team around the needs of individual customers. The project members include sales, customer service, production management, quality assurance, testing development, product engineering, manufacturing and information sectors. For the clients demanding high physical security, the Facility and General Service departments are included in the project members.

Ardentec's proprietary production automation system provides customers with real-time update on the production progress and capacity. For each customer we serve, we develop a platform that facilitates effective communications between the project team and its counterparts within the customer. This enables us to identify and resolve problems such as business, production and engineering support within the shortest time possible and thereby enhance competitiveness not only for us, but for our customers as well.

Information provided by the production automation system covers anything before mass production to WIP/EDAS testing; production progress and test results are generated real-time to facilitate communication with customers.

※ WIP - Work In Process

※ EDAS - Engineering Data Analysis System

In recent years, the government of the Republic of China has launched a "Taiwan Trade Network Excellence" project in response to the "Framework of Standard to Secure and Facilitate Global

Trade" developed by World Customs Organization (WCO). In 2010, Ardentec became the nation's first semiconductor company to pass the certification for Authorized Economic Operator (AEO) issued by Customs Administration, Ministry of Finance, and hence enjoys privileged customs clearance.

## 6.2 Customer Secrecy Protection

At Ardentec, we value customer secrecy protection and sign the non-disclosure agreement (NDA) with every customer. Our service teams uphold the NDA principle throughout the service for customer to ensure the secrecy of customer products. To raise the level of information security, we passed third-party ISO27001 certification. In addition, the Kaoyuan Site, Tingshin Site, Gaosheng Site IDC, and Paoching Site IDC, and Singapore Site have passed Common Criteria certification for site to build the most robust and solid protection wall for customer secrecy. To closely control technical documents and customer data, the Document Control Center (DCC) is a dedicated department for managing customer documents and assigning access privileges according to the level of classification to ensure no document can be accessed/download without corresponding privilege to eliminate improper use of customer confidential information. We also include customer complaints about privacy infringement or information leakage in the management review and include the monthly records as the target CSR review item. In 2015, no violation of customer secrecy incidents were found, suggesting that customer information is adequately protected at Ardentec.



## 6.3 Quality Optimization of Customer Service

Quarter Business Reviews (QBRs) have been held to discuss the quality optimization with the key clients, and clients' expectation and feedback have been collected regularly. Sales related personnel and supervisors often visit clients to coordinate the clients' demands with the production sector. Ardentec work together with the clients and manage the available capacity, yield factor and delivery plan from the source to enhance the customer satisfaction and the partnership with clients. Customized virtual factory information is provided to the clients so that the clients can connect to the information system to keep track of the production process and delivery of their products based on their needs.

## 6.4 Customer Satisfaction Surveys

In addition to providing customers with timely and professional services, the Company would invite customers to a "satisfaction survey" in December each year to give feedbacks on how they felt about working with Ardentec and any expectations they may have. This survey serves as a means to communicate for a win-win business partnership.

The customer satisfaction survey inquires customers' opinions toward sales service, engineering service, shipment delivery, hazardous substance control, quality control, and system services.

Results gathered from customer satisfaction surveys are consolidated then reviewed by the Vice President of Sales personally. Employees of relevant

departments would be instructed to conduct reviews and make improvements to address customers' suggestions, and therefore contribute towards total satisfaction.

Ardentec achieved a 91% customer satisfaction in 2015, which was higher than the 75% target the Company had imposed upon itself.

※ Satisfaction rate (the percentage of customers' requirements met) = Ardentec's performance/customer's requirements.

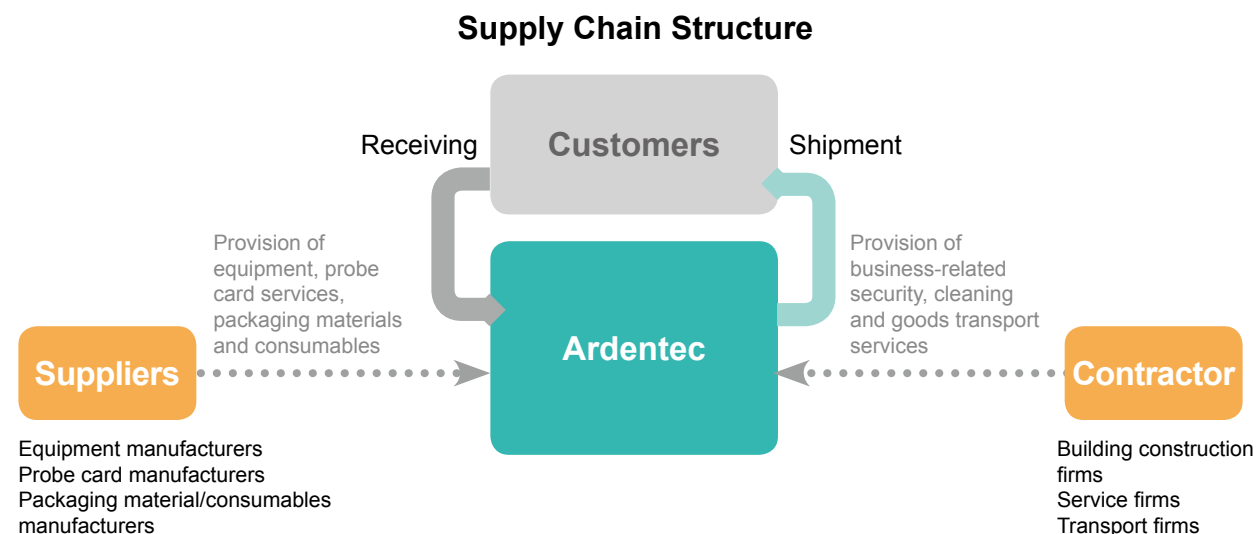
## 6.5 Supplier/Contractor Management

Due to the fact that suppliers and contractors are key business partners of Ardentec, the Company has implemented a business model that ensures sustainable growth of the common business. Except that the semiconductor testing equipment must rely on the manufacturing country or if clients designate

their suppliers, Ardentec maximizes the use of local suppliers so that the best efficiency of various resource services can be achieved while supporting the local job and economic stability. Except in countries that do not produce testing equipment and in situations where the customer has demanded specific suppliers, the Taiwan headquarters and its subsidiaries would and have purchased 100% of its supplies from local sources.

In addition, we scrutinize every supplier and contractor to make sure that they have been legally registered and that their activities comply with local regulations and human rights principles.

In addition to making CSR commitments to customers, Ardentec also requires its major suppliers and contractors to do the same, by complying with Ardentec's "Supplier CSR and Business Ethics Guidelines." Doing so would ensure CSR compliance throughout the entire supply chain.



## Supplier CSR and Business Ethics Guidelines

### To the suppliers of Ardentec:

We appreciate your long-time support to Ardentec's businesses. Ardentec has long-dedicated in maintaining business reputation in a world of rising awareness towards corporate social responsibilities (CSR). As workers' rights, health and safety, and the company's working environment, management and ethics become an increasing part of our image, you - being one of our key suppliers - play a critical role in Ardentec's pursuit for CSR.

To give you an idea of what Ardentec and its key suppliers must do to meet customers' expectations, we have created a set of "Supplier CSR and Business Ethics Guidelines" and would like you - a key supplier of Ardentec - to comply accordingly.

Should you encounter any situation that contradicts the "Supplier CSR and Business Ethics Guidelines" while dealing with Ardentec, please report such incidents to Ardentec's HR & Service Division. We will maintain confidentiality for all suppliers and employees who report inappropriate conducts. Contact method is as follows:

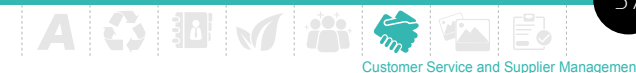
Tel: (03) 597-6688 Extension 1206 Division Director Rhiannon Chen

Fax: (03) 597-139

E-mail: rhiannon.chen@ardentec.com ; grievance@ardentec.com

**Ardentec Corporation**

Material Management Division \_\_\_\_\_



## Supplier CSR and Business Ethics Guidelines

1	All Ardentec's suppliers must operate and employ based on standards that are equivalent to or more stringent than those set forth by the Electronic Industry Citizenship Coalition (EICC) and those of the Labor Standards Act of the Republic of China. This includes but is not limited to: Refraining from the use of slave, child or illegal labor or forcing employees to work under inhumane conditions and in the meantime ensuring that employees' work hours and remuneration do comply with laws. Respecting employees' freedom of association and apply no restraints on their communication. Avoiding discrimination of employees based on race, skin color, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status.
2	Providing employees with a safe and healthy work environment that complies with the relevant health and safety regulations.
3	Complying with environmental protection laws.
4	Avoiding gifts to Ardentec employees or their relatives in the form of gifts, tours, discounts, loans, commissions, kick-backs, complimentary services or remunerations of any kind.
5	Conducting business in the utmost good faith, and refrain from making fictitious quotations or forging transaction data.
6	Refraining from the use of bribery, corruption, extortion, monopoly, conspired price-fixing or any inappropriate methods to compete, negotiate or deliver business deals.
7	Refraining from making non-business purchases with business entities established by Ardentec employees or their relatives.
8	Refraining from hiring Ardentec employees or their relatives as consultants within the supplier.
9	Not asking Ardentec employees to lobby within Ardentec Corp.

## 6.6 Supplier Audits

Apart from demanding compliance with Supplier CSR and Business Ethics Guidelines, the Company also conducts annual field audits on major suppliers<sup>1</sup> according to the Supplier Management Policy, to determine whether they have fulfilled CSR in all aspects.

In 2015, the Company completed its field audit for all major suppliers on a number of aspects such as human rights, employment condition, environment, health, and safety. All audited suppliers were found to have complied with the Labor Standards Act; no use of child labor or forced labor was found, and they all respected employees' freedom of association to the Company's expectation.

<sup>1</sup> Refers to suppliers from which the Company makes 10 purchases or more in a quarter

## 6.7 Business Ethics Education

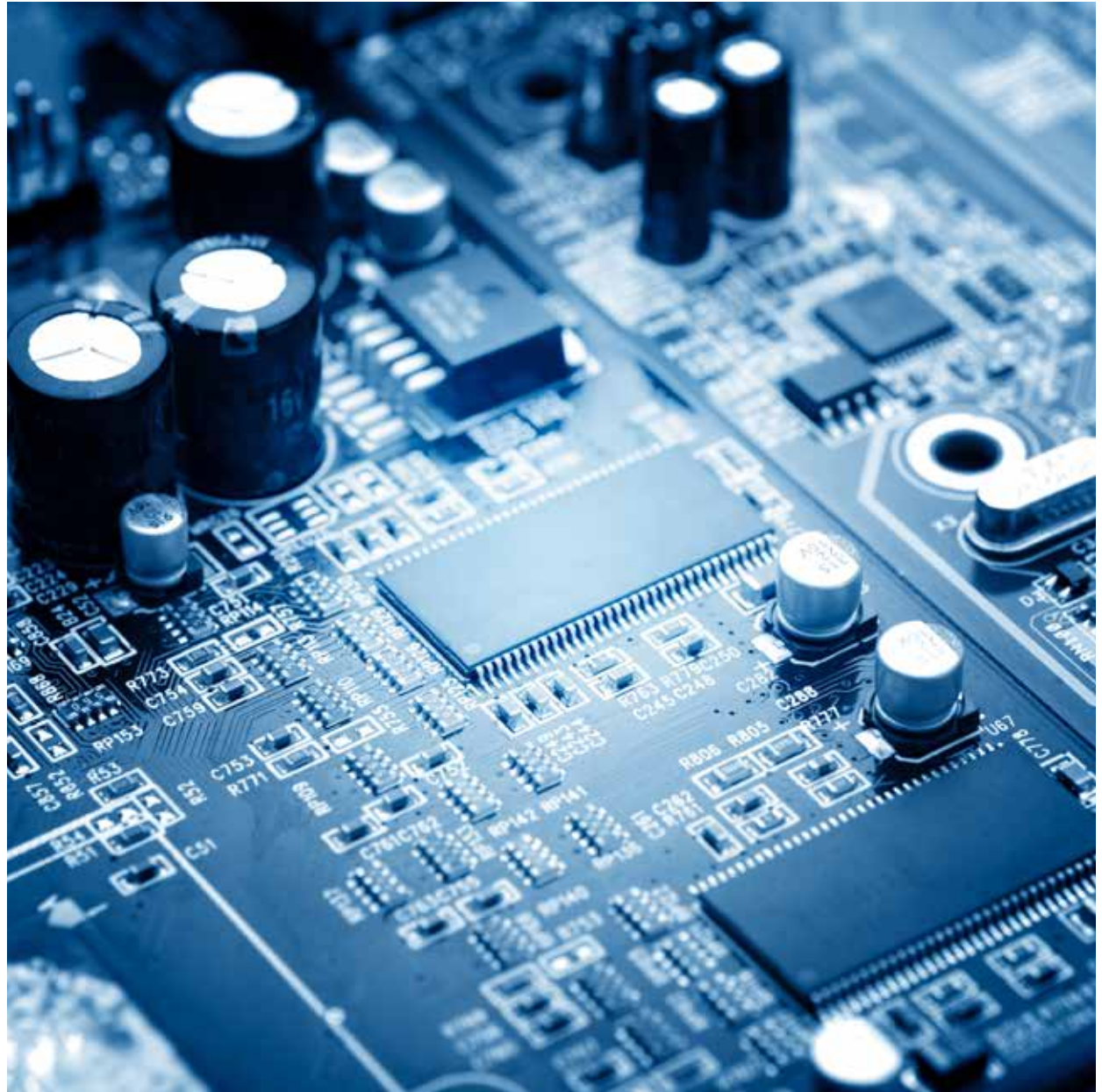
Ardentec is a supplier and also has its own suppliers related to business activities. To further strengthen the business ethics of the business activities related to the upstream clients and downstream suppliers, high business ethics standards of world-class companies have been used to develop the educational materials for the "Supplier Moral Norm" education for executives, procurement unit and sales unit.



## 6.8 Suppliers/Contractors Workplace Safety

Suppliers and contractors are important partners of our business operations. To achieve absolute workplace safety, every supplier/contractor is requested to sign the “Contractor ESH Regulations” before undertaking any project to ensure that projects undertaken by suppliers/contractors comply with all safety and health protection requirements of this company. Before entering the site for operation, the project requesting unit must hold a works meeting with the contractor to explicitly inform it of the work environment, hazard factors, and hazard preventive measure of the project site. The contractor must complete the “contractor entry training” and exactly implement pre-operation hazard notification. The contractor must also obtain the operation permit before implementing the project to ensure the workplace safety of important business partners.

In 2015, Taiwan Headquarters, Singapore Site, and South Korea Site organized 133 sessions of “contractor entry training” for 1,555 persons from 186 contractors.







# Community Involvement

7.1 Community Engagement

7.2 Educational Support

7.3 Caring for the Disadvantaged

7.4 Sustainability of the Environment and Ecosystem





Together with all subsidiaries, we befriend with neighbors where we are located. We care about nearby communities through real actions and put ourselves into their shoes to progressively extend our care to participating communities. Besides a kind of special affection, we have responsibility for the industrial park where we are located, nearby communities, non-profit organizations, or associations and unions, and local governments. Therefore, we actively participate in local activities, hoping to growth with local communities and build a happy city with them together.

## 7.1 Community Engagement

Ardentec starts from local and makes itself a global citizen with neighbors around the world. We gradually unite the subsidiaries from the Taiwan headquarters to show our care for communities with real actions and expand the scope of care and the communities involved.

### Joint defense of the industrial park

Ardentec has actively participated in the regional defense organization in Hsinchu Industrial Park. Since 2013, Ardentec has assigned to the R&D team of the security alliance, and plan annual activities together with other companies in the industrial park to establish the communication channel and implement professional training with all companies in the park to strengthen disaster reduction and improve the routine disaster prevention and self-protection power in the park.

### Hsinchu City Marathon

Marathoners of the Triathlon Club of Taiwan Headquarters recruited employees, family, and friends up to 160 people to feel the tenderness and warmth

of Hsinchu with their feet and explore the charm and beauty of Hsinchu together with countless marathoners in Hsinchu.

### Joy with Hsinchu cities on Dragon Boat Festival

In 2015, we joined the Hsinchu Magistrate Cup Dragon Board Competition for the second time to partake in this annual event of Hsinchu County again with many other units and groups. Because we will never be absent from any major events in Hsinchu County!

We practiced together with competitors last year, as friends and as foes, we united together to vie for this honor! On the festival date, employees rowed their paddles in sweat and water splashed all around. Everybody turned the dragon boat competition in Hsinchu into a hot carnival. The cultural heritage of the Dragon Boat Festival echoed in the Zhanghe Pond with great splendor.

### The bamboo tube tolls for the 2015 Taiwan International Hakka Cultural Festival

About 70% of the population in Hsinchu are Hakka people, the highest density in Taiwan. Therefore, Hakka historical relics, culture, and industries are completely preserved in Hsinchu. Wherever they live, Hakka people are very unified. In 2015, the Hsinchu County Government invited Hakka citizens living in different parts of the world to organize the “Taiwan International Hakka Cultural Festival” to present the living territory created by Hakka people in different parts of the world and with 300 hundred years of history as early settlers of Taiwan. We sponsored 3,000 bamboo tubes in the ancient style to accompany the Hakka mountain songs to express our support for the remembrance of the bamboo tube era of Hakka people.





## 7.2 Educational Support

Every child is an individual with a potential for development and a successor of the future. Children's education is the society's future. Therefore, Ardentec has continued to focus on supporting the education of children. Through the power of education, we not only witness children's learning and growth, but also change of the environment and the life of children.

### Passing love through donation of children's books

After the "Donation of Children's Books and Delivery of Love to Indigenous Tribes" activity in 2014, we recruited children's books again in 2015 for children in remote areas better and more resources. Employees enthusiastically donated over 200 children's books and delivered them to Jianshi Elementary School and Taoshan Elementary School in Jianshi Township, Hsinchu County, together with the Chinese dictionary and Chinese idiom dictionary the CSR Committee prepared for each student. Let great books accompany children living in remote areas to growth happily and let them enjoy in the world of books.



### Support for the heritage of traditional arts: Dragon Dance and Drum Team of Zhongzheng Junior High School

Western arts sweep across the world, and many Chinese traditional arts are declining or even extinguished. At Zhongzheng Junior High School in Hsinchu Science Park, a group of hard-working children seriously learn traditional Chinese folk culture: dragon dance and drum. To practice the dance and the drum, every day they not only wake up earlier than others but also practice at school on holidays. Their toils and efforts are rewarded at competitions. They are ever winner of competitions held in Hsinchu and have won the champion at the national competition. We support this perseverant team to learn the dragon team and drum with the special purpose donation for those children to continue the valuable traditional arts.





## Tainan trip for students from Qalang Smangus

Seventeen students of the Qalang Smangus Campus of Xinguang Elementary School in Jianshi Township, the last pure land in Taiwan, are separated in the arcadia and have no opportunity to experience and explore urban life. With the corporate funds, we help these children from God's chosen tribe – Atayal – to fulfill their dream: field trips to Tainan's urban area. Both students and teachers took the THSR to Tainan for the field trip to explore more about the outside world and understand better Taiwanese culture.



## Extracurricular Learning with Children

New immigrants and low-income households are two common characteristics of the five neighborhoods surrounding Hsinchu Industrial Park. Due to limitation in language or hardship in sustaining livelihood, some parents cannot provide enough support for children's education and learning. The children with immigrant parents are usually behind their learning because of lack of proper companion after school. To address this problem, Hsinchu Industrial Park manager organized complimentary after-school counseling and supplied dinner for children from disadvantaged families. The manager also organized accompaniment and management programs to provide children with proper care and guidance after school. Ardentec recognizes and supports this good intention to education, and thus donated school supplies and meals to the after-school class in 2015.



## Industry-academia connection

For university students to verify what they have learned from school in the field, after the enterprise internship program in 2014, in 2015 we provided internship opportunities for 43 students from six universities: Fengchia University, Yuan Ze University, Chung Yuan Christian University, Fugen Catholic University, Minghsin University of Science and Technology, and National Pingtung University of Science and Technology. We arranged them to work at different departments based on their specialty and interest. We hope to be the hotbed of talent cultivation for students to combine education with work to demonstrate the effect of seamless connection between education and employment. Many interns immediately joined our team after graduation with what they have learned from us to continuously increase the depth and breadth of professional value.



## Enterprise workshops and visits

To fulfill the demand for industry-academia connection of universities in Taiwan, higher executives actively hold enterprise workshops on university campus and provide guest instructor service for universities. In 2015, the director of the Technology Department and VPs held 12 workshops or guest instructor service for 12 departments of nine universities.

For students to better understand the operation and work environment of the semiconductor industry, in 2015 we received a total of 334 students of Department of Mechanical Engineering of Fengchia University, the Department of Industrial Engineering and Department of Electronics Engineering of Chung Yuan Christian University, the Department of Physics of Fugen Catholic University, the Department of Electrical Engineering of Chien Hsin University of Science and Technology, the Department of Industry Management and Department of Electronic Engineering of Ming Hsin University of Science and Technology, and Ishikawa College of National Institute of Technology.





## Priory hiring for locals

We actively held recruitment seminars at nearby schools such as Minghsin University of Science and Technology. Managers who graduated from these schools also gave speeches about their career at Ardentec for students to understand our company and provide local job opportunities for locals.



## 7.3 Caring for the Disadvantaged

### 1919 Go for Love

#### — Ride for Troubled Families

Every year we organize the 1919 Go for Love cycling event. Since 2012, enthusiastic members of the cycling club are never absent from this charitable event to raise funds for the “troubled family.” At the 14th “1919 Go for Love: Round the Island Reunion” held in 2015, Uni Radio interviewed us and the event organizer, Chinese Christian Relief Association. On the event day, Dec 5, the organizer specifically presented to us a certificate of appreciation at the opening ceremony and invited us to blow the whistle together with the magistrate. Besides Uni Radio, we are the only enterprise receiving such honor.





## Reciprocity free five-cancer screening for the community

Cancer is the biggest problem for health in Taiwan. Ardentec organized the free cancer screening for the employees and the public in the Hsinchu Industrial Park for the 4th consecutive year in 2015 with Hsinchu Industrial Park Service Center, National Taiwan University Liver Disease Prevention and Treatment Foundation, CHC Hospital Group and Public Health Center of Hukou Township, Hsinchu County. The screening program included liver cancer, cervical cancer, breast cancer, colorectal cancer and oral cancer, which are all very common in Taiwan. To encourage the participation in the screening program, Ardentec provided exquisite gifts to encourage the public to go for the free cancer screening—early detection means early treatment.



## Sleeves up, Blood donation for others

Every year, Taiwan Headquarters organizes blood donation activities with the blood center. Employees roll up their sleeves and happily donate their blood to warm up those who are in need! Employees of Singapore Site also support blood donations and travel across the ocean to support the health and life of people they never know with their blood.





## Paying love forward with accompaniment

With love and action, employees formed the volunteer club. Every month the club convenes compassionate employees to join the senior accompaniment volunteer team. After work, they visit St. Joseph Home near Hsinchu Industrial Park to accompany seniors. They chat with them, sing songs for them, and tell stories to them. In the lonely days of seniors, joyful laughter flows in love!

Employees of Korea Site also join the “Care for Seniors in Homes for the Aged.” They visit Pyeongtaek Home for the Aged near the Hansan Industrial Park where the site is located to clean up for the seniors and make winter kimchi for them for seniors to feel the New Years atmosphere.



## Employees actively support the “Safe & Warm” charitable sale

In 2015, we organized the “Safe & Warm” charitable sale for the third year. Employees enthusiastically offered nearly 400 items for sale and generously purchased products on the event day. Members of the triathlon club and cycling club voluntarily recruited articles of daily use from friends and relatives and donated them to dementia, disabled, and homeless seniors of St. Joseph Home and Huashan Social Welfare Foundation. Employees regardless of nationality warmed the winter of dementia, disabled, and homeless seniors in Hukou and Hsinchu with love and actions.

- The employees actively participated in the charity sale.







## Love year-end dinner dishes for dementia, disabled, and homeless seniors

Near the end of the year, employees of Taiwan Headquarters recruited dishes for the year-end dinner for dementia, disabled, and homeless seniors in Hukou and distributed them to seniors with volunteers of Huashan Social Welfare Foundation. They also chatted with seniors. Being asked if we had dinner, we held their hands tightly and cared about if they had enough food and clothes. Warm care drove away the coldness in one another!



## Build a career stage for the disadvantaged

We actively hire people with disabilities who want to stand up alone. Based on their disabilities, we provide a career stage suitable for them to demonstrate their talent for more people with disabilities to build confidence and let life glow. Over the years, we have hired people with disabilities at a percentage higher than that prescribed in the People with Disabilities Rights Protection Act. In 2015, the number of employees with disabilities was 154% of the number required by the law. We also received a subsidy at NT\$68,000 for hiring people with disabilities.

## Diverse and friendly society

Ardentec supported Genesis Social Welfare Foundation, Children Are Us Foundation, Eden Social Welfare Foundation, St. Joseph Social Welfare Foundation, Maria Social Welfare Foundation and Spinal Cord Injury Social Welfare Foundation in 2015 by donation. We hope we can support the society more diversely by supporting these professional institutes so that they can provide more resources and assistance to the disabled or disadvantaged people.



- The founder of the Boyo Social Welfare Foundation, Richard Chia-Tung Lee, wrote a thank you note to thank Ardentec's support.



## 7.4 Sustainability of the Environment and Ecosystem

### “Save our Earth, Save our Future” coastal cleanup together

#### Support for International Coastal Cleanup

Taiwan Headquarters and Singapore Site joined the international coastal cleanup again in 2015 on International Coastal Cleanup Day. VPs of Taiwan Headquarters led over 100 employees and family and the president of Singapore Site took over 40 people to join coastal cleanup. Embracing the passion for “Save our Earth, Save our Future,” employees and family contributed to bringing back beauty to the ocean, health, and survival for marine organisms. By participating in the event, employees and family can better understand how to change everyday habits and classify garbage and do their best to preserve the immense ocean and nature that nourishes all kinds, so as to make Earth more beautiful and cleaner. It was a true learning from doing.

Employees at home and abroad cleaned the coast occupied by garbage in real action, recorded the variety and quantity of collected garbage, and sent data to The Ocean Conservancy which organizes the International Coastal Cleanup (ICC) activity. With such data, The Ocean Conservancy will produce the marine waste observation report to save Earth!



- Coastal cleanup thank you note – conferred by The Society of Wildness.



- Employees and family enthusiastically participated in the coastal cleanup activity





## Ardentec field:

### Respect for nature, eco-friendliness, health

It is a time when pesticides, chemical fertilizers, and herbicides are part of agriculture. In nature, insects, birds, fish, shrimps, frogs, bats... ecosystems that should have been diversified and rich are rapidly extinguishing, and only crops with chemical fertilizers and pesticides will survive as human foods!

To recover ecosystems in nature and relax the environment, employees adopt the Changhua Eco-Paddy Wetland Conservation Program to practice farming in the most natural way for sites and animals to form diversified and balanced ecosystems.

Employees and family regularly visit this piece of field living in harmony with nature where dragonflies dance, insects chirp, and birds sing to practice farming. Employees subscribe all harvest to support “be friendly to the environment” and “be friendly to nature” with friendly and healthy consumption.





## Growing trees for nature...

Employees and family of Singapore Site adopted 50 trees of different species and grew them in the “Admiralty Park” near the company. They agree to take care of these trees to improve their awareness of environmental protection.

Botanic Day, Chapter 70, Anjeong Branch Office, Pyeongtaek City

To support Botanic Day organized by Anjeong Branch Office, Pyeongtaek City, employees and family of the South Korea Site grew about 3,500 Hibiscus in a park north of the company's location. The Hibiscus which flowers in all seasons and has strong vitality is the national flower of South Korea. In Korean, it is known as the flower of eternity. Korean employees are enthusiastic about the environmental protection and are eager to continuously participate in philanthropic activities.



## Taiwan from above: Formosa is ill!

How beautiful Formosa is! However, for economic benefits, people over developed this beautiful island, and Formosa is getting ill! Land, forests, and the oceans have been heavily contaminated and damaged. The CSR Committee asked employees to see Beyond Beauty - TAIWAN FROM ABOVE for them to amaze about the beauty of Taiwan and see how much damage we have made to our mother Taiwan. With the power of this documentary, we hope to disseminate the need to save Taiwan's environment together!

看電影認識環境—看見台灣



台灣多麼美麗！但…受傷了！

齊柏林，從高空帶我們看，台灣美麗天然環境被人們的開發刻劃一道道疤痕、山林失去青翠的保護、海洋沉澱一層層的汙染！美麗的台灣生病了！

多少人藉齊柏林的鏡頭，震懾台灣的美麗、震驚台灣的傷痕！來吧！邀您一起來欣賞寶島台灣的美、來認識台灣的傷、來守護我們的寶島！

電影播放： 7/29 (三) 17:00 ~ 18:40 K1001會議室

欣銓科技 CSR社會參與組 邀請您

僅供欣銓內部公告使用



# Annexes

**Annex 1** Independent Assurance Opinion Statement

**Annex 2** GRI G4 Reference Table

**Annex 3** ISO26000 Reference Table

**Annex 4** Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies Reference Table

**Annex 5** The UN Global Compact Reference Table





## 獨立保證意見聲明書

### 欣銓科技股份有限公司 104 年度企業社會責任報告書

英國標準協會與欣銓科技股份有限公司(簡稱欣銓科技)為相互獨立的公司,英國標準協會除了針對欣銓科技 104 年度企業社會責任報告書進行評估和查證外,與欣銓科技並無任何財務上的關係。

本獨立保證意見聲明書的目的,僅作為對下列有關欣銓科技企業社會責任報告書所界定範圍內的相關事項進行保證之結論,而不作為其他之用途。除對查證事實提出獨立保證意見聲明書外,對於關於其他目的之使用,或閱讀此獨立保證意見聲明書的任何人,英國標準協會並不負有或承擔任何有關法律或其他之責任。

本獨立保證意見聲明書係基於欣銓科技提供予英國標準協會之相關資訊審查所作成之結論,因此審查範圍乃基於並侷限在這些提供的資訊內容之內,英國標準協會認為這些資訊內容都是完整且準確的。

對於這份獨立保證意見聲明書所載內容或相關事項之任何疑問,將由欣銓科技一併回覆。

#### 查證範圍

欣銓科技與英國標準協會協議的查證範圍包括:

1. 整份報告書內容中有關 104 年度欣銓科技台灣總部及新加坡子公司、韓國子公司之營運系統與活動。
2. 依照 AA1000 保證標準(2008)的第 1 應用類型評估欣銓科技遵循 AA1000 當責性原則標準的本質和程度,不包括對於報告書揭露的資訊/數據之可信賴度的查證。

本聲明書以英文作成並已翻譯為中文以供參考。

#### 意見聲明

我們總結欣銓科技企業社會責任報告書內容,對於欣銓科技的相關運作與績效則提供了一個公平的觀點。基於保證範圍限制事項,欣銓科技所提供資訊與數據以及抽樣之測試,此報告書並無重大的不實陳述。我們相信有關欣銓科技 104 年度的經濟、社會及環境等績效指標是被正確無誤地呈現。報告書所揭露的績效指標展現了欣銓科技對識別利害關係人的努力。

我們的工作是由一組具有依據 AA1000 保證標準(2008)查證能力之團隊執行,以及策劃和執行這部分的工作,以獲得必要的訊息資料及說明。我們認為就欣銓科技所提供的足夠證據,表明其依循 AA1000 保證標準(2008)的報告方法與他們的自我聲明符合全球永續性報告 G4 版指南核心選項係屬公允的。

#### 查證方法

為了收集與作成結論有關的證據,我們執行了以下工作:

- 對來自外部團體的議題相關於政策進行訪談,以確認本報告書中聲明書的合適性。
- 與管理者討論有關利害關係人參與的方式,然而,我們並無直接接觸外部利害關係人。
- 訪談 10 位與永續性管理、報告書編製及資訊提供有關的員工。
- 審查有關組織的關鍵性發展。
- 審查內部稽核的發現。
- 審查報告書中所作宣告的支持性證據。
- 針對公司報告書及其相關 AA1000 保證標準(2008)中描述有關包容性、重大性及回應性原則的流程管理進行審查。

#### 結論

針對包容性、重大性及回應性之 AA1000 當責性原則與全球永續性報告 G4 版指南的詳細審查結果如下:

##### 包容性

104 年度報告書反映出欣銓科技持續尋求利害關係人的參與,以發展及達成對企業社會責任具有責任且策略性的回應。此系統正被發展以產生必要的資訊。報告書中已公正地報告與揭露經濟、社會和環境的訊息,足以支持適當的計畫與目標設定。以我們的專業意見而言,這份報告書涵蓋了欣銓科技的包容性議題。

##### 重大性

欣銓科技公布永續經營相關資訊使利害關係人得以對公司的管理與績效進行判斷。以我們的專業意見而言,這份報告書適切地涵蓋了欣銓科技的重大性議題。

##### 回應性

欣銓科技執行來自利害關係人的期待與看法之回應。欣銓科技已發展相關道德政策,作為提供進一步回應利害關係人的機會,並能對利害關係人所關切之議題作出及時性回應。以我們的專業意見而言,這份報告書涵蓋了欣銓科技的回應性議題。

##### 全球永續性報告指南

欣銓科技提供有關依循全球永續性報告 G4 版指南(GRI G4)的自我宣告,其相當於“核心選項”(每個鑑別出之重大考量面至少揭露一個績效指標)的相關資料。基於審查的結果,我們確認報告書中參照 GRI 的社會責任與永續發展的相關指標已被報告、部分報告或省略。以我們的專業意見而言,此自我宣告涵蓋了欣銓科技的社會責任與永續性議題。

##### 保證等級

依據 AA1000 保證標準(2008)我們審查本聲明書為中度保證等級,如同本聲明書中所描述的範圍與方法。

##### 責任

這份企業社會責任報告書所屬責任,如同責任信中所宣稱,為欣銓科技負責人所有。我們的責任為基於所描述的範圍與方法,提供專業意見並提供利害關係人一個獨立的保證意見聲明書。

##### 能力與獨立性

英國標準協會於 1901 年成立,為全球標準與驗證的領導者。本查證團隊係由具專業背景,且接受過如 AA1000AS、ISO 14001、OHSAS 18001、ISO 14064 及 ISO 9001 之一系列永續性、環境及社會等管理標準的訓練,具有主導稽核員與碳足跡查證員資格之成員組成。本保證係依據 BSI 公平交易準則執行。

For and on behalf of BSI:



Peter Pu  
Managing Director BSI Taiwan  
26 May, 2016



 AA1000  
Licensed Assurance Provider  
000-4



## Annex 2 GRI G4 Reference Table

The following disclosed information are verified by external party, verify result is as Annex 1 Independent Assurance Opinion Statement

GRI indicators		Report section	Page	Remarks
General standard disclosure				
Strategy and Analysis				
G4-1	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.	Letter from Chairman and President 3.1 Governance Principles	IV-V 18	
G4-2	Description of key impacts, risks, and opportunities.	Letter from Chairman and President	IV-V	
Organizational Profile				
G4-3	Name of Organization	About the Report 1.1 Company Introduction	I 2	
G4-4	Primary brands, products and services	1.1 Company introduction 1.4 Professional Services 1.5 Market Size and Performance	2 4 5	
G4-5	Location of organization's headquarters	1.1 Company Introductio	2	
G4-6	The number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	1.1 Company Introductio	2	
G4-7	Nature of ownership and legal form	1.1 Company Introductio	2	
G4-8	The markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	1.1 Company Introduction 1.5 Market Size and Performance	2 5	
G4-9	Scale of the reporting organization.	1.5 Market Size and Performance 1.6 Surplus Allocation 5.7 Workforce Structure	5 6 51-52	
G4-10	<ul style="list-style-type: none"> <li>a. Total number of employees by employment contract and gender.</li> <li>b. Total number of permanent employees by employment type and gender.</li> <li>c. Total workforce by employees and supervised workers and by gender.</li> <li>d. Total workforce by region and gender.</li> <li>e. Whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors.</li> <li>f. Any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).</li> </ul>	5.7 Workforce Structure	51-52	

GRI indicators		Report section		Page	Remarks
G4-11	percentage of total employees covered by collective bargaining agreements	5.2 Right People for Right Job 5.6 Labor-Management Harmony		38-39 49-51	
G4-12	Organization's supply chain	6.5 Supplier/Contractor Management		55	
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including: <ul style="list-style-type: none"> <li>Changes in the location of, or changes in, operations, including facility openings, closings, and expansions</li> <li>Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations)</li> <li>Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination</li> </ul>	1.3 The organization		3	
G4-14	Whether and how the precautionary approach or principle is addressed by the organization	3.5 Internal Controls		20-21	
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	5.5 Workplace Health and Safety		44-48	
G4-16	List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: <ul style="list-style-type: none"> <li>Holds a position on the governance body</li> <li>Participates in projects or committees</li> <li>Provides substantive funding beyond routine membership dues</li> <li>Views membership as strategic</li> </ul>	1.8 Honors and Accolades		6	
Identification of significant consideration and boundaries					
G4-17	a. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	1.3 The Organization		3	
G4-18	a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	About the Report		I	
G4-19	List all the material Aspects identified in the process for defining report content	2.3 Stakeholders and Issues of Concern Collection 2.5 The Consideration of Key Issues and the Identification of Boundaries		11-13 15	
G4-20	For each material Aspect, report the Aspect Boundary within the organization, as follows: <ul style="list-style-type: none"> <li>Report whether the Aspect is material within the organization</li> </ul> If the Aspect is not material for all entities within the organization (as described in G4-17), select one of the following two approaches and report either: <ul style="list-style-type: none"> <li>The list of entities or groups of entities included in G4-17 for which the Aspect is not material or</li> <li>Report any specific limitation regarding the Aspect Boundary within the organization</li> </ul>	2.5 The Consideration of Key Issues and the Identification of Boundaries		15	





GRI indicators		Report section	Page	Remarks
G4-21	For each material Aspect, report the Aspect Boundary outside the organization, as follows:	2.5 The Consideration of Key Issues and the Identification of Boundaries	15	
	<ul style="list-style-type: none"><li>Report whether the Aspect is material outside of the organization</li><li>If the Aspect is material outside of the organization, identify the entities, groups of entities or elements for which the Aspect is material. In addition, describe the geographical location where the Aspect is material for the entities identified</li><li>Report any specific limitation regarding the Aspect Boundary outside the organization</li></ul>			
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	GRI G4 Reference Table	73-79	No re-statements took place in 2015
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	1.1 Company Introduction	2	
Participation of stakeholders				
G4-24	List of stakeholder groups engaged by the organization	2.3 Stakeholders and Issues of Concern Collection	11-13	
G4-25	Basis for identification and selection of stakeholders with whom to engage	2.3 Stakeholders and Issues of Concern Collection	11-13	
G4-26	Organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	2.6 Communication with Stakeholders	16	
G4-27	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.	2.4 Issue Materiality Matrix	14	
		2.5 The Consideration of Key Issues and the Identification of Boundaries	15	
Report overview				
G4-28	Reporting period for information provided	About the Report	I	
G4-29	Date of most recent previous report (if any)	About the Report	I	
G4-30	Reporting cycle (such as annual, biennial)	About the Report	I	
G4-31	Contact point for questions regarding the report or its contents	About the Report	I	
G4-32	<ul style="list-style-type: none"><li>a. The 'in accordance' option the organization has chosen.</li><li>b. GRI Content Index for the chosen option (see tables below).</li><li>c. 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.</li></ul>	About the Report	I	
G4-33	<ul style="list-style-type: none"><li>a. Organization's policy and current practice with regard to seeking external assurance for the report.</li><li>b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided.</li><li>c. Relationship between the organization and the assurance providers.</li><li>d. Whether the highest governance body or senior executives are involved in seeking assurance for the organization's</li></ul>	About the Report	I	

GRI indicators		Report section	Page	Remarks
Governance				
G4-34	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 Board of Directors	18-19	
G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body	3.1 Governance Principles	18	
G4-39	Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).	3.1 Governance Principles	18	
G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders, including, as a minimum: <ul style="list-style-type: none"> <li>• Cross-board membership</li> <li>• Cross-shareholding with suppliers and other stakeholders</li> <li>• Existence of controlling shareholder</li> <li>• Related party disclosures</li> </ul>	3.2 Board of Directors	18-19	
		3.3 Executive Compensation Policy	19-20	
G4-42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	1.2 Corporate Values	2	
		2.1 CSR Policy	10	
G4-44	<b>a.</b> Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment. <b>b.</b> Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice.	2.2 The CSR Organization	10	
		3.1 Governance Principles	18	
		3.6 Risk Management	21-22	
G4-45	<b>a.</b> The highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes. <b>b.</b> Whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.	2.1 CSR Policy	10	
		2.2 The CSR Organization	10	
G4-51	<b>a.</b> Remuneration policies for the highest governance body and senior executives for the below types of remuneration: <ul style="list-style-type: none"> <li>• Fixed pay and variable pay:               <ul style="list-style-type: none"> <li>— Performance-based pay</li> <li>— Equity-based pay</li> <li>— Bonuses</li> <li>— Deferred or vested shares</li> </ul> </li> <li>• Sign-on bonuses or recruitment incentive payments</li> <li>• Termination payments</li> <li>• Clawbacks</li> <li>• Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees</li> </ul> <b>b.</b> How performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives	3.3 Executive Compensation Policy	19-20	



GRI indicators			Report section		Page	Remarks
Ethics and Integrity						
G4-56	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.		3.4	Ethical Guidelines	20	
Disclosure of Specific Standard						
Economic Performance Indicators						
Economic Performance ✖	G4-EC1	Direct economic value generated and distributed	1.6 5.3	Surplus Allocation Compensation and Benefits	6 39-41	
	G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	3.6 4.6	Risk Management Climate Change and Opportunities	21-22 32	
	G4-EC3	Coverage of the organization's defined benefit plan obligations	5.3	Compensation and Benefits	39-41	
	G4-EC4	Financial assistance received from government	5.4 7.2	Education and Training Educational Support	42-43 61-64	
Environmental Performance Indicators						
Energy	G4-EN3	Energy consumption within the organization.	4.5	Disclosure of Environmental Information	31	
	G4-EN6	Reduction of energy consumption	4.4	GHG Reduction Program	28-30	
	G4-EN7	Reductions in energy requirements of products and services	4.4	GHG Reduction Program	28-30	
Water	G4-EN8	Total water withdrawal by source	4.7	Water Resource Management	32-34	
	G4-EN9	Water sources significantly affected by withdrawal of water	4.7	Water Resource Management	32-34	
	G4-EN10	Percentage and total volume of water recycled and reused	4.7	Water Resource Management	32-34	
Biodiversity	G4-EN11	Operation sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	4.1	Environmental Sustainability Policy	24	
Emission	G4-EN15	Direct greenhouse gas (GHG) emission (Scope 1)	4.3 4.5	Green Management System Disclosure of Environmental Information	24-28 31	The direct GHG emissions in Taiwan headquarters and Singapore Site has been verified by BSI
	G4-EN16	Indirect GHG emissions of energy (Scope 2)	4.3 4.5	Green Management System Disclosure of Environmental Information	24-28 31	The direct GHG emissions in Taiwan headquarters and Singapore Site has been verified by BSI
	G4-EN19	Reduction of greenhouse gas (GHG) emissions	4.4	GHG Reduction Program	28-30	



GRI indicators			Report section	Page	Remarks
Effluents and Waste	G4-EN22	Total water discharge by quality and destination	4.5 Disclosure of Environmental Information	31	
			4.7 Water Resource Management	32-34	
			4.8 Waste Management	34-36	
	G4-EN23	Total weight of waste by type and disposal method	4.5 Disclosure of Environmental Information	24-28	
			4.7 Water Resource Management	31	
			4.8 Waste Management	34-36	
Compliance ✖	G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	GRI G4 Reference Table	73-79	There were no violations in the year of report.
Overall	G4-EN31	Total environmental protection expenditures and investments by type	4.2 Environmental Protection Expenses and Investment	24	
Social Performance Indicators: Working condition and dignity of labor					
Labor/ Management Relations	G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	5.3 Compensation and Benefits	39-41	
Occupational Health and Safety ✖	G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	5.5 Workplace Health and Safety	44-48	
	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	5.5 Workplace Health and Safety	44-48	
	G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	5.5 Workplace Health and Safety	44-48	
	G4-LA8	Health and safety topics covered in formal agreements with trade unions	5.5 Workplace Health and Safety	44-48	There is no union in the Company, but there is an occupational safety and health management committee dedicated to this function
	G4-LA9	Average hours of training per year per employee by gender and by employee category	5.4 Education and Training	42-43	
Training and Education	G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	5.3 Compensation and Benefits	39-41	
			5.4 Education and Training	42-43	
Diversity and Equal Opportunity	G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	5.7 Workforce Structure	51-52	



GRI indicators			Report section		Page	Remarks
Labor Practices Grievance Mechanisms	G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	5.6	Labor-Management Harmony	49-51	
Social Performance Indicators: Human rights						
Investment	G4-HR2	Total hours of employee training on human rights policy or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	5.4	Education and Training	42-43	
Security Practices	G4-HR7	Percentage of security personnel trained in the organization's human rights policy or procedures that are relevant to operations	5.4	Education and Training	42-43	
Social Performance Indicators: Society						
Anti-corruption	G4-SO4	Communication and training on anti-corruption policy and procedures	3.4	Ethical Guidelines	20	
	G4-SO5	Confirmed incidents of corruption and actions taken	5.4	Education and Training	42-43	
Compliance ✖	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	3.4	Ethical Guidelines	20	
			GRI	G4 Reference Table	73-79	There were no significant fines or non-monetary sanctions in the reporting year that were due to non-compliance with laws and regulations
Social Performance Indicators: Product responsibility						
Product and Service Labeling ✖	G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	GRI	G4 Reference Table	73-79	The Company's business activities were primarily semiconductor testing with no tangible products produced. The testing procedures pose no health or safety concerns
	G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	GRI	G4 Reference Table	73-79	There were no penalties imposed in the reporting year
	G4-PR5	Results of surveys measuring customer satisfaction	6.4	Customer Satisfaction Surveys	55	
Customer Privacy ✖	G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	3.6 6.2	Risk Management Customer Secrecy Protection	21-22 54	Complaints of violation of customer privacy or data leakage in the reporting year
Compliance ✖	G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	GRI	G4 Reference Table	73-79	There is no violation of laws and regulations in the reporting year

✖ Material issues

### Annex 3 ISO26000 Reference Table

	ISO26000 indicators	Corresponding chapter	Explanatory Note
Organizational governance	Decision-making processes and structures that help fulfill social responsibilities and enable applications of core CSR principles	2. Sustainable Business Framework 3. Corporate Governance	
Labor practices	Checks for regulatory compliance and avoidance of human rights risks	5. Employees as Partners 6.5 Supplier/Contractor Management	The Taiwan headquarters, Singapore Site and Korea Site are located in countries with sound human rights review. All business operations are located in the industrial zones supervised by the governments. All human rights related matters meet the regulations.
	Human rights risk situations	5. Employees as Partner	
	Avoidance of complicity	5.6 Labor-Management Harmony	Employees are provided with a multitude of means through which to communicate and file complaints
	Resolving grievances	5.6 Labor-Management Harmony	
	Discrimination and vulnerable groups	7.3 Caring for the Disadvantaged	
	Civil and political rights	5.6 Labor-Management Harmony	Ardentec cares for all aspects of national development but remains politically neutral; We encourage employees to exercise civil rights, but fully respect the political orientation of individual employees
	Economic, social and cultural rights	5. Employees as Partners	
	Fundamental principles and rights at work	5.2 Right People for Right Job 5.3 Compensation and Benefits	
Labor practices	Employment and employment relations	5.2 Right People for Right Job	
	Conditions of work and social protection	5.2 Right People for Right Job 5.3 Compensation and Benefits 5.5 Workplace Health and Safety 5.6 Labor-Management Harmony	
	Social dialogue	2.6 Communication with stakeholders	
	Health and safety at work	5.5 Workplace Health and Safety	
	Human development and training in the workplace	5.4 Education and Training 5.5 Workplace Health and Safety	
The environment	Prevention of pollution	4.3 Green Management System 4.8 Waste Management	
	Sustainable resource use	4.8 Waste Management	
	Climate change mitigation and adaptation	4.1 Environmental Sustainability Policy 4.3 Green Management System	
	Protection of the environment, biodiversity and restoration of natural habitats	4.1 Environmental Sustainability Policy 7.4 Sustainability of the Environment and Ecosystem	





	ISO26000 indicators	Corresponding chapter	Explanatory Note
Fair operating practices	Anti-corruption	3.4 Ethical Guidelines 5.4 Education and Training	
	Responsible political involvement		Ardentec cares for all aspects of national development but remains politically neutral; We encourage employees to exercise civil rights, but fully respect the political orientation of individual employees
	Fair competition	3.4 Ethical Guidelines	The Company serves corporate customers and is not involved in the mass market. Ardentec complies with regulations that govern intellectual property rights and fair trading. It maintains sound and legal business interactions with customers as well as upstream and downstream partners.
	Promoting social responsibility in the value chain	6.1 Customer Service 6.5 Supplier/Contractor Management	
	Respect for property rights	3.6 Risk Management	The Company complies with regulations that govern intellectual property rights. It maintains sound and legal business interactions with customers as well as upstream and downstream partners.
Consumer issues	Fair marketing, factual and unbiased information and fair contractual practices	3.4 Ethical Guidelines	The Company complies with regulations that govern fair trade. It maintains sound and legal business interactions with customers as well as upstream and downstream partners.
	Protecting consumers' health and safety		The Company's business activities were primarily semiconductor testing with no tangible products produced. The testing procedures pose no health or safety concerns to the customers.
	Sustainable consumption		The Company maintains long-term business relationships with its corporate customers
	Consumer service, support, and complaint and dispute resolution	6.1 Customer Service 6.4 Customer Satisfaction Surveys	The primary operation does not contain any tangible products. Therefore, there is no concern about customer services, support, complaints and disputes.
	Consumer data protection and privacy	6.2 Customer Secrecy Protection	The primary operation does not contain any tangible products. Therefore, it does not involve customer data and privacy.
	Access to essential services	6.1 Customer Service	
	Education and awareness		The Company's services are not targeted at individual consumers
Community involvement and development	Community involvement	7. Community involvement	
	Education and culture	7.1 Community Engagement 7.2 Educational Support	
	Employment creation and skills development	1.7 Development strategies and innovations 5.2 Right People for the Right Job	
	Technology development and access	1.7 Development Strategies and Innovations	
	Wealth and income creation	1.5 Market Size and Performance 5.3 Compensation and Benefits	
	Health	5.5 Workplace Health and Safety	
	Social investment	Community involvement	

## Annex 4 Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies Reference Table

Chapters of "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies"		Corresponding Section
Article 1	In order to assist companies listed on the Taiwan Stock Exchange Corporation ("TWSE") and GreTai Securities Market ("GTSM") (collectively referred to as "TWSE/GTSM listed companies") to fulfill their corporate social responsibility initiatives and to promote economic, environmental, and social advancement for purposes of sustainable development, the TWSE and GTSM hereby jointly adopt the Principles to be followed by TWSE/GTSM listed companies. TWSE/GTSM listed companies are advised to promulgate their own corporate social responsibility principles in accordance with the Principles to manage their economic, environmental and social risks and impact	About the Report Letter from Chairman and President 2.2 The CSR Organization
Article 2	The Principles applies to TWSE/GTSM listed companies, including the entire operations of each such company and its business group. The Principles encourages TWSE/GTSM listed companies to actively fulfill their corporate social responsibility in the course of their business operations so as to follow international development trends and to contribute to the economic development of the country, to improve the quality of life of employees, the community and society by acting as responsible corporate citizens, and to enhance competitive edges built on corporate social responsibility.	Letter from Chairman and President 2 Sustainable Business Framework 3. Corporate Governance
Article 3	In fulfilling corporate social responsibility initiatives, TWSE/GTSM listed companies shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.	2. Sustainable Business Framework 4. Environmental Protection 7. Community Engagement
Article 4	To implement corporate social responsibility initiatives, TWSE/GTSM listed companies are advised to follow the principles below: 1. Exercise corporate governance. 2. Foster a sustainable environment. 3. Preserve public welfare. 4. Enhance disclosure of corporate social responsibility information.	About the Report Letter from Chairman and President 3.1 Governance Principles
Article 5	TWSE/GTSM listed companies shall take into consideration the correlation between the development of domestic and international corporate social responsibility principles and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility programs, which shall be approved by the board of directors and then reported to the shareholders meeting. When a shareholder proposes a motion involving corporate social responsibility, the company's board of directors is advised to review and consider including it in the shareholders meeting agenda.	2.1 CSR Policies
Article 6	TWSE/GTSM listed companies are advised to follow the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies, the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the Code of Ethical Conduct for TWSE/GTSM Listed Companies to establish effective corporate governance frameworks and relevant ethical standards so as to enhance corporate governance.	3.4 Ethical Guidelines
Article 7	The directors of a TWSE/GTSM listed company shall exercise the due care of good administrators to urge the company to perform its corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its corporate social responsibility policies. The board of directors of a TWSE/GTSM listed company is advised to give full consideration to the interests of stakeholders, including the following matters, in the company's performance of its corporate social responsibility initiatives: 1. Identifying the company's corporate social responsibility mission or vision, and declaring its corporate social responsibility policy, systems or relevant management guidelines; 2. Making corporate social responsibility the guiding principle of the company's operations and development, and ratifying concrete promotional plans for corporate social responsibility initiatives; and 3. Enhancing the timeliness and accuracy of the disclosure of corporate social responsibility information. The board of directors shall appoint executive-level positions with responsibility for economic, environmental, and social issues resulting from the business operations of a TWSE/GTSM listed company, and to report the status of the handling to the board of directors. The handling procedures and the responsible person for each relevant issue shall be concrete and clear.	Letter from Chairman and President 2.1 CSR Policies 3.1 Governance Principles



## Chapters of “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies”

## Corresponding Section

Article 8	TWSE/GTSM listed companies are advised to, on a regular basis, organize education and training on the implementation of corporate social responsibility initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.	3.4 Ethical Guidelines
Article 9	For the purpose of managing corporate social responsibility initiatives, TWSE/GTSM listed companies are advised to establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis. TWSE/GTSM listed companies are advised to adopt reasonable remuneration policies, to ensure that remuneration arrangements support the strategic aims of the organization, and align with the interests of stakeholders. It is advised that the employee performance evaluation system be combined with corporate social responsibility policies, and that a clear and effective incentive and discipline system be established.	2.2 The CSR Organization
Article 10	TWSE/GTSM listed companies shall, based on respect for the rights and interests of stakeholders, identify stakeholders of the company, and establish a designated section for stakeholders on the company website; understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important corporate social responsibility issues which they are concerned about.	2.3 Stakeholders and Issues of Concern Collection 2.6 Communication with stakeholders
Article 11	TWSE/GTSM listed companies shall follow relevant environmental laws, regulations and international standards to properly protect the environment and shall endeavor to promote a sustainable environment when engaging in business operations and internal management.	4.1 Environmental Sustainability Policy
Article 12	TWSE/GTSM listed companies are advised to endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment to improve sustainability of natural resources.	4.3 Green Management System
Article 13	TWSE/GTSM listed companies are advised to establish proper environment management systems based on the characteristics of their industries. Such systems shall include the following tasks: 1. Collecting sufficient and up-to-date information to evaluate the impact of the company's business operations on the natural environment. 2. Establishing measurable goals for environmental sustainability, and examining whether the development of such goals should be maintained and whether it is still relevant on a regular basis. 3. Adopting enforcement measures such as concrete plans or action plans, and examining the results of their operation on a regular basis.	4.3 Green Management System
Article 14	TWSE/GTSM listed companies are advised to establish a dedicated unit or assign dedicated personnel for drafting, promoting, and maintaining relevant environment management systems and concrete action plans, and should hold environment education courses for their managerial officers and other employees on a periodic basis.	4.3 Green Management System
Article 15	TWSE/GTSM listed companies are advised to take into account the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct research and development, procurement, production, operations, and services in accordance with the following principles to reduce the impact on the natural environment and human beings from their business operations: 1. Reduce resource and energy consumption of their products and services. 2. Reduce emission of pollutants, toxins and waste, and dispose of waste properly. 3. Improve recyclability and reusability of raw materials or products. 4. Maximize the sustainability of renewable resources. 5. Enhance the durability of products. 6. Improve efficiency of products and services.	4.4 GHG Reduction Program 4.7 Water Resource Management 4.8 Waste Management
Article 16	To improve water use efficiency, TWSE/GTSM listed companies shall properly and sustainably use water resources and establish relevant management measures. TWSE/GTSM listed companies shall construct and improve environmental protection treatment facilities to avoid polluting water, air and land, and use their best efforts to reduce adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.	4.7 Water Resource Management



## Chapters of “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies”

## Corresponding Section

Article 17	<p>TWSE/GTSM listed companies are advised to adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <ol style="list-style-type: none"> <li>1. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.</li> <li>2. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.</li> </ol>	4.3 Green Management System
	<p>TWSE/GTSM listed companies are advised to monitor the impact of climate change on their operations and should establish company strategies for energy conservation and carbon and greenhouse gas reduction based upon their operations and the result of a greenhouse gas inventory. Such strategies should include obtaining carbon credits to promote and minimize the impact of their business operations on climate change.</p>	4.3 Green Management System
Article 18	<p>TWSE/GTSM listed companies shall comply with relevant laws and regulations, and the International Bill of Human Rights, with respect to rights such as gender equality, the right to work, and prohibition of discrimination.</p> <p>A TWSE/GTSM listed company, to fulfill its responsibility to protect human rights, shall adopt relevant management policies and processes, including:</p> <ol style="list-style-type: none"> <li>1. Presenting a corporate policy or statement on human rights.</li> <li>2. Evaluating the impact of the company's business operations and internal management on human rights, and adopting corresponding handling processes.</li> <li>3. Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights.</li> <li>4. In the event of any infringement of human rights, the company shall disclose the processes for handling of the matter with respect to the stakeholders involved.</li> </ol>	5.1 Employee Partnership Policy
	<p>TWSE/GTSM listed companies shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that their human resource policies do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.</p>	
	<p>TWSE/GTSM listed companies shall provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force, in order to ensure equality and transparency of the grievance process. Channels through which a grievance may be raised shall be clear, convenient, and unobstructed. A company shall respond to any employee's grievance in an appropriate manner.</p>	
Article 19	<p>TWSE/GTSM listed companies shall provide information for their employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.</p>	5.2 Right People for Right Job
Article 20	<p>TWSE/GTSM listed companies are advised to provide safe and healthful work environments for their employees, including necessary health and first-aid facilities and shall endeavor to curb dangers to employees' safety and health and to prevent occupational accidents.</p> <p>TWSE/GTSM listed companies are advised to organize training on safety and health for their employees on a regular basis.</p>	5.5 Workplace Health and Safety
Article 21	<p>TWSE/GTSM listed companies are advised to create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.</p> <p>TWSE/GTSM listed companies shall appropriately reflect the corporate business performance or achievements in the employee remuneration policy, to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.</p>	5.4 Education and Training
Article 22	<p>TWSE/GTSM listed companies shall establish a platform to facilitate regular two-way communication between the management and the employees for the employees to obtain relevant information on and express their opinions on the company's operations, management and decisions.</p> <p>TWSE/GTSM listed companies shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employers, employees and employee representatives.</p> <p>TWSE/GTSM listed companies shall, by reasonable means, inform employees of operation changes that might have material impacts.</p>	5.6 Labor-Management Harmony
Article 23	<p>TWSE/GTSM listed companies shall take responsibility for their products and services, and take marketing ethics seriously. In the process of research and development, procurement, production, operations, and services, the company shall ensure the transparency and safety of their products and services. They further shall establish and disclose policies on consumer rights and interests, and enforce them in the course of business operations, in order to prevent the products or services from adversely impacting the rights, interests, health, or safety of consumers.</p>	6.1 Customer Service



## Chapters of “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies”

## Corresponding Section

Article 24	TWSE/GTSM listed companies shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries. TWSE/GTSM listed companies shall follow relevant laws, regulations and international guidelines when marketing or labeling their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.	N / A
Article 25	TWSE/GTSM listed companies are advised to evaluate and manage all types of risks that could cause interruptions in operations, so as to reduce the impact on consumers and society. TWSE/GTSM listed companies are advised to provide a clear and effective procedure for accepting consumer complaints to fairly and timely handle consumer complaints, shall comply with laws and regulations related to the Personal Information Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by consumers.	N / A
Article 26	TWSE/GTSM listed companies are advised to assess the impact their procurement has on society as well as the environment of the community that they are procuring from, and shall cooperate with their suppliers to jointly implement the corporate social responsibility initiative. Prior to engaging in commercial dealings, TWSE/GTSM listed companies are advised to assess whether there is any record of a supplier's impact on the environment and society, and avoid conducting transactions with those against corporate social responsibility policy. When TWSE/GTSM listed companies enter into a contract with any of their major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impact on the environment and society of the community of the supply source.	N / A
Article 27	TWSE/GTSM listed companies shall evaluate the impact of their business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance. TWSE/GTSM listed companies are advised to, through equity investment, commercial activities, endowments, volunteering service or other charitable professional services etc., dedicate resources to organizations that commercially resolve social or environmental issues, participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.	5.2 Right People for Right Job 7. Community Involvement
Article 28	TWSE/GTSM listed companies shall disclose information according to relevant laws, regulations and the Corporate Governance Best Practice Principles for TWSE/GTSM listed Companies and shall fully disclose relevant and reliable information relating to their corporate social responsibility initiatives to improve information transparency. Relevant information relating to corporate social responsibility which TWSE/GTSM listed companies shall disclose includes: 1. The policy, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility initiatives, as resolved by the board of directors. 2. The risks and the impact on the corporate operations and financial condition arising from exercising corporate governance, fostering a sustainable environment and preserving social public welfare. 3. Goals and measures for realizing the corporate social responsibility initiatives established by the companies, and performance in implementation. 4. Major stakeholders and their concerns. 5. Disclosure of information on major suppliers' management and performance with respect to major environmental and social issues. 6. Other information relating to corporate social responsibility initiatives.	5. Employees as Partners 7. Community Involvement
Article 29	TWSE/GTSM listed companies shall adopt internationally widely recognized standards or guidelines when producing corporate social responsibility reports, to disclose the status of their implementation of the corporate social responsibility policy. It also is advisable to obtain a third-party assurance or verification for reports to enhance the reliability of the information in the reports. The reports are advised to include: 1. The policy, system, or relevant management guidelines and concrete promotion plans for implementing corporate social responsibility initiatives. 2. Major stakeholders and their concerns. 3. Results and a review of the exercising of corporate governance, fostering of a sustainable environment, preservation of public welfare and promotion of economic development. 4. Future improvements and goals.	About the Report 2. Sustainable Business Framework
Article 30	TWSE/GTSM listed companies shall at all times monitor the development of domestic and foreign corporate social responsibility standards and the change of business environment so as to examine and improve their established corporate social responsibility framework and to obtain better results from the implementation of the corporate social responsibility policy.	2.2 The CSR Organization

## Annex 5 The UN Global Compact Reference Table

Classification and principles of The UN Global Compact		Corresponding Section	Explanatory Note
Human rights	Businesses should support and respect the protection of internationally proclaimed human rights	5. Employees as Partners	The Taiwan headquarters, Singapore Site and Korea Site are located in countries with sound human rights review. All business operations are located in the industrial zones supervised by the governments. All human rights related matters meet the regulations.
	Business should make sure that they are not complicit in human rights abuses	6.5 Supplier/contractor management	
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	5.6 Labor-Management Harmony	
	Elimination of all forms of forced and compulsory labor	5.2 Right People for Right Job 6.5 Supplier/contractor management	
	Effective abolition of child labor	5.2 Right People for Right Job 6.5 Supplier/contractor management	
	Elimination of discrimination in respect of employment and occupation	5.2 Right People for Right Job 5.3 Compensation and Benefits	
The environment	Business should support a precautionary approach to environmental challenges	4.3 Green Management System 4.6 Management of GHG reduction 4.7 Water Resource Management 4.8 Waste Management 7.4 Sustainability of the Environment and Ecosystem	
	Undertake initiatives to promote greater environmental responsibility	4.3 Green Management System 4.6 Management of GHG reduction 4.7 Water resource management 4.8 Waste management 7.4 Sustainability of the Environment and Ecosystem	
	Encourage the development and diffusion of environmentally friendly technologies	7.4 Sustainability of the Environment and Ecosystem	Ardentec primarily offers testing services and technologies, and does not produce tangible products.
Anti-corruption	Businesses should work against corruption in all its forms, including extortion and bribery	3.1 Governance Principles 3.4 Ethical Guidelines 3.5 Internal Controls 6.5 Supplier/Contractor Management	



#### Headquarters at Taiwan

No.3,Gongye 3rd Rd., Hukou Township,  
Hsinchu County 30351, Taiwan, R.O.C.  
TEL : +886-3-5976688  
FAX : +886-3-5971396

#### Ardentec Singapore Pte. Ltd.

12 Woodlands Loop, #02-00 Singapore  
738283  
TEL : +65-6482-1000  
FAX : +65-6758-2606

#### Ardentec Korea Co., Ltd.

61, Cheongbulsandan-ro, Cheong-  
buk-myeon, Pyeongtaek-si, Gyeonggi-do  
451-833, Korea  
TEL : +82-31-681-9168  
FAX : +82-31-684-6653

# Ardentec

A testing partner you can trust

[www.ardentec.com](http://www.ardentec.com)