TAYA GROUP
大亞集團

2015 CORPORATE SOCIAL RESPONSIBILIPY REPORT

Editorial Principles

Ta Ya Group as long been committed to corporate social responsibilities (CSR). We guarantee the continued publication of our CSR Report, with which we communicate to the public and stakeholders our dedication to business operations, the economy, society, and the environment, demonstrating our resolve for the pristine homeland. For the benefit of more stakeholders to understand our achievements in CSR, this Report is also published on our official website at

http://www.taya.com.tw/about_csr/index.php?cat_id=65

Reporting Period

2015 financial year (January 1, 2015 to December 31, 2015). For full disclosure, part of the contents will refer to information from the 2013 and 2014 financial years. This report presents past performance, and also our vision for future developments. Except for the latter, it is solely based on the situation when the actual report was issued and not a guarantee of future performance.

Reporting Cycle

Annually. Current Issue: September 2016, Previous Issue: November 2015, Next Issue: June 2017 (scheduled).

Boundaries and Scope of the Report

Boundaries of this report have been expanded from the previous report to enable a more complete disclosure of the group’ s influence over sustainability issues. The previous report covered: Guanmiao Factory and Dawan Factory of Ta Ya Electric Wire & Cable Co., Ltd. (“Ta Ya”) plus affiliated enterprises that Ta Ya had close business relationships with, including: Cuprime Material Co., Ltd. (“Cuprime”), Ta Heng Electric Wire & Cable Co., Ltd. (“Ta Heng”) and Ta Ho Engineering Co., Ltd. (“Ta Ho”), and an equity-accounted associated company named: AD Engineering Co., Ltd. (“AD”).

This report added the following entities: United Electric Industry Co., Ltd. (“UEI”), Ta Ya Green Energy Technology Co., Ltd. (“Ta Ya Green Energy”), and Ta Ya (Viet Nam) Electric Wire & Cable Joint Stock Company (“Dong Nai”). Given Ta Ya Green Energy’ s nature as an investment company, disclosures have been made on the contractor: Hengs Technology Co., Ltd (“Hengs”).

Ta Ya (Viet Nam) Electric Wire & Cable Joint Stock Company Hai Duong Branch and the two affiliated enterprises in China: Heng Ya Electric (Kunshan) Ltd. and Heng Ya Electric (Dongguan) Ltd. were excluded from the boundaries of this report.

The report presents sustainability information in three major aspects: economic, environmental and social. Material topics are disclosed for relevant entities within the group, including the management approach taken and the outcome. Some of the entities that were not disclosed in this report may be disclosed progressively over the coming years.

Reference

This report is compiled in accordance with the GRI Sustainable Development Guidelines (G4), certified by SGS-Taiwan and meets the requirements of GRI G4 Core Option and AA1000 Assurance Standard (2008) Type 2, Moderate level assurance.

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Chairman's Statement

60 is more than just a number:

October 2015 marked the 60th anniversary of Ta Ya. On the anniversary day, we arranged to have 60 Ta Ya couples walk down a red carpet to embrace blessings from long-time customers, friends and the neighborhood. It was an especially touching and proud day for me.

In the last 60 years, we started as an ordinary wire manufacturer and gradually expanded our expertise towards magnet wires, high-voltage power cables, solar power plants, and even venture capital; location-wise, we have expanded our presence into Hong Kong, China and Vietnam. As a cable manufacturer, we have claimed many "No. 1" titles in the local industry, including the first to be certified by Taiwan Power Company for the supply of 69KV, 161KV and 345KV high-voltage cables, the first to voluntarily adopt lead-free production for all cable products, the first to obtain carbon footprint label, the first to publish a CSR report, the first foreign company to list for trading in Vietnam, and the first cable manufacturer to establish a foundation that is dedicated to building pristine homeland. During the corporate governance evaluation organized by Financial Supervisory Commission in 2015, Ta Ya was ranked among the top 20% of all TWSE-listed companies.

I remember having been told by our seniors that "corporations exist for society," which is part of the reason that we have dedicated ourselves to fulfilling our mission of "Enlightened Employees, Satisfied Customers, Positive Shareholders, and Pristine Homeland." A few years ago, a trend towards corporate social responsibility started taking shape, which eventually prompted us to think one step ahead about environmental and climate issues, and redefine the industry we are in and the corporate role we play. We realized that Ta Ya, being a member of the energy business, is about to be liberated from a highly regulated industry; and while we have long played our role as a connector of energy, we have the potential to become the supplier, keeper, administrator and service provider of energy.

Energy is more than just connecting two ends;

This level of thinking brought feasible and progressive change to Ta Ya's business. We first began by focusing on our core business, and developed a new product called Green Wire that won ourselves the "Green Classics Award." With respect to product line, Ta Ya continues to develop specialized cables for solar power, offshore wind power and tidal power applications, and has readied itself to assist in the construction of renewable energy facilities in the future. Furthermore, we have invested into the upstream of the energy industry, installing solar power equipment at rented factories, institutions and campus rooftops. We expect to achieve 50MW of total capacity in the next 5 years.

Green means more than just opportunities;

In addition to protecting the environment, Ta Ya pays great attention to maintaining a green lifestyle that is friendly to the environment. We have made social investments and organized corporate volunteers to introduce the green initiative into food, clothing, accommodation, transportation, education, entertainment and virtually all aspects of our daily lives. We have envisioned a future where mankind can coexist in harmony with the environment.

We have escalated the management and disclosure of our CSR efforts through the assembly of group CSR Committee. We have set our goal to reduce greenhouse gas emission by 1% per year, begun supplier CSR assessment at affiliated enterprises, adopted Electronic Industry Code of Conduct (EICC), and expanded the boundaries of our CSR report to cover overseas factories starting from this year.

These attempts and efforts are similar to the new corporate identity we have made for the 60th anniversary. Based on existing impression of the Dragon brand, we drew the logo TAYA in a single stroke in the color of copper, while turning and twisting along the stroke to resemble the impression of a rising dragon. The conventional red color inherits Ta Ya's transcendent spirit, and a metallic, copper-ish color was added to stress Ta Ya's specialty in cable manufacturing, while at the same time present a more modern and professional corporate spirit.

Ta Ya has redefined its corporate vision to become "a leading brand for new energy, a creator of harmonious environment and pristine homeland, and a business trusted by employees, customers, shareholders and society." The change was made not only to capitalize on opportunities of climate change, but also to symbolize how the Company has evolved to date. We hope to write Ta Ya's future as an unfolding story of creative thinking, team work, and a better home, for which we welcome stakeholders' and the public's continual support and guidance towards our goal.

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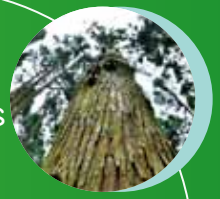

Positive Shareholders

Ta Ya Group values the trust of its shareholders. We are committed to exercising good corporate governance and providing transparent financial information to protect the interests of our investors. Our business focus is dedicated to the research and development of products that create value for beneficial financial returns.

In addition to stabilizing our existing markets and expanding global sales to promote overall business performance, we place great emphasis on internal management. Regulating business operations, managing processes via written documents, as well as prompt evaluations and optimizations are crucial to the long-term value of the corporation. They equip the company with prospective R&D capabilities, position our activities in new markets, help to differentiate our products, contribute to short- and long-term business strategic planning, and enhance the Group’ s overall operational efficiency.

Company Profile

History

Ta Ya Industrial, the predecessor to our company, was founded in Tainan in 1955. The name was formally changed to Ta Ya Electric Wire & Cable Co., Ltd., in 1967. Other than the manufacturing of rubber wires and cables, we were also engaged in the production of magnet wires. Our factory was moved to its current location near Guanmiao in 1986, and we started to manufacture 69kV XLPE cables. Our company stock was officially listed in December 1988. We were certified by Taipower for the manufacture of 161kV XLPE cables and began mass-production in 1994. In 2008, Ta Ya became the first company in Taiwan to manufacture 345KV ultra-high voltage cables. That same year, the company received a Class I ecolabel for its environmentally-friendly cables. In 2011, the Board of Directors formed the Compensation Committee. In 2012, three seats for independent directors were added to the Board.

The group is headquartered in Taiwan, and has production facilities in China and Vietnam. In the last 60 years, the Company was fortunate to have a team of employees who worked diligently with mutual benefit, and who are constantly exploring and seeking diversification into new businesses that created the Company's global sales network to date.

Special Report for the 60th Anniversary Celebration

To celebrate Ta Ya's 60th anniversary, a celebration was held on October 31 and November 1 at the Guanmiao headquarters in Tainan. The event began with a Family Day Party (Saturday), during which employees, their family members and local residents were invited to participate. A charity auction was also held during the day. On Sunday, Ta Ya held its 2015 Delonix Regia Forum, during which 11 winners of the Green Inside Project were invited to share their green practices with Tainan residents and Ta Ya's corporate volunteers. The two-day event was filled with sentiment, as members of the Ta Ya family joined to motivate each other for another prosperous 60 years.

The Family Day Party started with a symbolic "dual dragon dance" that resembled Ta Ya's Dragon brand. The dance choreographer even arranged to have two dragon lines, one comprising entirely of female dancers and the other of male dancers, enter the main stage through the streets, and catch the attention of nearby neighbors. Meanwhile, a team of lion dancers from Wujia Elementary School took stage to entertain the crowd.

Ta Ya group Chairman Shen Shanghong began his speech by thanking all employees, shareholders, customers, bankers and suppliers who had accompanied Ta Ya through its 60-year history. Chairman Shen said: "I was not even born when my father and uncle first started this company. I remember growing up with my cousins at the factory, which relocated from Jiankang Road to Renhe Road to Guanmiao here today."

He then recalled the highlights of the Company's 60-year history: "We started as an ordinary wire manufacturer and gradually expanded our expertise towards magnet wires, power cables, solar power plants, and even venture capital; location-wise, we have expanded our presence into Hong Kong, China and Vietnam. As a cable manufacturer, we have claimed many "No. 1" titles in the local industry, including the first to be certified by Taiwan Power Company for the supply of 69KV, 161KV and 345KV high-voltage cables, the first to voluntarily adopt lead-less production for all cable products, the first to publish CSR report, the first foreign company to list for trading in Vietnam, and the first cable manufacturer to establish a foundation that is dedicated to building pristine homeland." Chairman Shen also recalled having been told by seniors that "corporations exist for society," and hoped for the Ta Ya group to become "a leading brand for new energy, a creator of harmonious environment and pristine homeland, and a business trusted by employees, customers, shareholders and society" over the next 60 years.

Tainan City Mayor Lai Ching-Te also appeared during the event to express his personal wishes. Mayor Lai said: "Ta Ya has been a prominent contributor to Tainan for the last 60 years, whether in terms of the jobs it created or the lives of families it helped secure. Tainan is privileged to have a corporate citizen so dedicated to charitable causes and supportive of government policies." Apart from the mayor, prominent figures including Guanmiao District Executive Wang Su-Chu, Tayih Group CEO Wu Chun-Yi (member of Yi Tsai Club Tainan), Ton Yang Industrial Chairman Wu Yung-Feng, Poya International Chairman Chen Jian-Zao, FCS Group Chairman Wang Po-Hsun, and Sun Yad Technology Chairman Chang Yo-Ming were all present to bear witness to this significant day.

The party featured multiple programs organized by Ta Ya employees and students of nearby schools. The most special of all was "Ta Ya Couples," an activity where more than 20 couples who became acquainted and married while working for Ta Ya (including Cuprime General Manager Wang Wen-Ruei, Ta Heng General Manager, Vice President Chiu Rong-Kun of Magnet Wire Business Group and spouse) were invited to walk down the red carpet once more.

The activity was followed by a fun-filled competition between 8 teams. The crowd cheered them on as the contestants' demonstrated respectful teamwork towards their goal. After 4 challenges, Cuprime's "18 Titans" won first place while second and third places were claimed by "The Roughnecks" from Energy and Telecom Communication Cable Business Group and "Rambo" from Magnet Wire Business Group, respectively.

The final performance featured Musou Band, a group of music performers sponsored by Ta Ya Venture. Their performance was a modern presentation of traditional music, which was visually and acoustically appealing to Tainan residents. Then came the moment everyone was looking forward to: the lucky draw. This year's lucky draw offered a generous collection of prizes from mountain bike, iPad mini, iPhone 6S, LCD TV, to motorcycle. Lastly, the party ended with a series of healthy group exercises led by the Chairman himself.

Core Value

Since its inception, Ta Ya has held to its corporate vision of "Transcendence and Compatibility." We hold true to this and ensure that all colleagues and business owners adhere to it, too. With regards to product service and business management, we strive to gain the trust of society by constantly pursuing perfection in how we do things, while remaining cognizant of sharing our results, as our efforts have a symbiotic effect on our surroundings. Since the beginning of the new century, changes in the industry and our natural environments have become more pronounced, with social responsibilities becoming an essential part of every corporation. This reminded us to "seek for practicality and innovation" and to work together with our colleagues in achieving new corporate values and fulfill our mission to contribute to society.

For customers, we constantly ask ourselves to provide them with the most valuable products and services (in terms of quality, cost, speed, deadlines, and flexibility) via continuous research and development. For employees, we promise to provide a healthy and safe workplace and establish a fair and open HR development system in order to leverage their talents while improving their sense of participation and ambition. For shareholders, we abide strictly to an honest attitude, forward-looking business planning, and strict business management to fulfill our role as the asset manager and provide stable growth. For society at large, we believe in the ideal of operating-results sharing and pledge to continue caring for communities and society by continuing to pay attention to the environment and natural resources through our expertise in product development and manufacturing.

- Mission: Enlightened employees, satisfied customers, positive shareholders, pristine homeland.

- Vision: To become
  A leading brand in energy connection
  A creator of harmonious environment and pristine homeland
  A business trusted by employees, customers, shareholders and society

Our basic management philosophy consists of:

- Transcendence: Through ongoing learning, progress, and improvement of quality, technology, process, costs and services, we make our "persistence in quality" one of our strongest reputations.
- Compatibility: Work as a team and create sustainable and shared benefits for society, the customers, shareholders and business partners based on the value of "respect for the environment, harmonious relations, and mutual gains."
- Prudence: Adhere to the integrity principle and devote full effort once a commitment is made. Clarify goals, assume responsibilities, resolve to pragmatic solutions, raise efficiency, tend to details, and maximize effort for the best results.
- Innovation: Innovation is the force that drives growth. It motives people to constantly think in introspection, search for opportunities, embrace challenges, change with time, and transform the industry with visionary ideas.

Brand Management

Despite being a 60-year old business, Ta Ya continues to move forward and expand into the world. The group has given its logo a complete new design, presenting the name Ta Ya with a metallic, copperish color in addition to the traditional red to symbolize sustainability and the group's specialty in metals. The pen stroke resembles the figure of a dragon with its head turned back, which implies respect to our legacy. The group has adopted the brand value of "Sustainability through Technology," and the new logo provides Ta Ya with a new corporate image, one that includes tradition and modernism.

The brand logo is designed based on the name TAYA. It features a single stroke turning and twisting to resemble the shape of a rising dragon. The use of red symbolizes Ta Ya's transcendent spirit, while a copperish color was added to stress the group's specialty in the cable business and its emphasis on innovation.

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Chinese characters in the logo were printed in black, and have been refined and adjusted into a style that is exclusive and most appropriate for our image as a modern, professional business.

Organization

Ta Ya Group comprises of the Head Office and five business groups. The Head Office controls finances, human resources, and information, with the Business Planning Office responsible for the integrated control and development of affiliated enterprises and business groups. The five business groups are: the Energy and Telecom Communication Cable Business Group; the Magnet Wires Business Group; the New Business Development, Investment and Copper Management Business Group; the Construction Business Group; and the Ta Ya Vietnam Business Group.

- Energy and Telecom Communication Cable Business Group: Operates the production, development, and sales of electricity and communication cables and monitors affiliated enterprises, including Ta Ho, AD, UEI and Ta Ya Joint-Engineering Company.
- Magnet Wires Business Group: Operates the production, development, and sales of enamel wires and monitors affiliated enterprises, including Heng Ya Electric Ltd. (Hong Kong), Heng Ya Electric (Kunshan) Co., Ltd., Ta An Precision Co., Ltd., and Ta Yi Plastic Co., Ltd.
- New Business Development, Investment and Copper Management Business Group: Operates the production, development, and sales of encapsulation solder wires, copper procurement, management of the Taipei Branch, and the evaluation of overseas investments.
- Construction Business Group: Operates building construction and sales management.
- Vietnam Business Group: Operates the production and sales of electricity and communication cables in Vietnam.

The following are the fields of operation of the three affiliated enterprises and an investment in an associate covered in this Report:

- Cuprime: Operates the production, processing, and sales of copper products.
- Ta Heng: Operates the production, processing, and sales of wire and cable materials.
- Ta Ho: Operates the design, installation, repair, and support services for electric cables.
- AD: Operates the planning, design, and installation of water, electricity, fire protection, air conditioning, and clean rooms for buildings and utilities for various production processes.
- UEI: Manufacturing and sale of transition joint, terminal joint and protective device for high-voltage power cables.
- Ta Ya Green Energy: An energy technology company that primarily invests in solar power plants.
- Hengs: Construction and installation of photovoltaic systems; manufacturing and sale of related equipment.
- Ta Ya (Viet Nam): Manufacturing, processing and sale of wire/cable materials.

Map of the Ta Ya Group

Note: White boxes were excluded from the boundaries of this report.

Financial Performance

Wires and cables is a mature industry in Taiwan. Products are primarily sold for domestic use while exports account for a lesser percentage. As a result, sales of wires and cables are largely affected by changes in domestic demands. Copper, the main material in wires and cables, is entirely imported from outside the country, and the supply of which is often affected by political as well as economic issues around the world. Given the thin profit margins involved with wire/cable manufacturing, the price of copper has become one of the main determinants of the Company's profitability.

In 2015, global economic activities declined due to tightening of monetary policy in the U.S. and under-performance from emerging markets. Meanwhile, lack of significant infrastructure and ongoing political instability in Taiwan resulted in the decline of both export performance and domestic demands. Despite our effort to strive for the best performance, the lack of sales orders combined with falling price of copper and weakening of the NTD currency caused Ta Ya to conclude its third loss-making record in 60 years. The Company's consolidated revenues totaled NT$15,189,555,000 in 2015, which was NT$825,200,000 (5.15%) lesser than the NT$16,014,756,000 recorded in 2014. Operating costs and operating expenses represented 96.9% and 5.8% of operating revenues, respectively. In terms of profitability, the group is desperately in need of a reform and business optimization having concluded a net loss of NT$542,270,000.

The Company will continue to eliminate or downsize operations that are performing poorly in Taiwan and China, while exercise more effective management over copper prices, securities positions, and exchange rates. With regards to new businesses, the Company continues to develop a solar power plant as a means to improve financial performance and lessen environmental burdens. In Vietnam, the Company expects to generate consistent profits by exerting brand influence and by exploiting Vietnam's association in regional economies (TPP/RCEP). The following are the focuses of the Company's operation in 2016:

- Support domestic infrastructures by satisfying the nation's demand of power cables and telecom cables in economic and traffic projects. Offer the best products and services to support the nation's development, and help construct the most comprehensive power and telecommunication network.
- Introduction of new products in the magnet wire business group has yielded early success. The Company will build on top of this success by promoting these products to new customers in Japan, India and Southeast Asia.
- Develop copper materials of different features; produce wires with special characteristics to satisfy customers' needs.
- Consolidate resources within the Ta Ya Group; promote intra-group support and collaboration to enhance operating performance.
- Strive for success in core business activities and pursue financial stability. Invest into other businesses only when there is excess capacity.
- Choose investment subjects with discretion; target investments that have the potential to deliver returns, accumulate resources, and create and dominate new business activities.
- Expand overseas business; diversify business operations for higher income.
- Train talents and raise professionalism; maintain a concise employee base and make use of information and computer technologies to create competitive advantage.
- Develop environmental protection products and commit to related charity activities as a contribution to Earth's environment.
- Continually reduce costs and serve customers at competitive prices.

Financial Performance (2015)

Unit: 1000 TWD

	Ta Ya	Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	DongNa i
Revenue	7,808,200	3,399,237	881,085	96,179	272,856	529,313	730,254	1,574,149
Gross profit	88,917	(31,990)	31,990	10,186	80,316	86,861	130,045	146,557
Net income	(542,270)	(116,500)	3,856	3,132	47,089	35,451	(61,069)	65,650
Tax payable	50,835	2,844	(2,308)	1,263	11,340	5,347	12,442	14,295
Employee benefits	417,788	48,717	63,494	19,082	37,600	64,875	8,494	47,028
Donations	2272	9	200	50	286	260	0	223

Note 1: Employee benefits include salaries, bonuses, labor and health insurance, pensions, and other employee benefits.
Note 2: As at December 31, 2015, the exchange rate of TWD:VND was 1:681

Select Balance Sheet Items (2015)

Unit: 1000 TWD

	Ta Ya	Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	DongNai
Capital	5,721,808	500,000	215,000	25,000	488,758	139,000	250,000	409,712
Total assets	12,742,209	1,375,853	382,183	96,852	740,632	468,301	979,070	978,785
Total liabilities	6,254,313	865,365	97,505	37,574	141,888	252,369	742,098	457,474
Total equity	6,487,896	510,488	284,678	59,278	598,744	215,932	236,972	521,311

Note: As at December 31, 2015, the exchange rate of TWD:VND was 1:681

Main Products and Business Contributions

Companies	Items of Business	2013	2014	2015
Ta Ya	Plastic Wires and Cables	11.86%	15.71%	15.32%
	XLPE Power Cables	34.52%	20.74%	29.37%
	Rubber Wires and Cables	0.25%	0.11%	0.78%
	Bare Copper Wires	10.59%	12.03%	10.58%
	Magnet Wires	30.05%	29.18%	26.54%
	Telecom Cables and Optical Cables	6.86%	6.75%	3.63%
	Construction, Planning, and Other	5.87%	15.48%	13.78%
Cuprime	Copper Rod (8mm)	59.82%	52.25%	53.26%
	Copper Rod (2.6mm)	15.54%	16.64%	14.53%
	Copper Ball	20.79%	22.66%	28.66%
	Other	3.85%	8.45%	3.55%
Ta Heng	Data Transmission Cable	11.26%	8.85%	8.03%
	Signal Control Cable	10.34%	7.18%	7.62%
	Power Cable	72.45%	78.05%	76.02%
	UL/CSA Applince Wire Matreial & Power Cord	5.64%	5.57%	6.90%
	Other	0.31%	0.35%	1.43%

Ta Ya Main Product Sales - by Region

Sales / Region	Magnet Wires		Plastic Wires/Cables		XLPE Power Cables		Telecom Cables	
	Amount (1,000 TWD)	%	Amount (1,000 TWD)	%	Amount (1,000 TWD)	%	Amount (1,000 TWD)	%
Asia	381,848	18.43	10,016	0.84	9,028	0.39	0	0
Americas	1,793	0.08	0	0	0	0	0	0
India	74,517	3.60	0	0	0	0	0	0
Total Exports	458,158	22.11	10,016	0.84	9,028	0.39	0	0
Domestic	1,614,282	77.89	1,186,092	99.16	2,284,562	99.61	283,120	100.00
Total	2,072,440	100.00	1,196,108	100.00	2,293,590	100.00	283,120	100.00

Cuprime Main Product Sales - by Region

Sales / Region	Copper Rod (8mm)		Copper Rod (2.6mm)		Copper Ball, Copper Nugget		Other	
	Amount (1,000 TWD)	%	Amount (1,000 TWD)	%	Amount (1,000 TWD)	%	Amount (1,000 TWD)	%
Total Exports	122,490	6.77	0	0	191,370	19.65	65	0.05
Domestic	1,688,042	93.23	493,803	100.00	782,724	80.35	120,743	99.95
Total	1,810,532	100.00	493,803	100.00	974,094	100.00	120,808	100.00

Ta Heng Main Product Sales - by Region

Sales / Region	Data Transmission Cable		Signal Control Cable		Power Cable		UL/CSA Applince Wire Matreial & Power Cord		Other	
	Amount (1,000 TWD)	%	Amount (1,000 TWD)	%	Amount (1,000 TWD)	%	Amount (1,000 TWD)	%	Amount (1,000 TWD)	%
Total Exports	10,596	15.17%	5,662	8.55%	3,839	0.58%	732	1.22%	27	0.22%
Domestic	59,259	84.83%	60,597	91.45%	657,252	99.42%	59,260	98.78%	12,407	99.78%
Total	69,855	100.00%	66,259	100.00%	661,091	100.00%	59,992	100.00%	12,434	100.00%

Better Corporate Governance

Functions of the Board

The Board of Directors is the highest managing body, charged with the task of electing and nominating top managers, and defining CSR and sustainable development strategies. An able and functioning Board, accompanied by the auditing unit, engages in the auditing of the internal control system and promotes corporate management issues.

The company is governed in accordance with the six principles provided by the Code of Practice for Governance of Listed and OTC .

The Ta Ya Board is comprised of five directors, three independent directors and two supervisors. Each member has extensive management experience and professional backgrounds, and is dedicated to maximizing shareholder benefits. The Board defines the measures for proceedings in accordance with the Procedures for Public Company Boards. For matters related to a director's own interests and where there is conflict with the interests of the company, directors can participate in commenting and answering, but neither in discussions nor voting, and must avoid situations to execute any other voting rights for any other Board members.

In December 2011, the Ta Ya Board established a compensation committee, and added three independent directors at the shareholder's meeting held in June 2012. This made us the first company to establish independent directors in the wire and cable industry in Taiwan. The qualifications of the directors of the Board are in accordance with the relevant regulations of the relevant competent authorities. The company's Articles of Association also states that the election of directors and independent directors must be in accordance to the nomination system. The Compensation Committee is comprised of three independent directors, who periodically review the Articles and provide suggestions. The Ta Ya Board met seven times in 2015 with an attendance rate of 86%; the compensation committee met twice with an attendance rate of 100%.

In November 2015, Ta Ya's Board of Directors passed the "Board of Directors Performance Assessment Policy" that introduced a set of performance targets aimed at improving board functionality and efficiency. From 2016 onwards, the Board of Directors will be subject to internal performance assessment once a year and external performance assessment once every three years.

Ta Ya Board Members

Position	Name	Compensation Committee	Administrative Position
Chairman of the Board	Shen Shanghong		CEO
Vice Chairman of the Board	Shen Shangbang		
Director	Shen Shangyi		President
Director	Shen Shangdao		Executive Vice President
Director	Chen Mingde		President of Energy and Telecom Cable Business Group
Independent Director	Wei Junxian	Convener	
Independent Director	Zhang Liqiu	Committee Member	
Independent Director	Zheng Dunxian	Committee Member	
Supervisor	Hong Yaokun		
Supervisor	Chen Huanlian		

Note: Effective June 2015

2014 Board Meetings and Board Member Details

	Directors	Independent Directors	Supervisors	Meetings Held	Attendance Rate	Female Director(s) and Positions	Age:30-50	Age: over 51
Ta Ya	5	3	2	7	86	0	0	10
Cuprime	7	0	2	2	94	0	0	9
Ta Heng	7	0	2	1	89	0	0	9
Ta Ho	3	0	2	3	87	0	0	5
UEI	8	0	2	3	54	0	0	10
AD	7	0	2	5	73	1	0	7
Hengs	5	0	1	5	83	0	3	3
DongNai	5	2	3	4	100	0	0	10

Note: the average attendance rates indicate the average of the actual attendance rate of the holding company. Actual attendance rate is calculated by dividing the actual attendance by the number of board meetings held

Ta Ya Shareholder Structure (%)

Financial Institutions	Other Legal Entities	Personal	Foreign Institutions and Foreigners
0.06%	7.07%	85.59%	7.28%

Note: Data as of April 10, 2016.

Proportion of Total Remuneration of Ta Ya Directors (including Independent Directors)

2013	2014	2015
3.53	8.2	-3.48

Note:The total remuneration of directors is the accumulated sum of: salary, retirement pay, surplus allocation rewards, and business execution fees.

Risk Management

Ta Ya has implemented risk management measures on a group scale based on Financial Supervisory Commission's "Regulations Governing Establishment of Internal Control Systems by Public Companies." It also has a robust, efficient internal control policy in place to oversee its eight main operational cycles and management systems. The Auditing Office serves two purposes:

- 1.Assist the Board of Directors and managers in the inspection and review of internal control system for defect, performance and efficiency, and offer improvement advices where appropriate to rectify the internal control system while ensuring its effectiveness.
- 2.Devise annual audit plans based on internal control self assessments and priorities, and execute accordingly in the following year with the approval of the accountable manager and the Board of Directors.

In order to facilitate self governance and timely adjustment to environmental changes, the Auditing Office prepares an internal control self assessment report in the fourth quarter every year and disseminates it to the relevant departments. The report gives each department an overview of their risk tolerance, which can be based upon to adjust the design and execution of internal control systems. The 2015 audit plan was devised with 87 audit actions, of which 87 (100%) were completed. The plan comprised of 11 audit actions on sales and collection cycle, 3 actions on the procurement cycle, 8 actions on the production cycle, 3 actions on the R&D cycle, 8 actions on the salary cycle, 36 actions on the financing cycle, 2 actions on the property, plant and equipment cycle, 10 actions on the data processing cycle, and 6 actions on the administrative cycle.

With regards to supervision of subsidiaries, the Company obtains monthly management reports as a means of insight into subsidiaries' operations, and regularly participates in subsidiaries' administrative meetings. In 2015, the Company audited 15 of its subsidiaries, which represented a completion rate of 94%

Code of Conduct and Anti-Corruption

Ta Ya upholds the business philosophy of integrity toward its employees, clients and suppliers. The Ta Ya Employee's Code of Conduct is required to be signed by all employees when reporting for duty to ensure all behaviors are in accordance with the regulations, which include employees being forbidden to accept any gifts, treatments or treats from any dealing manufacturers and clients. In addition, all employees are prohibited from engaging in transactions with individuals that have records of dishonesty in order to protect the interests of Ta Ya and its stakeholders. An employee may not engage in activities outside the company that are in conflict with the interests of the corporation, may not engage in external activities that may counteract their responsibilities at Ta Ya, and may not engage in relevant Ta Ya transactions for their own self interests.

Ta Ya has established the "Insider Trading Prevention Procedures" and "Code of Ethics" that explicitly prohibit corporate insiders from trading securities against non-public information.

Information Disclosure

The Group values all comments and suggestions from stakeholders, given that it is the basis on which CSR is implemented upon. It is to this end that specialized personnel are responsible in coordinating and acting as a communications bridge between the corporation and its stakeholders. They are tasked with understanding and rapidly responding and implementing the necessary responses when required, and enhancing information disclosure. In order to allow a few shareholders' rights to be implemented without the constraints of space and time, the Investor Conferences starting in 2014 will adopt the method of electronic voting and vote-by-case. This protects shareholders' rights and makes possible another channel for them to express their opinions.

Moreover, all Ta Ya employees have by law the right to organize trade unions and are entitled to freedom of association. Employee representatives can provide suggestions and comments of their colleagues on specific topics via a laborers' conference. After a consensus is reached through discussions with company operators at the conference, the consensus will be reported to the Board and be handled by the operations group. Other affiliated companies should also uphold the principles of valuing all stakeholders, so that all employees and shareholders are entitled to present their suggestions to the management staff and have them reported to the Board if the situation requires such attention.

Sustainable Managment

Business Activities and Responsibilities

Ta Ya’ s “Corporate Social Responsibility Code of Practice” was passed by the Board of Directors in August 2015 to provide foundation for the group’ s sustainability management. Ta Ya’ s Administration Division has assigned dedicated staff to execute corporate social responsibility tasks. CSR progress is reported during monthly “management meetings” and escalated to the Board of Directors along with suggested solutions. The Group CSR Committee is chaired by the General Manager of Ta Ya’ s Administration Division. The CSR Committee meeting is held every season, with four task groups beneath it: the Corporate Governance Group, Environmental Sustainability Group, Green Product Group, and Employee Care Group. The Pristine homeland Foundation is also a member of the CSR Committee with a secretariat established to coordinate staff tasks.

The purpose of the CSR Committee is to perform thorough analysis of corporate activities so that the Company is aware of its responsibilities to stakeholders and society, and may take steps toward maximizing positive influences while minimizing negative impacts.

Scope of corporate activities and responsibilities to stakeholders

	Corporate activities	Responsibilities	Stakeholders
1 Raw material purchase	We purchase copper materials, plastic materials and equipment to produce wires and cables.	Grow with suppliers/contractors	Suppliers/contractors
2 Manufacturing	Manufacturing of copper products; wire/cable design, manufacturing and installation; planning, design and installation of electromechanical equipment.	Assurance for employees’ health, safety and lifestyle	Employees
3 Product applications	Our wires, cables and solutions are used in power plants, power distribution facilities and telecommunication facilities	Contribute to the nation’ s energy and telecommunication infrastructure; raise customers’ satisfaction	Customers: power companies, telecom carriers, construction companies, public utility providers
4 Reinvestments	Invest R&D capital into sustainability and innovation	Increase shareholders’ value R&D and innovation	Shareholders/banks
5 Corporate citizenship	Comply with laws and contribute to society	Promote environmental education and social charity activities	Government agencies Local communities

Stakeholders Engagement

Ta Ya Group believes that communicating with its stakeholders aids in understanding everyone’ s viewpoints on relevant topics and aids in providing proper responses and measures, which is the basis for CSR implementation. Therefore, we identify and determine key CSR topics via the following steps, and evaluate the relevant topics from the stakeholders with industry experts and the various units.

Step 1: Identifying Topics	Reference benchmark corporations in combination with the current situation and determine the stakeholders needed to communicate with. Then collect comments and feedback through the interactions with the stakeholders.
Step 2: Prioritize	We gather topics that benchmark companies may find material and assign the CSR Committee to rate each topic based on “extent of impact” and “level of stakeholders’ concern.” The “extent of impact” refers to how each topic affects the Company’ s operations, while “level of stakeholders’ concern” represents how the topic may affect the Company’ s images and business opportunities.
Step 3: Analyze Results	A materiality matrix is produced by plotting “extent of impact” against “level of stakeholders’ concern.” The area in the top-right corner represents topics that demand our immediate action and are addressed in the first priority in this year’ s report.
Step 4: Continuous Improvements	Understand the public’ s satisfactory level on information disclosure, as well as develop, execute and evaluate every approach to implement continuous self-improvements.

Stakeholders and Materiality

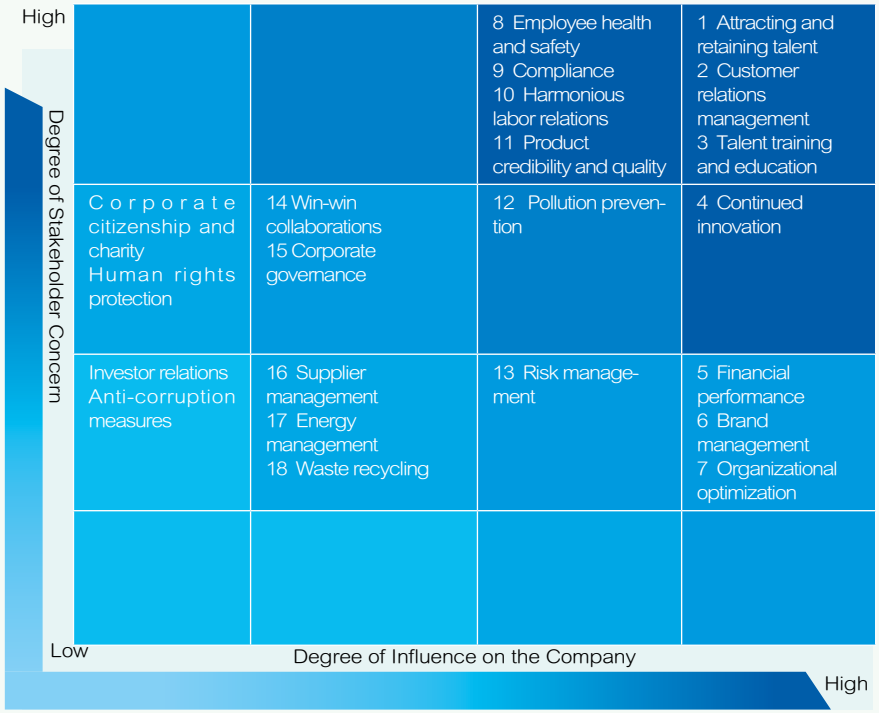
Stakeholder	Issues	Communication Methods and Frequency
Employees/Trade Unions	Safety and Health Attracting and retaining talent Educational Training Harmonious labor relations	E-Bulletin Board (unscheduled) Labor-Management Meetings(unscheduled)
Customer	Customer relations management Product credibility and quality Win-win collaborations	Customer Support Line (according to demands) Project Manager (according to project amount)
Government Agencies	Compliance Pollution prevention Harmonious labor relations	Seminar Exchanges (2-3 per year) Accreditation of Green Products (1-2 per year) Environmental Awards (according to award amount)
Suppliers / vendors	Supplier management Win-win collaborations	Unscheduled Audits (unscheduled) Suppliers Conference (1 per year)
Communities	Corporate citizenship and charity Pollution prevention	participate in community activies/Donation(unscheduled)
Investors/Banks	Corporate governance Investor relations management Compliance	Investors Conference (2 per year) Shareholders Conference (1 per year)

Analysis of Materiality

Materiality analysis in this report was conducted by way of electronic questionnaire, issued to all members of the CSR Committee in the first quarter of 2016. The questionnaire contained 22 topics that were of concern to outside stakeholders and relevant to the group’ s core operations. By comparing “level of stakeholders’ concern” against “extent of impact,” a total of 18 material topics were identified for the report.

Material topics are disclosed for relevant entities within the group, including the management approach taken and the outcome. Some of the entities that were not disclosed in this report may be disclosed progressively over the coming future.

Materiality Matrix



Materiality Chart

Item	Issue	Internal								External						G4 Aspects	Indicators	Report Chapter	Pages
		Ta Ya	Cuprime	Ta Heng	Ta Heng	AD	UEI	Hengs	Dong Nai	Customer	Shareholder	Banks	Supplier	Government	Community				
1	Attracting and retaining talent	●	●	●	●	●	●	●	●							Labor Relations	G4-LA1 G4-LA2	Benefits and Care	20
2	Customer relations management	●	●	●			●	◎	◎	●						Product and Service Labeling	G4-PR5	Customer Satisfaction Survey	35
3	Talent training and education	●	●	●	●	●	●	◎	◎							Training and Education	G4-LA9 G4-LA10	Educational Training	26
4	Continued innovations	●						●		●						Products and Services	G4-EN27	Innovation Management	38
5	Financial performance	●	●	●	●	●	●	●	●		●	●				Economic Performance	G4-EC1 G4-EC3	Financial Performance	8
6	Brand management	●									●					Other Material Aspects		Brand Management	6
7	Organizational optimization	●									●					Other Material Aspects		Organization	7
8	Employee health and safety	●	●	◎	◎	◎	◎	◎	◎							Occupational Health and Safety	G4-LA5 G4-LA6	Occupational Safety and Health	22
9	Compliance	●	●	●					●					●		Compliance Compliance	G4-EN29 G4-SO8	Environmental Policy and Management Code of Conduct and Anti-Corruption	43 11
10	Harmonious labor relations	●	●	●					◎							Freedom of Association and Collective Bargaining	G4-HR4	Harmonious Labor Relations	21
11	Product credibility and quality	●	●	●			●	●	●	●						Product and Service	G4-PR3	Product Information Labeling	33
12	Pollution prevention	●	●	●					◎ ●						●	Emissions Effluents and Waste	G4-EN21 G4-EN22	Environmental Policy and Management	43
13	Risk management	●									●					Other Material Aspects		Risk management	11
14	Win-win collaborations	●	●	●				●	●				●			Procurement Practices	G4-EC9	Procurement Policy	36
15	Corporate governance	●							◎		●			●		GSD G4-34		Functions of the Board	10
16	Supplier management	●											●			Supplier Environmental Assessment Supplier Assessment for Labor Practices Supplier Human Rights Assessment Supplier Assessment for Impacts on Society	G4-EN33 G4-LA15 G4-HR11 G4-SO10	Supplier CSR Evaluation	37
17	Energy management	●	●	●	●	●	●	●	●							Energy Emissions	G4-EN3 G4-EN5 G4-EN6 G4-EN15 G4-EN16 G4-EN18 G4-EN19	Usage of Energy Resources Greenhouse Gas Inspection Energy-Saving and Carbon-Reduction Measures	42 46 48
18	Waste recycling	●	●	●			●		◎							Sewage and Waste Materials	G4-EN23	Waste Management	45

Note: ● Material issues and disclosed in this reports. ◎ Material issues and will be disclosed in future reports.

External Organizational Involvement

Ta Ya Group has for a long time participated in many domestic industrial unions and associations to keep up to date with industrial news and technological development trends in order to raise the competitive strength of the industry, improve sustainable strategies, and enhance sustainable capabilities.

Ta Ya Group's External Organizational Involvements

Organization	Ta Ya	Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	Dong Nai
TEEMA	●							
Wire & Cable Association Synergy Development Center	●	◎	◎		◎			
CED	◎							
Tainan Industry Association	●							
TwnWEA	◎							
TWTIA	◎							
STGSTA	◎						◎	
Taiwan Electric Wire Association		◎						
TNCIA	◎		◎					
TTECA				◎		◎		
Taiwan Water Pipe Engineering Industries information Portal						◎		
Taiwan Refrigeration & Air-conditioning Engineering Associatio						◎		
TTEIA						◎		
CAFP						◎		
YK-Tec Fellowship							◎	
PVGSAROC							◎	
TPVIA							◎	
CTCVN, Dong Nai Branch								◎
CTCVN, Binh Duong Branch								◎
CTCVN								◎

Note: ● Participate in the organization and hold important positions. ◎ Participate in the organization.

1.TEEMA - Taiwan Electrical and Electronic Manufacturer's Association

The association's mission is to act as the communicator between the government and the people, the promoter of rooting in Taiwan, and the supporter of global businesses. It provides its members with global diversified services for mutual benefit and acts as the bridge between the industry and the government to foster economic growth. The executive director of TEEMA is President Shen Shanghong of Ta Ya. TEEMA has visited Vietnam many times before, with Ta Ya participating in the reception events and facilitating economic trade exchanges between Taiwan and Vietnam.

2.Wire & Cable Association Synergy Development Center

The organization assists its members in broadening the perspective and creates business opportunities and visions via the CSD. Other than providing important information on union activities, industry and exhibitions, it also devotes itself to providing members, both foreign and domestic, with trader data, national industrial degree compilations and various information to promote industrial upgrades, improve product quality, lower production costs and further industrial competitive strength. President Shen Shanghong of Ta Ya has been acting as the Vice Chairman of the association since 2002 and is committed to promote its business.

3.Tainan Industry Association

The association assists in communications between local enterprises and the local government, and fosters better understanding of the laws and regulations imposed by the state. President Shen Shanghong of Ta Ya acts as the executive director of the Tainan Industry Association. Ta Ya's participation is aimed at connecting the Tainan government with private industries, thus providing clients in the Tainan region with the best available service and becoming their trusted business partner.

Corporate Governance Rating

In December 2013, the Financial Supervisory Commission published a 5-year "Corporate Governance Enhancement Roadmap" and introduced a corporate governance evaluation system. The evaluation system is a comparison of corporate governance practices across the entire market and is aimed to help investors and businesses understand how effective a company's governance practices are. It is intended to inspire progressive competition and motivate companies to take the initiative in enhancing and improving their corporate governance culture.

The "First Corporate Governance Evaluation" took place in 2015, during which companies were assessed using a total of 92 indicators covering five main aspects: protection of shareholders' interests, fair treatment for shareholders, board structure and functionality, information transparency, protection of stakeholders' interests, and corporate social responsibilities. The evaluation process first requires the Company to complete a self assessment; the Corporate Governance Center then assigns its review team to assess performance category-by-category before submitting its result for discussion by the Evaluation Committee. The evaluation placed Ta Ya in the top 20% of all TWSE-listed companies; in addition, the Company was rated "A" during the 12th Information Disclosure Evaluation for TWSE/TPEx Listed Companies.

In 2015, Ta Ya's Board of Directors amended the Company's "Corporate Governance Code of Practice" and "Code of Ethics," and established "Corporate Social Responsibility Code of Practice" and "Board of Directors Performance Assessment Policy" as a means of enhancing corporate governance practice and protecting stakeholders' interest. In the future, Ta Ya will adhere to its integrity principles and commit to sound corporate governance for the protection of shareholders' interests. It will also strive to maintain top 5% ranking in the corporate governance evaluation.

Enlightened Employees

Employees are the most valued assets of Ta Ya Group. The Group understands that happy and healthy employees are the driving force for improvements that maintain the company's competitive strength. Only happy and healthy employees would have the endless energy for innovations. We value the relationship between our employees as more than mere contractual relationships. We see them as family members, so we take the initiative to care for their work environment. Harmonious labor relations are the cornerstone of our continued growth.

The Group proactively promotes every kind of welfare measure for its employees. The established trade union and laborers' conference effectively serves as the channel of communications between the two sides. We periodically hold educational trainings and professional skill evaluations for the staff and encourage our employees to serve as corporate volunteers for the company, promoting inner and outer growth. Our goal for employees is to assist them in obtaining a good balance between work and family life. By providing a conducive environment for such a lifestyle, we bring forth continuous quality work performance.

Employee Profiles

Provide Employment Opportunities

As of December 2015, the Ta Ya Group had 985 employees in Taiwan (under Ta Ya, Cuprime, Ta Heng, Ta Ho, UEI, AD and Hengs) and 264 employees under Dong Nai (Vietnam). We hire most of our employees under indefinite contracts so that they may commit to long-term service with comfort. We offer starting salaries irrespective of gender difference. Employees' promotion and education are arranged entirely based on individual capacity. If there is a need for overseas assignment, we communicate with employees in advance and offer incentives such as salary increment and promotional opportunity upon return.

The group has more males than females in all its companies. This is because most of the works are physically demanding and take place in a hot, humid environment or require rotating shifts. However, females account for a higher percentage (14.86%) among Ta Ya's managerial staff than the general staff (13.01%).

The group supports employment of persons with physical or mental disabilities. In 2015, the group hired 10 people with disabilities and 5 people of indigenous background. Apart from the 8 (8.7%) foreign workers hired by Ta Heng, all other employees in Taiwan were of R.O.C. nationality.

74% of managers in Dong Nai were Vietnamese nationals; the local government did not impose any rule on the hiring of persons with disability or indigenous people.

Employee Turnover and Percentages (2015)

	Ta Ya		Cuprime		Ta Heng		Ta Ho		UEI		AD		Hengs		DongNai	
	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%
New Employees	191	32.71	23	37.7	21	22.83	2	6.67	4	10.81	15	18.99	45	44.12	32	12.12
Resignation	181	30.99	19	31.15	26	28.26	4	13.33	2	5.41	19	24.05	13	12.75	56	21.21

Note: New employee percentage = number of new employees / number of employees as of the end of the year. Resignation percentage = number of resignations / number of employees as of the end of the year.

Gender Ratio of Management Staff

		Ta Ya	Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	DongNai
(Deputy) Department Heads	Male	28	6	4	2	2	10	0	12
	Female	7	3	0	1	0	5	0	4
(Assistant) Managers	Male	15	4	3	1	2	7	17	4
	Female	3	0	1	0	2	2	1	0
Associates	Male	6	2	4	2	0	1	1	0
	Female	0	0	0	0	0	0	0	0
Vice Presidents or above	Male	14	4	3	0	1	3	2	0
	Female	1	0	0	0	0	0	0	0
Total		74	19	15	6	7	28	21	20
Male (%)		85.14	84.21	93.33	83.33	71.43	75.00	95.24	80.00
Female (%)		14.86	15.79	6.67	16.67	28.57	25.00	4.76	20.00

Diversity

	Ta Ya	Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	DongNai
Disability Employees(Required)	5	0	1	0	0	1	1	0
Disability Employees (Actual)	5	2	1	0	0	1	1	0
Aboriginal employees(Required)	5	0	0	0	0	0	0	0
Aboriginal employees(Actual)	4	1	0	0	0	0	0	0
Foreign workers	0	0	8	0	0	0	0	1

Note: Among the foreign workers hired by Ta Heng, 6 were from Indonesia and 2 were from Thailand. Foreign workers hired at Ta Ya's Dong Nai factory were of Chinese nationality. Vietnamese laws do not impose any requirement on the hiring of persons with disabilities or indigenous people.

Staff Composition (Employment Contract and Type of Employment)

			Ta Ya		Cuprime		Ta Heng		Ta Ho		UEI		AD		Hengs		DongNai	
			Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%
Male			508	86.99	42	68.85	67	72.83	26	86.67	26	70.27	45	56.96	62	60.78	221	83.71
Female			76	13.01	19	31.15	25	27.17	4	13.33	11	29.73	34	43.04	40	39.22	43	16.29
Aged 30 and under			98	16.78	8	13.11	15	16.30	0	0	4	10.81	18	22.78	29	28.43	79	29.92
Aged 30 to 50			351	60.10	33	54.10	54	58.70	22	73.33	28	75.68	57	72.15	66	64.71	162	61.36
Aged 50 and above			135	23.12	20	32.79	23	25.00	8	26.67	5	13.51	4	5.06	7	6.86	23	8.71
Employment contract	Irregular Agreement	Male	492	84.25	42	68.85	59	64.13	26	86.67	25	67.57	45	43.04	62	60.78	152	57.58
		Female	76	13.01	19	31.15	25	27.17	4	13.33	11	29.73	34	56.96	40	39.22	34	12.88
	Regular Contract	Male	16	2.74	0	0.00	8	8.70	0	0.00	1	2.7	0	0	0	0	69	26.14
		Female	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	3.41
Type of Employment	Full-time	Male	508	86.99	42	68.85	67	72.83	26	86.67	26	70.27	45	43.04	62	60.78	221	83.71
		Female	76	13.01	19	31.15	25	27.17	4	13.33	11	29.73	34	56.96	40	39.22	43	16.29
	Part-time	Male	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Female	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total staff			584	100.00	61	100.00	92	100.00	30	100.00	37	100.00	79	100.00	102	100.00	264	100.00

Note: Employee data was accurate as of December 2015; recruits who complete the initial onboard procedures are treated as permanent employees.

Employee Turnover and Percentages (2015)

	Ta Ya		Cuprime		Ta Heng		Ta Ho		UEI		AD		Hengs		DongNai	
	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%	Number of People	%
New Employees																
Aged 30 and under	86	45.03	8	34.78	16	76.19	0	0	1	25	6	40	21	46.67	27	84.38
Aged 30 to 50	97	50.79	15	65.22	5	23.81	2	100.00	1	25	9	60	23	51.11	5	15.63
Aged 50 and above	8	4.19	0	0.00	0	0.00	0	0	2	50	0	0	1	2.22	0	0
Male	186	97.38	20	86.96	19	90.48	1	50	4	100.00	11	73.33	21	46.67	29	90.63
Female	5	2.62	3	13.04	2	9.52	1	50	0	0.00	4	26.67	24	53.33	3	9.38
Resignation																
Aged 30 and under	70	38.67	3	15.79	21	80.77	0	0	0	0.00	5	26.32	11	45.83	34	60.71
Aged 30 to 50	87	48.07	11	57.89	5	19.23	3	75	1	50	13	68.42	13	54.17	21	37.50
Aged 50 and above	24	13.26	5	26.32	0	0.00	1	25	1	50	1	5.26	0	0	1	1.79
Male	171	94.48	17	89.47	25	96.15	3	75	2	100.00	17	89.47	11	45.83	50	89.29
Female	10	5.52	2	10.53	1	3.85	1	25	0	0.00	2	10.53	13	54.17	6	10.71

Note: New recruits are defined as employees who join the Company for the first time; resigned employees are defined as employees who are voluntarily or involuntarily dismissed, retired, or deceased due to work-related accident.

Welfare and Care

The Group's employee welfare includes: year-end, profit-sharing, and long-employment bonuses; uniforms and safety shoes; marriage/funeral cash gifts/celebratory curtains/garlands applications; educational training, language, lunch, and employee travel subsidies; Labor Day, Dragon Boat Festival, Mid-Autumn Festival, Spring Festival gifts, parties and dinners (organized by the welfare committee); club activity subsidies; birthday gifts; employee insurance (extended to employee family members, paid by the members at a discounted price); and employee accident condolences. The company also holds physical examinations annually, organized by the Occupational Safety & Health Office. In addition, employees have voluntary marriage/funeral/celebration subsidies and employee mutual assistance funds on the death of the employee, family members, spouse, or children.

Employee welfare committees have been formed at Ta Ya, Cuprime, and Ta Heng. Their main responsibilities are: the examination, implementation, and supervision of employee welfare affairs; the planning, custody, and withdrawal of employee welfare funds; the allocation, auditing, and budgeting of employee welfare funds; and other relevant employee welfare affairs.

- Ta Ya has 21 seats of representatives on the employee welfare committee, comprised of one from the employer as an ex-officio member, six from the staff, and 14 from the guild. One chairperson is elected from the representatives. Except for the ex-officio member, the committee members have three-year terms and may be re-elected. The employee welfare committee meets once every three months.
- Cuprime has 13 seats of representatives on the employee welfare committee, made up of three from the employer as ex-officio members and 10 from the staff. One chairperson is elected from the representatives. Except for the ex-officio members, the committee members have three-year terms and may be re-elected once. The employee welfare committee meets once every three months.
- Ta Heng has seven seats of representatives on the employee welfare committee, composed of one from the employer as an ex-officio member and six from the staff. One chairperson is elected from the representatives. Except for the ex-officio member, the committee members have three-year terms and may be re-elected. The employee welfare committee meets once every four months.

To help employees relieve pressure, bond with each other, stay fit, and enjoy cultural activities, Ta Ya has established clubs for cycling, yoga, hiking, charity, photography, cultural study, badminton, mountaineering, skating, and karaoke, which contribute to the quality of employees' lives.

All employees of the group are covered by a retirement plan. For those who are covered by the new scheme, the Company contributes 6% of their monthly salary to the retirement fund; for those who converted from the old scheme to the new scheme, the Company contributes 4% ~ 15% of their monthly salary to the retirement fund. Ta Ya assembled and implemented its Labor Pension Fund Supervisory Committee in August 1984 as a means to provide assurance for employees' retirement. Since then, the Company has been contributing 15% of employees' salary into a pension fund account held at Bank of Taiwan. As required by the Labor Standards Act, the Company estimates the balance of its pension fund account before the end of each year and reimburses differences before the end of March the following year. All calculations and actions are reviewed by the Labor Pension Fund Supervisory Committee. For employees who opted for the new pension scheme introduced under the "Labor Pension Act" since July 2005, the Company contributes 6% of their monthly salary into their individual pension fund accounts held with the Bureau of Labor Insurance.

Following the 2015 amendment of the Labor Standards Act, employers are now required to make adequate contributions no later than March each year to the old pension fund for employees who will be qualified to retire in the current year. As a result of this amendment, Ta Ya contributed an additional sum of NT$172 million into the pension fund account held with Bank of Taiwan. Meanwhile, Cuprime took the initiative to seek the authority's approval to raise contribution rate from 4.1% to 10% for employees under the old scheme. This decision was made to ensure that the Company has adequate budget to cover employees' retirement benefits in every subsequent year. Ta Heng had also fully reimbursed contribution to the old pension scheme. In subsequent years, all contributions to the old pension scheme will be made at 6% of employees' monthly salary, similar to the new scheme.

Human Rights Protection

Worker Dignity

Ta Ya Group’ s Human Rights Policy Statement is defined in accordance with The Universal Declaration of Humans Rights, The United Nations Global Compact and The ILO Conventions on Core Labor Standards. It is premised on allowing everyone inside and outside the company to receive fair and respectable treatment. We pledge:

1. To support and respect the protection of human rights and ensure that our business partners and suppliers also uphold the same standards;
2. To ensure that we and our partners and suppliers do not make use of illegal child labor or prisoners in business operations and do not engage in forced labor or corporal punishment;
3. To respect the rights of the employees to participate in collective labor negotiations in accordance with local laws and customary union regulations;
4. To tolerate all cultural characteristics of all employees, and not discriminate against any employees protected by the law for their diversity of cultural characteristics, including gender, color, race, ethnicity, nationality, religion, age, marital status, sexual orientation, gender identity and expression, disability, pregnancy, veteran status or political stance;
5. To comply with the Safety Policy and to promptly correct or report any possible threats;
6. To avoid behaving with disrespect, hostility, violence, threat or harassment;
7. To promote the establishment of a harassment-free environment. We do not tolerate any sexual harassments, including any undesirable flirting, sexual exchange for benefits, or any other unwelcomed suggestive language or physical behavior; and
8. To protect the personal information of our current and past employees, board members, clients, job seekers and partners. The acquisition and use of personal information is limited to legitimate business purposes.

Gender equality is protected in accordance with law in all Taiwanese operations. All employment contracts are drafted with a clause that specifies the advance notice period the Company has committed to serve for all major changes in operation.We have defined the Complaints and Disciplinary Measures for the Prevention of Sexual Harassments in the Workplace policy and periodically promote awareness of it. The balance between work and life is one of the most important values at Ta Ya. We provide flexible choices for employees, such as parental, family and childbirth leave. In the case of radical changes in business operations that may affect labor rights, we inform employees who have served at the company for more than three months but less than a year 10 days ahead of time; for employees who have served for more than one year but less than three years, 20 days ahead of time; and to those who have served for more than three years, 30 days ahead of time.

Harmonious Labor Relations

The group respects employees’ right of association and their legal entitlement to assemble unions and engage in collective bargaining. Ta Ya and Cuprime both have worker unions created within them. Ta Ya organizes regular labor-management meetings, places dedicated hotlines and emails, and engages unions in collective bargaining negotiations on an ongoing basis. In 2015, the group received no complaint and encountered no occurrence of employment dispute or violation against freedom of association in any of its offices, affiliated enterprises or suppliers thereof.

Occupational Safety and Health

Management Measures

Our factories are spacious, well-lit and have good air circulation, providing our staff with a comfortable work environment. Although the manufacturing processes have no environmental pollution issues, we still place great emphasis on the environmental protection measures at our factories. There are environmental protection groups and security and health offices to ensure the promotion of environmental protection and employee safety as we work toward the goal of zero-pollution.

With emphasis on employee safety and health during the manufacturing phase, Ta Ya first obtained the ISO14001 environmental management system certification in 2005 and also acquired the OHSAS18001/ TOHSMS occupational health and safety management system accreditation in 2009. As the audit verification of the external verification units and replacement procedures of the three verifications were conducted in November 2013, we also acquired the ISO 14001, OHSAS 18001, and CNS 15506 certifications.

The Committee on Occupational Safety and Health at Ta Ya is responsible for deliberating, coordinating, and suggesting matters regarding occupational safety and health. The committee comprises of one chairperson (5%), one executive secretary (5%), eight members (40%), six labor representatives (30%), and four occupational safety personnel (20%):

1. Chairperson: Undertaken by the General Manager of the communications business group;
2. Executive secretary: Undertaken by the safety and health officer of the safety and health office;
3. Members: Consisting of representatives from General Affairs, Human Resources, Sales, Communications Operation, Communications Production, Communications Quality Assurance, Enameled Wire Operation, and Enameled Wire Production departments;
4. Labor representatives: Undertaken by the Managing Director and board member of the industry guild;
5. Occupational safety personnel: One occupational health and safety executive, one occupational health and safety officer, and two occupational health and safety managers; and
6. Medical personnel: Medical personnel of the health and safety office.

The practices of other affiliated companies are as follows:

- Cuprime: 1 Safety and Health Officer (10%; assumed by the factory director), 5 safety and health committees (50%; assumed by heads of department), 1 labor representative (10%; chosen by factory employees), and 3 work safety personnel (30%; assumed by head of workers' safety and health).
- Ta Heng: 1 committee chairman (16.67%; assumed by the factory director), 3 committee members (50%; assumed by heads of department), 1 labor representative (16.67%; chosen by factory employees), and 1 work safety personnel (16.67%; assumed by head of workers' safety and health).
- AD has a Workers Safety Section available to enforce the work safety and health system and ensure compliance with occupational safety and health regulations. It exists to protect workers' personal health, safety, cleanliness and hygiene at the workplace. The Section comprises of the following members: 1 chief, 1 specialist, and 3 staff. Members of the Workers Safety Section visit work sites regularly to maintain and promote workers' safety. The section chief also conducts random safety and health audits as a means to raise workers' safety and health awareness, so that they may duly comply with policies and make proper use of safety gear to minimize chances of accident.
- UEI: The Company has a Workers' Safety and Health Officer in place to oversee related matters. In addition to section chiefs, managers also pay random visits to work sites for safety inspection and to promote employees' safety awareness. Adequate numbers of safety gear have been provided for the different works involved to prevent accident.
- Dong Nai: The Company has obtained certification for ISO 14001 - Environmental Management System. For the safety of the operational environment and for workers' health, smoking is prohibited anywhere in the factory. Office air conditioning and cooling tower are maintained regularly to ensure the health of office workers. Factory and office lighting is regularly maintained and measured, while sprinklers have been installed in accordance with fire safety regulations. We also organize regular health checks based on employees' roles, such as general operator, operators under conditions of excessive noise, and kitchen workers, and follow up on their health checks. To further improve work environment and safety, the Company conducts 2 environmental assessments per year along with safety training and rehearsal.

Prevention of Occupational Hazards

Companies	Factories	Type of occupational hazard										Health-threatening operations			Precautionary measures
			2	3	6	7	8	11	13	17	20	1	2	25	
Ta Ya	Guan-miao		●				●				●		●	●	1.Convey work safety guidelines with employees 2.Convey traffic rules. 3.Enforce use of safety gear.
	Dawan		●				●				●		●		Wearing of earplugs; health check for special operations
Cuprime						●		●				●	●	●	1.Enforce wearing of protective suits and placement of air-conditioned r esting area 2.Wearing of earplugs; health check for special operations 3.Wearing of face masks; health check for special operations
Ta Heng			●				●				●				Convey work safety guidelines compliance with traffic rules
Ta Ho							●								Enforce standard operating procedures
AD		●	●				●		●		●	●	●	●	1.Verify work area and environment prior to commencing work activities. 2.Enforce proper usage of protective gear. 3.Provide employees with necessary safety and health training.
UEI						●									1.Conduct random safety inspections at various workplaces to promote employees' safety awareness. 2.Provide adequate number of protective gear for the different works involved, and thereby prevent accident from happening. 3.Promote safety awareness during commuting and business trips.
Hengs		●	●							●	●				1.Enforce use of safety harness, safety wire, hooks and helmets for rooftop operations. 2.Promote compliance of traffic rules. 3.Procure installation/construction insurance during the work period.
Ta Ya Vietnam DongNai			●	●	●	●	●			●	●		●		1.Enforce use of safety boots by workers, and helmets by truck drivers and forklift operators 2.Place first aid kits on-site to facilitate preliminary treatment of injuries 3.Procure social insurance and accident insurance for employees who are required to perform duties outside of business premise 4.Outline standard operating procedures and place reminders at work site

Note 1: Occupational hazard code: (1) Fall from elevated position; (2) Tripping; (3) Impact to others; (6) Impact by others; (7) Jamming; (8) Cut or abrasion; (11) Contact with extreme temperatures; (13) Electric shock; (17) Risky movements; (20) Traffic accident.
Note 2: Health-threatening operations code: (1) High temperature; (2) Noise; (25) Dust.

Prevention of Occupational Hazards

The process of manufacturing wires and cables involves approximately 100 types of chemical substances. We therefore practice checkpoint inspections, gather statistics on the usage of emission quantities, and implement control procedures on the chemical substances to prevent them affecting the eco system or cause pollutions. We also exercise control over the source, implemented green procurement of materials that do not contain any harmful substances, and obtained the IECQ/QC 080000 certification in 2007. In addition to caring for the health of the employees, we provide safeguards for consumers, too.

To mitigate the effect of dust caused by PVC granules used in cable manufacturing, we have installed dust collectors at locations that are prone to such hazards. In addition, these work areas are partitioned while workers are given protective masks to limit the effect of dust. The PVC components of all marketed cables are free of lead. We have changed our formula and switched to the use of non-lead based stabilizer to avoid contact with even the smallest trace of lead, and thereby mitigate hazard to employees.

Magnet wires are made from copper rod and various types of coating, the latter of which comprise mainly of "organic solvents." To avoid harm to workers' health and the environment, we add "catalysts" into our production process so that organic solvents can be incinerated at high temperature and turned into vapor and carbon dioxide, which cause no harm to workers' health or the environment.

During the production of copper bonding wire, we use ultrasound to clean wires; to prevent noise hazard, workers are issued earplugs as a form of protection.

In addition, in consideration of the work environment and the safety of the workers, our factories are completely non-smoking areas. A periodic maintenance is scheduled for the office air conditioning system and the cooling water towers to protect the health of our office personnel. A periodic maintenance and check-up is performed on the lighting system of the factory and offices; the lighting maintains a value above 300 lm for the employees who are performing visual operations. Furthermore, periodic physical check-ups and follow-ups are also performed for our general, noise, dust, and lead operations staff. To further improve the workplace and its safety, Ta Ya established specialized environmental protection units, and safety and health units. Other than discussing the workplace environment, safety and health-related issues at the health and safety committee conferences every season, we also implement safety education and safety drills.

Occupational Hazards - Key Indicators

		Ta Ya		Cuprime	Ta Heng	Ta Ho	UEI	AD	Ta Ya Vietnam
		Guanmiao	Dawan						DongNai
IR	Male	0.69	0.28	0	3.16	0	2.70	1.963	10.009
	Female	0.09	0	0	2.11	0	2.70	0	0
ODR	Male	0	0	0	0	0	0	0	0
	Female	0	0	0	0	0	0	0	0
LDR	Male	2.51	0	0	2.11	0	29.73	0.368	216
	Female	0.35	0	0	6.32	0	1.858	0	0
AR	Male	0.00424	0.220	0.00794	0.00607	0.0033866	0.00116543	0.009	0.0192
	Female	0.000636	0.078	0.00147	0.00763	0.0008307	0.00017934	0.017	0.0147
Line of duty death	Male	0	0	0	0	0	0	0	0
	Female	0	0	0	0	0	0	0	0

Note 1: Injury rate (IR) = Number of injury incidents / total work hours * 200,000. Occupational disease rate (ODR) = Number of disease incidents / total work hours * 200,000. Loss and delay rate (LDR) = Number of delayed days / total work hours * 200,000. Absence rate (AR) = Days of absence during reporting period / total work days during reporting period. Days of absence include arriving late, leaving early, personal leaves, sick leaves (half-day deduction), and absenteeism.
Note 2: Key Indicators of Hengs will be disclosed in future reports.

Health Care

In accordance with the age of the employee and the work environment, Ta Ya provides adequate health plans and check-ups for early detection of potential health hazards and virulent factors. Special medical personnel are sent to implement annual physical check-ups and also conduct evaluations of items needing improvement according to abnormal proportions, annual trends, and ethnic trends. We prioritize items requiring improvement in accordance with its level of urgency, plan full intervention programs, understand individual needs, assist in follow-up check-ups at the hospitals, engage in health-care tracking, and provide complete health-care measures.

According to the annual health check-up results analysis, BMI, cholesterol, blood pressure, waist circumference, and blood glucose are among the top five abnormal rankings. Employees in the shift-work group are especially susceptible to having irregular work and rest habits, unbalanced diets, and a lack of exercise. The following improvement plans have been made available to all employees and have been implemented:

1. A beetle nut and smoke-free healthy workplace: Starting on June 1, 2008, all factories prohibit the chewing of beetle nut and smoking; relevant punishments are defined and signs are established at prominent locations throughout the factories;
2. Promotional health conferences: Organizing urinary system health and healthy diet lectures with 60 people participating;
3. Blood pressure measurement: Conducting blood pressure measurements every three months at each department for early diagnosis and treatment.
4. Blood sugar measurements: Health education is provided to employees with higher-blood sugar levels based on physical examination, and they are listed for tracking and care;
5. Sports clubs: Yoga, motor bike, badminton, hiking, and cultural studies clubs are available and events are held periodically; ◦
6. Signs in stair cases that encourage employees to use the stairs, encouraging exercise in the workplace;
7. The Ta Ya Hiking Track: A 0.9 km hiking track is made available to encourage colleagues to walk ten thousand steps every day to prevent and improve chronic disease conditions;
8. Promoting fitness exercise routines: Instructions for routine exercises are provided to each department on site, encouraging employees to exercise regularly;
9. New breastfeeding room: One breastfeeding room has been newly installed in the medical room for employees; and
10. Healthy diet: An employee cafeteria has been established to provide lunches and dinners.

Ta Ya is committed to the promotion of tobacco control and health in the workplace and has been certified by the Health Promotion Administration with a “healthy workplace certification - health initiation conformance” (valid from January 2014 to December 2016). Physical examinations are also provided to employees at Cuprime and Ta Heng annually or once every three years.

Educational Training

The Educational Training System

Human resources are a critical factor to a company's sustainability and successful transformation. In order to standardize internal training programs for more effective results and greater competitiveness, Ta Ya adopted "Taiwan Talent Quality-management System" (TTQS) in 2012 as a means of enhancing training results. The Company received a bronze award during the 2015 TTQ assessment, which prompted it to further improve its existing training policies and commitments.

- Training policy: Support employees' training and development to provide the group with the drive to accomplish its missions and growth
- Training commitments: The Company will provide employees with the proper training to advance in their career and develop the competitiveness needed to accomplish more complex tasks. In return, employees shall also accept the Company's training arrangements and plans where appropriate. Both the Company and employees shall abide to the above commitments.

Ta Ya's internal educational training system implements training in accordance with the types of profession. The training content includes management, general, and professional skills, as well as self-motivation. The various business groups provide the annual training requirement lists at the end of each year for the following year. HR then compiles these into the annual execution plan. Professional skills training requirements are issued by each of the business groups in accordance with their business strategy plans or current situations. HR then collects relevant training classes and lecturer lists for reference and compiles the training requirement lists for each business group.

For new employee training, courses are prepared by HR and training sessions are provided by each of the business groups. The contents of the training emphasize organizational overview, history, business philosophy, personnel systems, benefits, insurance, salaries, work safety, labor health and safety, the ISO system, quality policies, and field internships.

As international business communications is required for operations, Ta Ya initiated the Application of Foreign Language Job Training for Employees in 2010. In addition to providing subsidies for training, we also provide salary increases in accordance with learning results, and take language abilities as a priority in promotions and mobilizations. In 2011, we further defined an even more complete Employee Job Training Application, which covers all tuition fees for Master's and Doctorate student-employees who choose to pursue management-related studies or studies that have a potential future for development in the company.

Our affiliated enterprises all place much emphasis on employee training, too. On-the-job training regulations are in place to increase the quality and skills of the workforce. There are orientation training, foreign-language training, and professional training programs with advanced learning regulations that encourage further education while in service, increasing the competitiveness of the employees. The content of the training focuses on operational safety, occupational health and safety, ISO systems, and quality policies. In addition, the companies encourage employees to engage in further education by offering appropriate assistance, including scholarships, so that the employees can advance in their careers.

Training Hours of Ta Ya (by Gender)

	Female			Male		
	Training Hours	Total Employee Number	Average Training Hours	Training Hours	Total Employee Number	Average Training Hours
2013	1,699	80	21.24	4,907	517	9.51
2014	1,118	81	13.80	4,743	499	9.51
2015	1,095.5	76	14.41	6,194	508	12.19

Training Hours of affiliated enterprises (by Gender)

	Female			Male		
	Training Hours	Total Employee Number	Average Training Hours	Training Hours	Total Employee Number	Average Training Hours
Cuprime	206	20	10.30	496	41	12.10
Ta Heng	31	25	1.24	209	67	3.12
Ta Ho	0	4	0	12	26	0.46
AD	946	34	27.82	1,469	45	32.64
UEI	62.5	11	5.7	314	26	12
Hengs	354.2	40	8.86	958.2	62	15.46
Dong Nai	154.5	43	3.59	801.5	221	3.63

Training Hours (by Class)

Class	General Staff			Managers below Department Head (including organizers)			Managers and above		
	Training Hours	Total Employee Number	Average Training Hours	Training Hours	Total Employee Number	Average Training Hours	Training Hours	Total Employee Number	Average Training Hours
Ta YA	4,361	457	9.54	1,342	88	15.25	1,586.5	39	40.68
Cu-prime	382	32	11.94	260	19	13.68	60	10	6.00
Ta Heng	113	70	1.61	11	4	2.21	96	11	8.73
Ta Ho	12	19	0.63	0	8	0	0	3	0
AD	1,283	51	25.16	624	15	41.6	508	13	39.08
UEI	238.5	27	8.8	48	5	9.6	90	5	18
Hengs	966.7	75	14	197	17	15.2	156.2	10	15.6
Dong Nai	720.5	199	3.62	221.5	61	3.63	14	4	3.5

AD's video-based training courses

AD conducts regular skill surveys to learn differences between employees' skills. Those who fall short of the required skills are offered courses and guidance from senior colleagues. The Company offers numerous courses with different focuses ranging from management training, general knowledge training (for all employees), specialist training to self development. General knowledge training covers topics that are not only relevant to work, but useful to employees' living, health, and family relations as well; it serves to balance the stress between employees' work and life. The Company has also implemented a video system that enables employees located in remote work sites to keep up with their training using equipment at the work site office. In addition, employees are introduced to take digital courses from www.smelearning.org.tw, and the freedom to receive training anytime, anywhere has effectively raised their learning intent. All courses accumulate points on a Learning Passport. These points are associated with employees' performance appraisal and promotion for stronger motivation.

Orientation courses at Hengs are planned by the administration team and department managers. Each department is responsible for nominating instructors for relevant trainings. The training provides an overview about the Company's organization, history, management philosophy, human resource policy, welfare, insurance, salary, operational safety, workplace safety and health, ISO and ERO system, quality policy, and includes a live work observation.

Performance Evaluation

The Group has a competitive overall remuneration system, the components of which include the base salary, performance bonuses and profit-sharing bonuses. Each employee's overall remuneration is defined in accordance with their professional knowledge and skills, duties and performance, and combined with the operational goals of the company. It does not differ based on gender, religion, race, nationality or factional preferences. Our starting salaries meet the minimum wage provisions.

The Group amended its Annual Employee Performance Evaluation Procedure in 2013 to reflect an employee's contribution and performance based on fair and reasonable regulations. The goal is combined with performance, and when evaluating the performance and setting up goals, the chief evaluator should interview the employee. For low-performing employees, an improvement counseling program is in place whereby the manager provides assistance, counseling and prompt advice to achieve the goal of the performance evaluations.While Cuprime Material does not have a periodic evaluation mechanism, the practices of other affiliated companies are as follows:

- Ta Heng holds a performance evaluation once per half year for its employees, and objectively evaluates their work performance and work quality to reward outstanding employees. It is aimed at gradually improving and encouraging low-performing employees;
- Ta Ho periodically employs an interview assessment, making improvements via two-way communications and suggestions between the managers and employees;
- All employees of UEI are subject to annual performance appraisal. Additionally, non-managerial staff are subjected to annual promotion reviews to reward entry-level employees who are willing to contribute and have exhibited good work performance.
- AD conducts performance evaluations in April and October each year in accordance with the Lv3 to Lv4 Promotion Procedure and the Annual Promotion Evaluation Procedure. Employees first do a self-evaluation in accordance with the work handbook, competency inventory and KPI indicators before the unit manager reviews their performance. The results of the evaluation are categorized into O (Outstanding); S (Successful); I (Improvement Needed); and U (Unacceptable). Employees who qualify for promotions will be openly notified afterwards and be commended in the monthly conferences.
- Hengs: Employee appraisals are conducted once a year, during which all department managers are required to rate employees' annual performance and work capacity. Managers are required to produce written comments and rating for new employees at the end of their probation period. These comments and ratings are forwarded to the human resource department for further evaluation.
- Dong Nai: Performance evaluation is held twice a year; the average of two scores is taken into consideration for basic salary adjustment in the coming year.

Corporate Volunteers

In 2013, the group assembled a wire safety volunteer team under the Ta Ya Pristine Homeland Foundation. In March 2015, the group joined the Tainan City Water Resources Bureau to organize a Family Day event at Benyuanliao Drainage and plant 50 seedlings of Chinaberry. In the next six months, a team of volunteers committed themselves to the watering, maintenance and cleaning of the plantation.

Mundane as weeding and garbage picking may be, the activities seemed to attract new participants from Home With Love, Annan District. Guided by our employees, the participants shoveled weed off the ground and bagged them one by one. At the end of the work, all of them went home with a satisfied smile.

The group has a Wire Safety Volunteer Team that comprises of employees with relevant professional knowledge. In the morning of July 11, the team of volunteers arrived at a neighborhood in Zhenxing Village, North District, Tainan City to promote awareness on electrical safety. Through uses of photos and videos, the employees gave a simple explanation of domestic wiring and grounding, and voluntarily tested for electrical leakage and eliminated short circuits. Buildings in the local vicinity were mostly old apartments, and many elders were unaware of the limited lifespan of electrical wiring until they were informed.

We have mobilized employees and their family members into volunteer service for the greater good of society. Through this initiative, we hope to spread our ideals of a Pristine Homeland to the far corners of the country.

Activities of Volunteers

Succession Planning

In view of the group’s 60-year history, Ta Ya has initiated Succession Planning since 2014 to nurture capable successors for the sustainability of the business. The group’s Succession Planning comprises of two main systems, “Job Rotation” and “Learning Passport”:

Shift-Rotation System

- In line with the company’s long-term plans and reserve personnel requirements, rotation allows for the understanding of work details of each department to be managed in the future. The company’s competitive strength and cultivation of future talent is achieved through systemizing projects, allowing manpower allocation to be more systematic so as to provide a comprehensive horizontal experience and to develop vertically to improve organizational efficiency.

Learning Passport

- The Learning Passport is a plan derived through analyzing the requirements of a job, and establishing the learning modules and basics required for evaluations.
- The content of the plan is discussed with the current job holder and the potential successor and uses the job-related abilities of the employee as the basis to find the direction of learning. Results of the plan’s execution factor in the performance evaluations for discussion and feedback to ensure effective control.

In 2015, Ta Ya continued its Succession Planning and arranged a series of advance management courses to expand the knowledge and thinking process of its candidates. Through a combination of classroom teachings and mentorship, succession candidates were able to apply their learning in practice and keep up with the program as planned. Affiliated enterprises, on the other hand, adopted the Learning Passport system and utilized training courses to develop the capacity needed to deliver the group’s missions, visions and business philosophy.

Satisfied Customers

The Group believes that superior product service is the basis for supporting satisfied customers. Quality products use quality raw materials as a starting point. We carefully select the upstream factories for our materials and adequately implement local procurement. We choose to reduce the environmental impact of our products and minimize the consumption of natural resources in the course of our manufacturing procedures. To protect public health and safety, we adopt environmental protection laws as the basis for assessing the possible environmental impact of our manufacturing process prior to implementation.

The Group dedicates in product innovation and quality improvement. In response to climate change, the group promotes energy-saving and carbon-reduction practices. The Group promotes customer satisfactory surveys to discover topics of attentions and expectations in order to incorporate them as part of our corporate growth.

Scope of Business and Products

Group's scope of business

- **Power cables:** Manufacturing of power cables and related connecting equipment; installation and maintenance of power lines. Power cables are used for power transmission and distribution, and may operate within a voltage range between 600V and 345kV. Ta Ya was the nation's first power cable manufacturer to develop products in the 345kV category, and the first to win the tender bid of Taiwan Power Company.
- **Telecom cables:** Used for all kinds of communication and data transmission, such as telecommunication, data networks, cable TV, mobile communication etc.
- **Magnet wires:** The group produces magnet wires, flat wires and TILWs of different characteristics that are widely used for industrial activities, consumer products, automobiles, electromechanical equipment, and electronics.
- **Bonding wires:** include: Tinned copper wires, bare copper wires, copper bonding wire and pd-coated bonding wire. Products are used widely in IC packaging, solar cells, thin-film solar modules.
- **Construction:** In Taiwan, the construction department is responsible for maintaining and making use of idle, non-production assets located in Taiwan for purposes such as plant lease, residential development etc. In Vietnam, the construction department is responsible for building factories and offices, or supervising construction of such projects.
- **Solar power plant:** The department focuses on renting factories, rooftops and suitable locations for the construction of solar power plants. Constructed facilities are operated by Hengs using the PV-ESCO model, which provides 20 years of warranty and power assurance. The business model is a fine addition to our sustainability and helps reduce the risks of power plant operations.

Ta Ya addressed Industry 4.0 during electrical engineers conference

In the afternoon of July 6, Ta Ya held a Power Cable Conference to share new industry knowledge with electrical engineers. Electrical engineers are significant stakeholders to Ta Ya, and the conference is held on a yearly basis to facilitate exchange of knowledge on industry trends. The conference hosted nearly 20 prominent participants including Chairman Li Hua-Chen of Taiwan Professional Electrical Engineers Association R.O.C. and former Chairman Li Wen-Yao of Taipei Professional Electrical Engineers Association. Ta Ya group Chairman Shen was also present at the conference, and said in his speech: "This year marks the 60th anniversary of Ta Ya, makes us the longest standing cable manufacturer in Taiwan today. In addition to focusing on business success, we also devote attention to corporate social responsibilities."

Ta Ya places great emphasis on technological innovation. During the Hannover Messe held in April this year, Vice President Chuang Po-Kuei of Energy and Telecom Communication Cable Business Group led many of the Company's R&D personnel to observe the latest industrial innovations. The conference featured Manager Huang Ming-Chin of Quality Assurance Division, Energy and Telecom Communication Cable Business Group as the main speaker. He first introduced the concept of Industry 4.0, which originated from Germany, and described how it may improve a country's competitiveness. He then introduced one-by-one some of the critical technologies presented during Hannover Messe in relation to Industry 4.0, and compared industry strategies of U.S., Chinese and Taiwanese firms.

Next, Manager Huang introduced Ta Ya's proprietary high voltage grounding cable (lightning protection cable). Although lightning rods are common in tall buildings and towers, they do not offer 100% protection to the buildings. This is because the capacity and route through which lightning current is discharged are just as important as the location of the lightning rod.

Use of specialized lighting protection cables can effectively reduce the risk of shock to the building and any equipment and personnel inside it. The cable is relatively simple to install and offers a wide choice of routes. It can be installed directly to the ground or routed through existing pipelines within the building, away from sensitive equipment and areas. It is especially suitable for tall buildings, base stations, radio towers, metal sheds, wind turbines, and places where sparks are strictly prohibited. The Company is currently registering patent for this technology.

Product Information Labeling

The products of the Group are all clearly labeled in accordance with client demands and/or the relevant regulations:

- **Ta Ya Energy and Telecom Cable Business Group:** The labeling includes company information (such as company name, address, phone number, and client name); product information (such as type of wire: purpose, materials, and composition); specifications (length and weight); quantity; date of manufacture; product certification (such as the CNS mark, the Twin Dragon mark, the Commodity Inspection Certificate by the Bureau of Standards, Metrology & Inspection); eco-labeling; and the RoHS Directive. This ensures that clients fully understand the information about the supplier and the safe use of the product, and that the product is appropriately processed after its lifetime to minimize environmental impact.All products are made primarily using materials that are friendly to the environment. Products with special contents are labeled clearly. Including:

  (1).Lead content: 8500PPM to 1000PPM and below. Lead-free PVC (lead content below 1000PPM), labeled LF PVC.

  (2).Chlorine content: For LSFH (low smoke free of halogen) label, chlorine content is kept below 5000PPM; for halogen-based plastics (e.g. PVC), chlorine content is measured at 200000 PPM and above.

  (3).Smoke density: For LSFH label, smoke density is kept below 250; for halogen-based plastics, smoke density is measured at approximately 350.

  (4).Content of other hazardous substances (e.g., phthalate ester, cadmium compounds, mercury compounds, tin compounds, polybrominated biphenyls (PBBs), polybrominated diphenyl ethers (PBDEs)): below 100PPM for LSFH label.

  Based on customer demand and export requirements, product certification system information is labeled on the external packaging of the product, such as for the ISO9001, ISO/IEC 17025, OHSAS 18001, ISO14001, TOSHMS, and IECQ QC080000.

- **Ta Ya Magnetic Wires Business Group:** The Company complies with several package labeling and product validation systems, such as: ISO9001, ISO/IEC 17025, OHSAS18001, ISO14001, TOSHMS, IECQ QC080000.

- **Ta Ya New Business Development, Investment and Copper Management Business Group:** All products are labeled with digital tags, which contain information such as wire category, size, quantity, manufactured date, expiry date etc. the Company complies with several package labeling and product validation systems, such as: ISO9001, TS16949, IECQ QC080000, and ISO14001. Products have been made to comply with EU's RoHs Directives as requested by customers and the laws of the destination country. Currently, 100% of products and services offered by the Company need to conform with the directive.

- **Cuprime:** The products are all labeled where appropriate with mark, cable type, specifications, weight, date of manufacture, batch number, and the assertion seal. Products are also labeled as per customer demands and export requirements, such as the RoHS label as required by the EU.

- **Ta Heng:** Solar power cables have been certified by TUV Rheinland (Germany) and UL (USA). As a priority, products are made using materials that are friendly to the environment, produced in compliance with international rules on hazardous substances, and labeled RoHS, REACH etc where appropriate. Network cables are produced according to ANSI TIA-EIA 568 C2 and have passed UL certification. The product, the label and the packaging have all been labeled clearly in compliance with UL rules.

- **UEI:** Power cable-related products and packaging are labeled according to customers' and legal requirements. The label contains information such as company profile (company name, address and phone number), customer's name, equipment description, cable specification, name of power line, packing size, weight, date of manufacture etc. Some consumables used for constructions are labeled hazardous as required by rules.

- **Dong Nai:** Power cable products and packaging are labeled according to customers' and legal requirements. The labeled details include: company profile - company name, address, contact number etc; product information - cable type (voltage, material composition), size, quantity (length, weight), date of manufacture etc; product certification - TCVN mark, Dragon mark, test mark, environmental protection mark, RoHS, ISO9001 certification, ISO14001 certification, and National Quality Award of Vietnam. Magnet wires are labeled with all of the information mentioned above in addition to ISO/TS 16949 quality management system for automobiles.

Customer Relationship Management

Quality Assurance

We uphold an ethos of "quality first, client first, speedy service" in providing the best service to our customers.

- Ta Ya Energy and Telecom Cable Business Group: The BG owns various types of cutting-edge precision testing equipment in the world, including: HAEFELY lightning voltage analog testing equipment; EHV power system switch surge simulation equipment; AC-DC high voltage damage test equipment; prolonged accelerated aging testing equipment; partial discharge non-destructive testing equipment; high pressure test site, network analyzer; communications cable near/far-end cross talk high-frequency testers; various fiber optic cable property test equipment; low-smoke and non-toxic laboratory; and a variety of heat/flame-resistant testing equipment.
- Ta Ya Magnetic Wires Business Group: The magnetic wire and TILW of the Magnetic Wires Group have obtained ISO 9001, ISO/TS16949, IECQQC080000, SONY GREEN PARTNER, SONY GREEN BOOK (No.0762) certifications, as well as various other domestic and foreign quality product safety certifications. Ta Ya is also the first domestic wire and cable manufacturer to obtain the ISO/IEC 17025 laboratory testing.

Certification of Management System

Management System	Ta Ya			Cu-prime	Ta Heng	Ta Ho	UEI	AD	Hengs	Ta Ya Vietnam
	ETC BG	MW BG	NIC BG							Dong Nai
ISO 9001	●	●	●	●	●	●	●	●	●	●
ISO 14001	●	●	●						●	●
ISO/TS 16949		●	●						●	●
ISO/IEC 17025	●	●								
OHSAS 18001	●	●	●							
TOSHMS /CNS 15506	●	●								
IECQ QC080000		●		●						

Taipei Building Show Ta Ya won Excellent Corporate Image Award

The 2015 "Taipei Building Show" was held in December at Exhibition Hall #1 of the Taipei World Trade Center and Nangang Exhibition Center. During the exhibition, Ta Ya's Energy and Telecom Communication Cable Business Group was awarded "Excellent Corporate Image Award" for its professional and attentive service.

The 27th "Taipei Building Show" was divided into many specialized sections including "Green Building & Materials" and "Intelligent Building"; with more than 1900 booths present, it was Taiwan's largest trade show of the year. For four years in a roll, Ta Ya has participated in the show and demonstrated to local and foreign buyers the efforts it has committed to environmental protection issues. Ta Ya has been especially progressive in this regard, including the development of Green Wire, the first locally produced cable product to receive "Type I Eco Label" from Environmental Protection Administration (EPA).

Ta Ya's integrity and transparency won Chunghwa Telecom Supplier CSR Disclosure Award

On December 11, 2015, Chunghwa Telecom held a "CSR Supplier Conference" to commend suppliers that exhibited outstanding CSR performance. Ta Ya Electric Wire & Cable Co., Ltd. has been long committed to CSR issues; its exceptional performance in Chunghwa Telecom's supplier self assessment questionnaire was rewarded with the CSR Disclosure Award, making it the only supplier in the wires and cables category to win this award.

President Shih of Chunghwa Telecom attended the conference personally to present this award, and the award was received by Vice President Chuang of Energy and Telecom Communication Cable Business Group on behalf of Ta Ya. Vice President Chuang thanked Chunghwa Telecom for the commendation and said: "Ta Ya is proud to be one of Chunghwa Telecom's top-performing suppliers when the CSR award first began in 2013. In the immediate year after the award, Ta Ya also became one of the first suppliers to participate in Chunghwa Telecom's trial audit program." Not only had Ta Ya made full information disclosure to its customers, the Company was ranked among the top 20% during the First Corporate Governance Evaluation held in 2015, which was a testament to the Company's emphasis on integrity and transparency.

Customer Satisfactory Survey

Honesty and trust is paramount in our dealings with clients. The Group complies with client and contractual demands to protect customer rights in providing satisfactory services. All business units individually conduct customer satisfactory surveys to understand client demands.

- Energy and Telecom Communication Cable Business Group): The survey comprised of five main aspects (service, quality, manufacturing, customer assessment, and competitive benchmark), utilized 13 KPIs, and aimed to achieve a target of 88% for the year. 30 questionnaires were issued in 2015, of which 24 (80%) were recovered. Although the Company managed to meet all performance indicators, customers' satisfaction had declined consecutively from 94.55% in 2013 to 92.5% in 2014 to 88.75% in 2015. The result calls for more intensive control of quality and consistency from the production department.

- Magnet Wires Business Group: 37 questionnaires were issued during the 2015 customer satisfaction survey, of which 35 (94.59%) were recovered. The survey comprised of six main aspects: service, quality, manufacturing, hazardous substance, delivery, and competitive benchmark. Customers were asked to rate their satisfaction on a scale of five. The 2015 survey had a target score of 85, which the Company managed to achieve a score of: 99.43, falling within the range of 85 (Adequate) and 100 (Good).

- NIC Business Group: There was no target value set for the 2015 survey due to small sample size. Nevertheless, the Company will continue to bring customers' opinions up for discussion and explore solutions during administrative meetings.

- Cuprime: 62 questionnaires were issued during the 2015 customer satisfaction survey, of which 61 (98.39%) were recovered. The survey comprised of six main aspects such as service, quality, delivery, competitive benchmark etc. Customers were asked to rate their satisfaction on a scale of five. The 2015 survey concluded a score of 72.9, which fell within the range of 60 (Adequate) and 80 (Good).

- Ta Heng: In order to understand whether customers are satisfied with the services provided, Ta Heng conducts satisfaction survey on its main customers in October each year. The survey covered a number of aspects including product quality, product pricing, delivery timeline, document report, packaging, new product R&D, samples, response to customers' queries, handling of customers' complaints, and sales staff' s communication skills. Customers were asked to rate each aspect on a scale of 10 (10 being Very Satisfied and 8 being Satisfied), the 2015 survey concluded an average score of 8.4.

- Ta Ho: The Company conducts customer satisfaction surveys upon completion of each project to understand how satisfied customers are with regards to service, quality, the overall construction, and their needs. Opinions expressed by customers are discussed internally and met with responsive strategies. The 2015 survey concluded an overall rating of: Good.

- UEI: In March each year, the Company conducts satisfaction surveys on customers who contributed more than NT$10 million in revenues or made at least 3 purchases in the previous year. Any dissatisfaction expressed by customers would be discussed internally among relevant departments and fed back to customers. Outcomes of the customer satisfaction analysis and any improvements taken are reported and followed up in administrative meetings. Both 2014 and 2015 surveys returned a score of 99.

- Hengs: The Company currently does not conduct customer satisfaction surveys.

- Dong Nai: Surveys are conducted once every six months. They comprise of five main aspects (quality, delivery, service, packaging, and information) with an annual target score of 90. 30 questionnaires were issued in 2015, and 100% of which were recovered. The results showed accomplishment in every KPI.

Supplier Management

Procurement Policy

The Group takes measures to prevent shortages and supplier monopoly of materials by selecting two or more qualified suppliers for evaluation. When there is only one supplier, we search for new sources. Suppliers qualify after our quality assurance and R&D departments have certified the materials. We then establish strategic alliances with the suppliers to ensure reliability. Our procurement personnel are closely in tune with market trends. Suppliers of imported materials are notified early on so they can arrange for the materials, or materials are ordered in bulk to be delivered in batches to prevent late deliveries and minimize inventory.

Ta Ya has a green procurement strategy in place and is certified by Sony for GB and as a hazardous substance-free supplier. Some of the raw materials required are not produced in Taiwan, therefore the Company has to procure them from other countries. In 2015, three of Ta Ya's main countries of supply were, in descending order: Chile, China and Japan. Procurements in Taiwan had increased slightly due to the purchase of 8mm copper rods and rubber materials from local suppliers.As for other affiliated enterprises:

- Cuprime: Electrolytic copper cathodes, one of the main raw materials, are mostly procured from overseas. The group adopts the principle to procure locally in Taiwan as the first priority in an attempt to support local industries and reduce environmental impacts from the transportation of raw materials.
- Ta Heng: Some of the raw materials required are not produced in Taiwan and have to be procured from other countries. The three main sources of supply were, in descending order Taiwan, China and Europe/USA.
- Hengs: The Company makes purchases depending on the type of project involved and stage of completion. The sources of its supply are determined based on a number of factors including: location of project, the quality control center, random inspection, on-site inspection and delivery. With the exception of INV, mostly purchased from German company SMA, and certain solar modules from Japan, more than half of all components used are sourced from Taiwan and exported to supply projects in various parts of the world. The Company's top three sources of equipment/material, in descending order, were Taiwan, Germany and Japan.
- Dong Nai: The Company has to procure some of its raw materials from other countries because they are not produced or are of inconsistent quality in Vietnam. The Company's three main sources of supply, in descending order, were Taiwan, China and Europe/USA.

Ta YA Proportion of Procurement from Local

Year	Ratio(%)
2013	23.35
2014	32.05
2015	33.05

Note: Local procurement ratio = Amount of purchases from local sources / Total purchase amount

Proportion of Procurement from Local (2015)

Cuprime	Ta Heng	Hengs	Dong Nai
4.38	98.84	57.56	40.34

Note: Local procurement ratio = Amount of purchases from local sources / Total purchase amount

Ta Ya Supplier Categories (2015)

Type	Description	Region	Number of suppliers	Ratio
Material	Suppliers of copper sheets for cables and enameled wires, copper and aluminum wires, optical fibers, varnish, plastics chemistry materials, insulation, and packaging	Domestic	354	28.90
		Foreign	49	4.00
Equipment	Suppliers of machinery, equipment, instruments, and information software and hardware	Domestic	250	20.41
		Foreign	25	2.04
Engineering	Contractors for construction, civil engineering, steel structures, air conditioning, fire protection, pure water supply, wastewater treatment, environmental engineering, interior design, electrical engineering, and utilities	Domestic	74	6.04
		Foreign	0	0.00
Other	Suppliers of molding, lighting, accessories, environmental protection, occupational health and safety, pneumatic and hydraulic equipment, welding, transportation, testing, printing, stationery, hygiene, and miscellaneous materials and services	Domestic	454	37.06
		Foreign	19	1.55
Total			1,225	100.00

Supplier CSR Evaluation

Ta Ya' s suppliers are not required for review or self-evaluation, provided that they are ISO9000-certified and annually submit valid certification. However, to enhance CSR, we propose and execute review plans. Due to the QC080000 certification, suppliers of the enameled wire business group are required to comply with the Hazardous Substance Free (HSF) standards and provide HSF products. Therefore, suppliers of HSF materials are required to be reviewed or self-evaluated annually. Of the non-HSF suppliers, those who provide essential materials are required to be reviewed regularly.

There are 14 criteria in the CSR review, each accounting for five points. Suppliers with an average of less than four points are considered unqualified. The criteria include: human rights, workplace safety, anti-corruption, anti-bribery, regular work hours, minimum wage compliance, active environmental responsibilities, environmental protection, and prevention of occupational hazards.

For suppliers with an average score of less than 4, the procurement staff is required to investigate individual areas where suppliers failed to score 4 or higher. Furthermore, suppliers are given relevant information and proper guidance to improve. These suppliers have demonstrated improvement after our guidance efforts. Although contractors are not subject to regular assessment at this point, Ta Ya would invite contractors to participate in general safety trainings from time to time as a means of promoting proper safety and health awareness. Ta Ya encourages all its business partners to voluntarily contribute to the sustainability of our society and environment during their pursuit for economic gains.

Ta Ya assessed 31 suppliers in 2015, of which 26 were HSF suppliers. No supplier had averaged a score of less than 4 in terms of corporate social responsibilities. The Company expects to assess 33 suppliers in 2016, including 25 HSF suppliers. Since 2015, the procurement staff have been offering CSR guidance to suppliers that failed to achieve a score of 4, and providing them with a copy of Ta Ya' s CSR report as reference. No supplier had scored less than 4 during the 2015 assessment.

As for other affiliated enterprises, Cuprime will also begin supplier CSR management starting in 2016.

No. of suppliers subjected to Ta Ya' s CSR assessment and results

	Total No. of companies assessed	No. of HSF suppliers	No. of companies with average score below 4
2013	26	22	1
2014	26	22	1
2015	31	26	0

Innovation Management

With the domestic wire and cable industry having matured and growing steadily, Ta Ya maintains an entrepreneur spirit of making continuous enhancements through active investment in the research and development of various products to reinforce our competitive advantage. In 2015, Ta Ya spent NT$37.896 million or 0.49% of its net revenues in research and development, and managed to develop 5 patents including "dynamic submarine cable."

Stranded Conductor Optical Fiber Composite Cable

Given that electricity loss is positively correlated to the square of the current, transmission losses can be minimized by transferring electricity with high voltage and low current. Knowing this, Ta Ya developed the industry-first 161kV and 345kV XLPE cables, which significantly increase the production capacity of high-voltage cables in Taiwan while helping Taipower lower transmission losses substantially.

As the demand on load centers increase, however, the cross-sectional area of cable conductors have reached their limit in regular manufacturing facilities, thus limiting transmission capacity. Also, unavailable cross-sectional areas of cable conductors have increased, resulting in higher electricity loss. To break through these limitations, Ta Ya is actively developing high-transmission capacity conductors to minimize conductor loss from the skin and proximity effects.

The stranded conductor is able to lower conductor usage, or transmit more electricity with the same conductor cross-sectional area (i.e. with the same amount of copper), while transmitting the same electricity (MVA). The design lowers conductor loss, heat, and usage of copper, insulation, and anti-corrosion covering.

To meet the demands of smart grids, Ta Ya developed the optical fiber composite cable, where optical fibers are embedded in electric cables, intelligentizing the power grid. With embedded optical fibers and analytical instruments, damage detection, cable fault detection, real-time temperature, and heat transmission capacity monitoring can be performed on the grid, enabling the smart grid of the future.

Solar Energy DC Cable (PV-CQ)

To satisfy the increasing scope and capacity of solar power plants, Ta Ya has passed tests and obtained certification from the Japan Electric Cable Technology Center (JECTEC) for its 1500V DC cables (PV-CQ), while Ta Heng has also obtained TUV certification for 600V DC cables. These cables are characterized by features such as high DC voltage, weather resistance, heat resistance, low smoke and halogen-free that minimize material wear, increase reliability, and contribute to the environment over the long term.

New Opportunities with Industry 4.0

Industry 4.0 refers to the wireless control, automation, digitization, and intelligentization of manufacturing and is also known as the fourth industrial revolution. Its influence is evident in the increased permeation of wireless communication, smart control, and digitization of cables. To help industries face the challenges and demands of the future, Ta Ya is committed to developing digital and optical cables, such as the Cat series, optical fibers for functional locations (e.g. flat optical cables, micro-cluster optical cables), and optical fiber composite control cables. It is also developing high-frequency, high-speed, large-capacity signal transmission electric and optical cables for its clients.

To meet future demands for smart and automated production equipment (e.g. robots, robot arms), Ta Ya has begun developing cables in ultra-small sizes with bending resistance, small-bend radius, flexibility, anti-interference shielding, and have high-frequency, high-capacity, and high-speed transmission capabilities. These cables also have surge protection, attenuating surge suppression, a long service life, and are highly reliable.

Furthermore, as intelligent equipment become popular, factories will require more protection against electrical surge and electromagnetic interference. To address this concern, Ta Ya has successfully designed a lightning protection cable that can minimize damages in case of a lightning strike. The lightning protection cable has the ability to quickly direct lightning currents away and reduce ground potential rise, thus prevent damage to intelligent equipment. Meanwhile, Ta Ya will also engage automated factories, robotics manufacturers, power controller and converter manufacturers, and surveillance system providers to explore new business relationships that would satisfy their needs.

Offshore Power Grid and Submarine Cable

Ta Ya is Taiwan's only cable manufacturer to invest into the development of submarine cables. Since March 2014, Ta Ya has been spearheading the "Renewable Energy Offshore Power Grid Research Project" in collaboration with Ta Ho, MIRDC (Metal Industries Research & Development Center) and NTOU (National Taiwan Ocean University). The project began by measuring wave strength, current and depth of NTOU's marine test field; this data was further analyzed to determine the design, production, quality and deployment of submarine cables. The project led to the successful development of 33kV medium-voltage, optical fiber composite submarine cable, which can be applied to connect offshore wind turbines and transmit electricity to remote islands. Function-wise, the cable does more than just transmit electricity, but can also be used for wind turbine control, data transmission, and real-time capacity monitoring. With regards to submarine power grid, the Company had completed three break-through projects in 2014, namely: "Three-phase Double Armor Submarine Cable Design and Offshore Submarine Power Grid Planning," "Submarine Cable Connection Technology and Installation," and "Submarine Cable Connector Development." Ta Ya has taken this initiative further to develop a malfunction detection and real-time monitoring system for offshore power grids.

In 2014, Ta Ya assigned employees to study "submarine cable design and dynamic simulation analysis" at ITRI (Industrial Technology Research Institute), which involved the use of advanced software to simulate and analyze dynamic movements of submarine cables. The Company continued working with ITRI in 2015 to design, manufacture, test and validate dynamic (umbilical) submarine cables for tidal power generation. The dynamic (umbilical) submarine cable is expected to be connected to ITRI's Keelung tidal power generator in 2016, in order to verify whether the dynamic submarine cable is able to handle power transmission in rough seas.

In addition to developing submarine cables for various uses, Ta Ya also joins Ta Ho in the planning and construction of offshore power grids and the deployment of submarine cables. In view of increasing demand for marine engineering in the future, Ta Heng has actively invested into the research of boat cables and assists customers in obtaining the necessary certification.

High-lubricity Enameled Wires

The R&D department at Ta Ya's magnet wire business group continues to minimize the use of hazardous substances to help clients develop energy-saving products. In an attempt to reduce the impact of organic solvents to the environment, Ta Ya has been developing high-lubricity enameled wires in several varieties, all of which use lesser wax oil during production. The lubricity of enameled magnet wires can be presented using coefficient of static friction, and the Company's high-lubricity enameled wires have been measured with a coefficient as low as 0.065, which is very close to the 0.05 of ordinary wax oil-based products. This product has been mass-produced to consistent demands since 2015, and the Company plans to promote the product further in 2016.

Helping Hands to Green Products

Electricity powers all industries. Now, with the rapid increase of environmental issues, green energy has attracted plenty of development interest in every country. Ta Ya is playing its part by providing high-quality basic materials and products for the green energy industry. Our tin-coated PV ribbons and bare PV ribbons are the best quality in the industry when measured for tensile strength, yield strength, and elongation. Meanwhile, our solar cell DC cable is near mass production. For electric vehicle motors and inverter motors, Ta Ya offers anti-surge enameled copper wire products and was the first wire and cable manufacturer in Taiwan to acquire the ISO/TS 16949 certification.

When it comes to energy conservation, the company developed, ahead of its rivals, the 345kV XLPE power cables and 400kV stranded conductor power cables, which assist in reducing the consumption of electricity during transmissions. And in response to the increasing demands for Internet speed and bandwidth, Ta Ya successfully developed a complete series of fiber optic cables, reducing the energy required in data transmissions. Looking ahead, the company will expand its efforts into clean renewable energy in response to the “Solar Panels on All Rooftops, Wind Turbines on Seas and Lands” policy objectives of the government, and continue doing its part for our pristine homeland.

Pristine Homeland

As a company, we believe that the environment is the basis for business operation. Through our commitment to CSR and taking environmental, social, and economical aspects into consideration, we adopt the best environmental management guidelines, minimize the environmental impact of production, engage in carbon management, and contribute to the mitigation of global warming.

With the Greeninside Blog and the Green Inside Project, Ta Ya hopes to inspire green thinking in our staff and the public. Toward that end, we founded the Pristine Homeland Foundation to address issues in local communities and the environment and demonstrate our long-term social commitment.

Usage of Energy Resources

The Group is primarily in the business of manufacturing wires and cables, and our main raw materials include copper, PVC powder, XLPE particles, plasticizers, varnishes, and fiber optic wire. Our main materials also include iron shafts, wooden shafts, sealing plates, plastic shafts, cartons, and stack boards. Apart from metal reels, wooden reels and cartons, no other raw materials are renewable. Copper materials are sourced mainly from Chile, Peru, Japan, South Africa and Indonesia. Imported copper plates are outsourced to Cuprime where they are processed into 8 mm copper rods. Cross-linked PE granules cannot be produced in Taiwan because of their distinctive characteristics, which is why these materials need to be imported from USA, Sweden and Korea. Spun optic fibers are mostly imported from Japan. Other materials are entirely supplied by local suppliers.

Volume of Energy Usag(2015)

Companies	Ta Ya		Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	Ta Ya Vietnam
Factories	Guanmiao	Dawan							Dong Nai
Petro (L)	2,198	0	0	0	17,148	5,254	25,090	40,557	1,600
Diesel (L)	74,546	0	20,800	13,800	5,311	0	894	1,218	44,000
Natural Gas (m3)	0	0	1,614,549	0	0	0	0	0	0
LPG (kg)	1,410	0	0	620	0	0	0	0	5,115
Electricity (kWh)	40,269,600	525,333	7,176,168	2,810,200	13,231	640,300	140,514	233,440	15,307,200
能源使用量 (GJ)		149,708.93	89,576.12	10,644.78	807.58	2,477.47	1,367.04	2,224.19	56,968.55
能源強度		19.17	26.35	12.08	8.41	9.07	2.58	2.64	36.19

Note 1: Direct energy consumption includes gasoline, diesel, natural gas, and liquefied petroleum gas; indirect energy consumption is electricity。
Note 2: For UEI, liters of gasoline consumed were estimated from total expenses, as the Company used no diesel, natural gas or liquefied petroleum gas during the year.
Note: Intensity = Energy Consumption (GJ)/Revenue(million NTD)。

Energy Consumption and Intensity of Ta Ya

Year	Energy Consumption (GJ)	Intensity
2013	154,276.38	18.69
2014	150,371.00	18.48
2015	149,708.93	19.17

Note: Intensity = Energy Consumption (GJ)/Revenue(million NTD)。

Volume of Main Raw/Source Materials (2015)

	Item(Unit)	application	Ta Ya	Cuprime	Ta Heng	Dong Nai
unrenewable	Copper (KG)	Main material for power cables	25,767,000	12,995,708	3,491,824	6,615,782
	PVC Powder (KG)	Main material for plastic granules used in power and telecom cables	847,000	0	0	1,457,308
	XLPE particles (KG)	Material for insulation and internal/external conducting layers for power cables	1,737,996	0	117,025	220,000
	Plastic pellets (KG)	Raw material for power cable cover or insulation	212,147	0	2,320,529	0
	Plasticizer (KG)	Critical material for plastic granules used in power and telecom cables	499,590	0	0	0
	Varnishes(KG)	Key insulated coating for magnet wires	988,404	0	0	278,440
	Fiber Optic Wires(KM)	Main material for optical cables	59,273	0	0	0
	Shrouding (new and used) (PCS)	Packaging material for power cables	67,845	0	8,320	0
	Plastic spools (new and used) (PCS)	Packaging reel for magnet wires	403,330	0	1,102	96,426
	Pallets (PCS)	For loading finished goods and raw materials	10,642	2,980	417	1,121
	Liquid nitrogen (KG)	For cooling of power cables and drying of telecom cables during production	148,220	0	0	8,050
	Palladium salts (g)	Inhibits oxidation of copper rod surface and raises production yield	1,500	0	0	0
	Gold salts (g)	Improves operational stability and extends useful life of welding pins	0	0	0	0
	Charcoal (KG)	Removes oxygen from copper melt during production of oxygen-free copper	0	60,000	0	67,438
renewable	Iron spools (new and used) (PCS)	Packaging reel for high-voltage cables	3,552	0	0	0
	Wooden spools (new and used) (PCS)	Packaging reel for medium-voltage cables	14,888	0	21,245	6,562
	Corrugated case (PCS)	Packaging box for magnet wires	378,519	70,000	12,339	78,000

Environmental Policy and Management

The environmental policy of the Group is to implement government environmental protection regulations and client demands, educate employees in environmental protection awareness, improve pollution treatment, recycling responsibly, and make continued improvements. We pledge to:

1. Continue the implementation of environmental management policies and goals, in order to reduce our environmental impact in the process of operations;
2. Comply with environmental regulations and other issues in response to global environmental protection movements;
3. Value labor safety and health, reduce the risk of disasters;
4. Continue the implementation of waste reduction and promote pollution prevention measures;
5. Improve the promotion of environmental protection concepts to all colleagues to enforce resource and energy recycling, and reduce waste of resources and energy; and
6. Proactively participate in all kinds of environmental protection events, and use the Internet and relevant advertisements to raise awareness of environmental issues.

Pollution Prevention Management

Toxic Substance Management

The company has complete toxic chemical handling and chemical disaster prevention measures and drills in place. As varnishes and plasticizers are used in the manufacturing process, which are listed as regulated items of toxic chemicals by the EPA, Ta Ya is required to implement one emergency toxic chemical disaster prevention drill and two unscheduled drills annually in compliance with the relevant regulations. Moreover, the company implements one fire drill and one public hazardous material disaster prevention drill annually. Other affiliated companies do not use toxic substances.

Air Quality Management

Ta Ya Guanmiao factory has installed pollution prevention equipment at stationary sources of pollution where the pollutants are volatile organic compounds and particulate pollutants. The equipment contains catalytic converters, bag filters, and Venturi scrubbers. Reports and inspections on stationary pollution sources are done in accordance with the relevant air-pollution prevention regulations. Cuprime measures stationary source of air pollution once a year, and reports its measurements on a regular basis. It has been certified by the environmental protection authority to comply with stationary air pollution standards.

Emissions of Stationary Pollution Sources (tons)

Year	Companies	Ta YA	Cuprime
	Factories	Guanmiao	
2013	Sulfur Oxides (SO)	0	0.75
	Nitrogen Oxides (NO)	0	0.94
	Volatile Organic Compounds (VOC)	12.441	13.101
	Particulate Pollutants	0.156	4.246
2014	Sulfur Oxides (SO)	0	0.82
	Nitrogen Oxides (NO)	0	0.22
	Volatile Organic Compounds (VOC)	14.32	15.01
	Particulate Pollutants	0.156	1.906
2015	Sulfur Oxides (SO)	0	0.6
	Nitrogen Oxides (NO)	0	0.37
	Volatile Organic Compounds (VOC)	13.452	0.76
	Particulate Pollutants	0.156	0.8

Note: Dawan Factory produces no stationary source of pollution; Ta Ya' s Dong Nai Factory (Vietnam) does not have any facilities in place to measure pollution.

Water Resource Management

All factories in Taiwan and Vietnam use only tap water. In order for the wastewater from the factories to meet the regulations for industrial effluent, Ta Ya' s Guanmiao and Dawan factories and Cuprime periodically inspect the water quality, maintain handling equipment, and have sewage treatment equipment in place. Every year, two sample tests are conducted on commissioned certified water quality facilities, and the processed effluent is discharged into the drains outside the factories. The receiving water bodies for the Guanmiao and Dawan factories are the Erren and Sanyegong rivers, respectively, while for Cuprime, it is the Dajue River.

With regards to effluents, all cooling water used in Ta Ya' s PVC and PE extrusion and CV production is channeled into the soft water recycling system, whereas water filtration and recycling are also adopted in magnet wire production to save water resources.

We have also begun to reclaim rainwater. In 2011, Ta Ya installed storage tanks totaling 60 tons in capacity at its Guanmiao Factory to collect rainwater for watering, toilet flushing and floor cleaning. A water meter was later installed in June 2015 for measurement, which showed 104 tons of rainwater having been collected since then until the end of December. No recycling of production water or rainwater has been adopted at the Dawan Factory.

Cuprime recycles water from the production process. Recycled water is first treated using the wastewater pool then channeled to the forging section and used as cooling water on a circular basis. The Company recycled 1201.3 tons of water in 2015 (representing 4.84% of total water usage). Increase of effluent volume in 2015 was due to production of new item - phosphorus copper ball. Ta Heng has also constructed a 150-ton reservoir and reserved part of its capacity to reclaim rainwater. Water supplied by this reservoir is directed to extrusion machines and toilets.

Water Consumption (2015, tons)

Ta Ya		Cuprime	Ta Heng	Ta Ho	UEI	AD	Hengs	Ta Ya Vietnam
Guan-miao	Dawan							Dong Nai
90,274	2,106	24,811	3,611	772	1,657	799	2,138	21,634

Wastewater Discharged(2015, tons)

Ta Ya		Cuprime	Ta Ya Vietnam
Guanmiao	Dawan		Dong Nai
41,617	1,474	148	12,980

Note: Ta Heng, Ta Ho and AD currently do not measure effluent volume. The volume of effluents treated at Dong Nai factory is estimated at 60% of water usage.

Average effluent quality (2015)

Companies		Ta Ya		Cuprime	
Factories		Guanmiao	Dawan		
Items	Effluent standard				
Chemical oxygen demand	100 mg/L	2.9mg/L	10mg/L	35.5 mg/L	20
Biological oxygen demand	30 mg/L	2.7 mg/L	No detection required	No detection required	--
Suspended solids	30 mg/L	2.95 mg/L	0.4mg/L	3.0 mg/L	<1.0
Heavy metal - copper	3 mg/L	0.037 mg/L	0.042mg/L	0.039 mg/L	0.295

Water Consumption and Wastewater Discharged of Ta Ya (tons)

Year	Water Consumption	Wastewater Discharged
2013	83,537	79,107
2014	91,165	31,935
2015	92,380	43,101

Waste Management

The promotion of industrial waste classification and resource recycling is one of our annual goals carried out with the aim to encourage all our business units to implement waste classification and effective resource recycling in reducing environmental damage. Ta Ya divides waste classification into four categories: waste oil, waste solvents, waste fiber, and general waste. Waste in the first three categories is treated by waste treatment contractors certified by the Environmental Protection Administration. Waste oil is processed with physical treatment while waste solvents, wood, pallets, and general waste are incinerated.

All construction materials used by contractor - Hengs for the construction of solar power plant are reusable, including aluminum, iron and stainless steel. All construction waste is recovered and disposed by professional environmental service providers. Only fresh water, not chemical solution, is used for cleaning at construction sites, which poses minimal impact to the surrounding environment.

General Waste Disposal Amount (2015, tons)

Companies	Ta Ya		Cuprime	Ta Heng	UEI	Ta Ya Vietnam
Factories	Guanmiao	Dawan				Dong Nai
Waste Oil	92.51	22.51	7	0	0	13.732
Waste Fiber	13.91	0	0	0	0	0
Waste Wooden Boards	86.86	0	8.96	0	0	NA
General waste	796.09	0.9138	0	54	4.54	19.2
Waste Wires/Cables	166.1	7.68	12.719	25.9	0	31.372

Note: The volume of general waste produced by Ta Ya's Dawan Factory is estimated based on the terms of the monthly disposal agreement signed with the waste service provider. Ta Ho is located inside Ta Ya's Guanmiao Factory; all waste produced by Ta Ho is disposed by Guanmiao Factory. AD is located inside an office building; all waste produced by AD is disposed by the building's management committee.

Harmful Industrial Waste Disposal (2015, tons)

Companies	Ta Ya		Ta Ya Vietnam
Factories	Guanmiao	Dawan	Dong Nai
Waste Solvents (tons)	0	0	2.17

Note: Guanmiao Factory had 37 tons of solvent waste temporarily stored on site at the end of 2015. Given the small quantity of waste involved, the management considered it inefficient to call for disposal service and instead decided to store temporarily on site. No hazardous waste is kept by any other affiliated enterprises.

Recycling Income (2015, NTD)

Companies	Ta Ya		Cuprime	Ta Heng
Factories	Guanmiao	Dawan		
Income from recycling	1,663,043	0	104,701	59,985
Expenditure on waste treatment	1,361,314	194,315	130,538	94,500

Resource Recycling Amounts (2015, tons)

Companies	Ta Ya		Cuprime	Ta Heng	UEI	Ta Ya Vietnam
Factories	Guanmiao	Dawan				Dong Nai
Waste Wires/Cables	796.09	0.9	0	54	0	194,073
Waste Metal Composites (iron)	270.82	0	39.18	1.03	1.5	0
Waste Paper	54.59	0	3.05	2.04	0.3	0
Waste Plastic Composites	52.98	0	0.5	1.18	0	0

Note: The volume of UEI is estimated.

Packaging Material Recycling Efficiency(2015)

Companies	Factories	Items	PCS	Cost Saving(NTD)
Ta Ya	Guan-miao	Wooden Shaft	6,470	69,425
		Iron Shaft	4,475	
		Plastic Shaft	45,246	
		Sealing Plate	66,905	
Ta Heng		Wooden Shaft	5,505	
		Sealing Plate	1,600	
Ta Ya Vietnam	Dong Nai	Wooden Shaft	365	352,650

Note: Currently, Dong Nai Factory is the only entity that is recycling used wooden reels.

Green Procurement

Ta Ya supports the government's Green Procurement Program, and procures five or more green products that qualify, including those with the Green Mark, Energy Label, water-saving label, Energy Star, green building materials seal, carbon label products, and second category green products, among others. Procured items that meet the standards in the recent three years include inverter equipment (air conditioners, air compressors, and inverters), cartons, and energy-saving lights.

Green Procurement Cost of Ta Ya

Year	Amounts (Million)
2013	1,348
2014	344
2015	295.2

Response to Climate Changes

Mitigation and Adaptation

In response to the impact of climate change and extreme weather on business operations and daily life, the operational strategies of the Group have been structured in two ways, namely mitigation and adaptation.

Ta Ya' s carbon reduction strategy involves three parts: Clean Production - reducing carbon in own production activities; Low-carbon Products - helping others reduce carbon; and investment into Ta Ya Green Energy. Despite Ta Ya' s involvement in a low-energy consumption business, the Company continues to devote attention into reducing energy and resources. Furthermore, the Company organizes regular greenhouse gas inspections to evaluate its performance in this regard. In the meantime, we have been developing green products that would help customers reduce carbon emission, such as: tin/copper coated ribbon and bare copper ribbon for manufacturing of solar cells, DC power cables needed for solar power plants, and surge-protected enameled copper rods for electric vehicle motors or inverter motors. In terms of green energy, Ta Ya has been focusing on the construction of solar power plants, and expects to achieve a total capacity of 50MW by 2020.

Adaptation strategies can also be categorized into three areas, including attention to water resource issues, holding Green Inside competitions annually, and promoting corporate volunteer teams. While water consumption within the company itself is relatively low, storm water recycling equipment have nevertheless been installed in all factory sites. Externally, we support river symbiosis, organic agriculture, and low-carbon travel, to name a few, through our endorsement of the Green Inside competitions. This initiative assists in responding to extreme weather conditions. Lastly, through our fostering of corporate volunteer teams, we disseminate awareness of cable safety, expand collaborations and fields of service, and raise disaster prevention awareness.

Greenhouse Gas Inspection

Ta Ya first adopted the ISO 14064-1 standards in the implementation of greenhouse gas (GHG) inspections in 2009. Total emissions then were 25,969.65 tons of CO2e. We use that as the base to measure our subsequent energy-saving and carbon-reduction efforts. The emission of GHG primarily comes from purchased electricity (Scope 2), which accounts for 91%, while the emission of stationary combustion sources, manufacturing process emissions, mobile combustion sources, and dispersive GHG emission sources (Scope 1) accounts for 9%. Mean-while, some parts of the data collection process of other indirect GHG emissions (Scope 3) proved difficult, hence the primary focus has been on periodic inspections.

Based on Ta Ya' s own estimates, carbon emission totaled 21,469.608 tons CO2e in 2015, which was 17.33% lesser than the base-line year. Purchased electricity has been Ta Ya' s primary source of carbon emission, and a major part of which is related to magnet wires. Ta Ya used 40,269,600 kwh of power in 2015, which was slightly lesser than the 40,776,000 kwh recorded in 2014. Optimization of equipment configuration, processes and energy efficiency will continue to be our key focus towards sustainability.

Carbon emission by the seven companies in Taiwan (Ta Ya, Cuprime, Ta Heng, Ta Ho, UEI, AD, and Hengs) totaled 30,544.961 tons CO2e; Ta Ya accounted for 70.29% while Cuprime accounted for 22.53% (6,880.903 tons CO2e) of this volume. We strive to reduce carbon emission by 1% per year from this moment onwards.

Total Emission of Greenhouse Gasses in Taiwan (Estimated, unit: tons CO2e)

Scopes	Scope 1 Direct Emissions	Scope 2 Indirect Emissions	Total
GHG (tons CO2e)	3565.027	27078.196	30643.223
Ratio(%)	11.63	88.37	100.00

Note: The source of the discharge coefficients is the Energy Industry Greenhouse Gas Reduction website. Direct discharge comes from the combustion of gasoline, diesel, natural gas, and liquefied petroleum gas. Indirect discharge comes from the discharge of the generation of the electricity purchased. The global warming potential (GWP) version is the IPCC Fourth Assessment Report (2007).

Greenhouse Gas Intensity of the Group (Taiwan, 2015)

	Total
GHG Total	30643.223
Revenue (million)	13,828.507
Emission Intensity	2.22

Note: Intensity = Total Emission (tons CO2e) / Revenue (million)

Greenhouse Gas Intensity of Ta Ya

Year	GHG Total	Intensity
2013	22,206.24	2.69
2014	21,503.765	2.64
2015	21,469.608	2.74

Note: Intensity = Total Emission (tons CO2e) / Revenue (million)

Energy Consumption Per Unit of Products (kWh/tons)

	Ta Ya			Cuprime
	Electricity Cables	Communication Cables	Magnet Wire	
2013	619.84	2,451.8	3,535.03	195.05
2014	477.51	2,988.02	3,586.66	210.60
2015	403.1	3,643.44	3,683.66	201.77

Note: Unit product power consumption = total power consumption (kwh)/production volume (tons). Power consumption of Ta Ya's products have been estimated based on equipment capacity. Ta Heng does not maintain records on the weight of products produced, hence no disclosure is available.

Ta Ya's commitment to Pristine Homeland was awarded excellent Energy and Carbon Reduction Action

"Energy and Carbon Reduction Action" is an award introduced by the EPA to encourage energy/carbon solutions from industry participants. Ta Ya's success with energy/carbon solutions in many of its factories has won itself the award of excellence in Energy and Carbon Reduction Action. From environmental-friendly product to the production process, Ta Ya never ceased its commitment to Pristine Homeland.

The award ceremony was held in the afternoon of January 23, 2015 at Freedom Square of Neihu Union Building, Taipei. The award was presented by EPA Deputy Minister Fu Shu-Chiang, and received by Vice President Chuang Po-Kuei of Energy and Telecom Communication Cable Business Group on behalf of Ta Ya. Deputy Minister Fu said: "We have all witnessed how climate change can cause extreme weathers and impact our lives; and it takes the effort of both the government and private sector to mitigate carbon emission and adjust to a new lifestyle." A total of 256 companies applied for Energy and Carbon Reduction Action label in 2014, and 22 were commended with award of excellence due to exceptional performance or creativity.

Energy-Saving and Carbon-Reduction Measures

Although the group comprises entirely of low-energy and low-water consumption businesses, it continues to improve the ways business operation is managed and introduce new energy-saving equipment. Several energy-saving measures have been adopted to date, such as: natural ventilation, power usage monitor, power efficiency improvement, use of energy-efficient lighting equipment, recycling of heat through thermal cycle, inverter device for cooling tower motor, and power-saving incentives for employees. In addition, Ta Ya voluntarily purchased 150,000 kwh of green power in 2015.

Energy-Saving and Carbon-Reduction Measures

Companies	Items	Before	After(per year)		
			kWh	GJ	Ton CO2e
Ta Ya	Replacement of air compressor	Monthly power consumption of a 180HP air compressor = 82,917 kwh Replaced with: 200HP air compressor with monthly power consumption = 65,960 kwh	203,484	732.54	107.44
Ta YA	Replacement of wire enameling machine	Monthly power consumption of 56 magnet wire enameling machines = 78,181.6 kwh Replaced with 68 magnet wire enameling machines with monthly power consumption = 39,100 kwh	468,979.2	1,688.33	247.62
Cuprime	Replaced motor fan blades for six pumps to improve heat dissipation	Total motor wattage = 15+30+200+80+80+60=465KW Yearly operation = 6,000 hours Yearly power consumption = 465*6000=2,790,000 kwh New equipment saved energy by 20%	558,000	2,008.8	294.62
Ta Heng	Replaced old air compressors with new models and added an inverter unit	Total motor wattage = 75KW Yearly operation = 5,760 hours Yearly power consumption = 432,000 kwh New equipment saved energy by 40%	172,800	622.08	91.238

Note: Carbon reduction was estimated based on 2015 emission coefficient of electricity: 0.528KgCO2e/kwh

Capacity of the solar power plant

Development of the new solar energy business helps reduce carbon emission in society. Ta Ya' s Guanmiao Factory began phase 1 solar power plant construction in early 2015: the 499.5kW type-3 solar power plant began operation in August the same year. Phase 2 construction: the 2,392kW type-1 solar power plant will also reach completion in 2016 to deliver total power capacity of 3.44 million kwh per year, and reduce carbon emission by 1,816 tons CO2e/year. Furthermore, a dual-layer roof design can effectively reduce the amount of thermal radiation inside the plant, and lessen the air conditioning load. Combined with the use of a cloud-based monitoring system, the Company is able to monitor statistics such as voltage, current, capacity, panel temperature, sunlight etc in real time and at lower costs.

Expected power capacity = capacity X peak sun-hours X 365 days X efficiency rate X directional gain factor = (499.5+2,92) X4X365X80%X1.02 = 3,440,000 kwh

Based on emission coefficient of electricity of 0.528KgCO2e/kwh (2015), the amount of carbon reduction per year is estimated at 3,440,000X0.528/1,000=1,816 tons CO2e.

Environmental Education and Social Welfare

Pristine Homeland Foundation

We began contemplating the implementation of CSR in 2007 and attempted to conceive of projects with long-term commitments that benefited society at large. Multiple attempts since then have helped us accumulate crucial core abilities in preparation of long-term implementation. This helped us to submit our application to the EPA at the end of 2011 to establish the Green Inside initiative in Tainan. Since inception in 1955, our roots have always been in Taiwan. The local culture and the passion of the Tainan people not only promoted our love of this land, but also promoted the CSR of local corporations to preserve the beauty of the local environment with sustainable development methods.

Established in February 2011, the Green Inside Blog provides employees and the public with approachable environmental conservation concepts through a blog format and on Facebook with the aim of promoting daily environmental protection habits.

Green Inside Project - Environmental Friendly

As democracy evolved in Taiwan, environmental activists have also changed from protesters into preservation groups, and to environmental professionals and entrepreneurs we see today. Although they seldom appear in media, they are undeniably a strong force that preserves Taiwan’s current environment. Ta Ya saw the trend emerge as early as 2006, which was why “Green Inside Project” was launched as a systematic way of sponsoring professionals who are friendly to the environment.

In the past, we have focused on minimizing environmental impacts of our business activities; in the future, we shall expand our influence by supporting environmental-friendly entrepreneurs through the “Green Inside Project.”

While organizing the “Green Inside Project,” we noticed that an increasing number of professionals were committing themselves full-time into the environmental business. What is common to them is that their business ideas all originate from a single purpose - to coexist with the environment. These professionals propose creative solutions in various aspects of life, hoping to gain the public’s recognition at first, but they all realize the importance of developing a self-sustainable model that can free their businesses from personal and outside capital support.

We see these green entrepreneurs as an asset to society, because of the three benefits presented by their businesses: 1. Protection and improvement of natural environment; 2. Support local industry and economy; and 3. Their success may inspire the next generation of green entrepreneurs. Our vision of a Pristine Homeland can be made possible only with the persistence of people like them.

Documentary “Environmental-friendly Professionals”

The environmental-friendly solutions undertaken by Green Inside Project winners are what we view as an effective way to solve Taiwan’s environmental threats and mend the damages people have done to it. They have also shown environmental activists the alternative ways to state their cause. Through the documentary film, we hoped to show how the Green Inside Project winners have lived up to their reputation as “environmental-friendly professionals” and motivate the younger generation to commit to a good cause. The way of life or career chosen by Green Inside Project winners will prove beneficial to Taiwan’s natural environment. We have faith that the documentary film will rally audience’s support to their products and services, and help them commit to their cause.

Chen, River Conservation

Qiu, Energy-saving Building

Lee, Rainwater recovery

Jiang, Permaculture

Hong, Recycling Organic Agriculture

Greeninside Project Winners

Yu, Preservation of cultural assets

Chang, Eco-tourism

Lin, Prevention of Road Kill

Sun, Artificial wetland

Kao, Rooftop Farm

Wang, People’s Power Plant

Delonix Regia Forum

Since September 2012, the Ta Ya Pristine Homeland Foundation has been hosting an annual "Delonix Regia Forum" at NCKU's (National Cheng Kung University) Magic School of Green Technologies, during which experts were invited to share with local residents on how to realize green living in various aspects of life.

In 2015, the Delonix Regia Forum was relocated to Guanmiao for the first time in celebration of Ta Ya's 60th anniversary. In addition to screening the documentary film - "Environmental Friendly Professionals," other events such as community environment meeting and environment 101 were also organized during the forum.

Ta Ya's "Green Inside Project," now in its 5th year, has sponsored nearly one hundred professionals and community residents, and supported their initiatives to contribute to the environment. To help convey their ideas, the foundation collaborated with Taiwan Citizen Media Cultural Association in the production of "Environmental Friendly Professionals," a documentary film that tells the story of winners of the Green Inside Project. The premiere ceremony welcomed 11 winners of Green Inside Project, including: Chu Shihs-Chieh, Yu Kuo-Hsin, Li Hsu-Teng, Lin Ru-Chen, Lin Hsin-Hung, Lin Te-En, Hung Huei-Hsiang, Sun Chong-Chieh, Chang Heng-Chia, Chen Chih-Cheng, and Chen Chien-Chih. Meanwhile, Ta Ya's corporate volunteers, who had served in Qijia Village, Shanxi Village and Zhenxing Village of Tainan City, also showed up in support of the event along with village chiefs. Professional Committee Chou Miao-Min from Tainan City Environmental Protection Bureau was present on behalf of Mayor Lai, who looked forward to closer interactions between the bureau and the foundation.

After the screening session, foundation Chairman Shen Shanghong joined Director He Chen-Dan, Director Lin Hsien-Te and documentary director Li Kai-Di in an open discussion about the implications behind the uprise of the new profession. Director Lin Hsien-Te began with a definition that: "Environmental friendly professionals are people who have extensive understanding of environmental issues, and possess exceptional skills to accomplish what others could not. Their knowledge prompts them to care for the subject matter, and caring gives them the motivation to persist in their cause." He even proposed the idea of creating a green campus at NCKU's Magic School of Green Technologies by combining ideas of previous Green Inside Project winners, and use it as a means of promoting green living to the outside world.

The next event - community environment meeting was hosted by Liu Po-Hung, a three-time jury for Green Inside Project and the Chairman of Taiwan Institute of Landscape Architects. Guest speakers including Secretary Hsieh Yi-Zen of Wetlands Taiwan, Chief Huang Kuang-Ying of Taijiang National Park Conservation Research Section, and CEO Wu Mao-Chen of Tainan Community University Taijiang Campus were invited to share their views on Tainan's environmental issues and the efforts they have made to date.

During the environment session held in the afternoon, winners of the Green Inside Project lined up on stage to share their experiences from energy use, ecology, to featured agricultural production, and took time to answer queries from local residents and Ta Ya's corporate volunteers. These environmental friendly professionals not only identified themselves with the mission of Green Inside, but also hoped for Ta Ya to begin Green Outside and promote green living to a broader audience. This is perhaps Ta Ya's most meaningful goal for the next 60 years.

Ta Ya Group Family Day

The Ta Ya Pristine Homeland Foundation has been participating in Taijiang Riverbank cleanup since 2014. This year, the foundation joined the Tainan City Water Resources Bureau to organize a Family Day event at Benyuanliao Drainage and plant 50 seedlings of Chinaberry. These seedlings shall remain under Ta Ya's care before they are transferred to Water Resources Bureau on a later date.

In the morning of March 28, more than 100 participants from Ta Ya, Ta Heng and AD gathered at Yuanzhong Village Community Center in Annan District. Many of whom were elders and children and had participated in the activity as a family. Group Chairman Shen Shanghong was glad about how well employees of the southern business group had responded to the tree plantation activity, and said: "Planting trees is like taking care of babies; you do whatever it takes to ensure their survival. We will begin small with 50 seedlings of Chinaberry; six months later, maintenance works will be taken over by Ta Ya Pristine Homeland Foundation. Once the seedlings have secured their roots, they will be handed over to the Water Resources Bureau."

Director Li Meng-Yen of Tainan City Water Resources Bureau said: "Taijiang was highly susceptible to flooding in the past because of its low elevation. In recent years, the drainage has been widened several times to solve the problem. This year is the first time, we try to dig open the paved road and plant trees along the bank. We hope that one day, the trees may grow to decorate the foot trail."

Being a former graduate of Haidong Elementary School, President Wu Mao-Chen of Tainan Community University Taijiang Campus shared his memories about the changes of Taijiang Basin and reiterated that Chinaberry is the most suitable species for the local environment. All it takes is proper planting and frequent watering in the beginning stage and nature will take care of the trees for us.

In fact, the Ta Ya Foundation had invited Taijiang Campus one day ago to explain some important things about planting trees and organize a practice. Under the guidance of these tutors, employees divided themselves into teams, collected the required tools and progressed step-by-step from digging, planting, covering to watering. They made sure that the seedlings stood up straight before leaving.

Today's event welcomed a special group of guests: the musical band of Singuang Elementary School (Guanmiao District), who joined the tree plantation and performed the Song of Taiping followed by a compilation of erhu under the guidance of Principal Tsai Yu-Hsien. Principal Tsai said: "We thank Ta Ya for its help with the mosquito hazard, and look forward to seeing your children at Singuang Elementary School."

The event ended with a fun quiz, and the winner won a unique, handcrafted puppet of a golden bat. As Ta Ya Family Day ended in joy, the participants made a promise to come back and check on the seedlings they planted.

Sinwu coastal cleanup during Ta Ya's Northern Region Family Day

In the morning of November 21, Ta Ya Group held its Northern Region Family Day at Sinwu Green Tunnel, during which more 80 employees and family members from Ta Ya Taipei Branch, Cuprime and Cugreen Metal Tech Co., Ltd. showed up in support of the coastal cleanup. The event had been part of Ta Ya's Pristine Homeland initiative, and volunteers took count and categorized the waste they cleared in accordance with International Coastal Cleanup (ICC) practices.

Both Cuprime and Cugreen are located within Guanyin District, Taoyuan City near Sinwu Green Tunnel. It is a popular bikeway that runs along the shorelines of Taoyuan, but the gravel beach nearby is covered with garbage. All waste picked off the beach was classified into four major categories and 19 sub-categories in accordance with ICC to facilitate further analysis. The event yielded significant results in just a little more than one hour's time, as 15 bags of garbage were cleared off the coast.

Living and recreational waste including plastic containers, plastic bags, beverage containers and disposable utensils accounted for most of the garbage (64.45%), while cigarettes and lighters represent another 15.66%. These two types of garbage were not transferred from elsewhere, but were created as a result of nearby tourist activities. Garbage from fishery and recreational fishing accounted for 18.62%, and were suspected to be the result of fishermen's activities nearby. Among all types of garbage, broken Styrofoam was especially difficult to clear.

Old house and old trees bring a touch of green to Taipei City

Ta Ya Venture recently joined the National Development Fund in the investment of Miracle X HOUSE - an old house renovation project. Regeneration of the Western-Japanese building not only gives citizens a quality green space to rest in, but also provides the new generation a chance to look back into the history of Taiwan's economic development. Miracle X HOUSE itself can be treated as a social enterprise: because it exists to serve a public purpose and operates for profit. The project is a model example of how old houses can be renewed and managed using a new business model to create economic values; at the same time, old houses can also be designed to blend in or even take lead in urban development, and thus create values that can be shared by society.

Meanwhile, the Ta Ya Pristine Homeland Foundation made a further donation to the tree bank of Shitan Township, Miaoli County to relocate some of the old trees it has in temporary storage, including camphor, subcostate crape myrtle, cinnamon, soap nut tree, orange jasmine, and mountain podocarp, to an open space beside the old building. All citizens are invited to admire the rare collection of hundred-year old trees here at Miracle X HOUSE.

Social Investment

With respect to the increasingly popular issue of social enterprise, the group holds the opinion that all social investments should be encouraged, whether in the narrow sense or in the broad sense.

Social enterprises, in the narrow sense, exist not only to solve problems in society, but also reserves 30% of its earnings for charity purpose. For a professional investor, it is difficult enough to find an opportunity that delivers adequate ROI (Return On Investment), let alone a social enterprise. Ta Ya's Green Inside Project takes a different approach, as it neither requires nor encourages the sponsored subjects to operate in corporate form, and expects no return from the issues it cares for. In other words, social investment in the broad sense is equivalent to a social sponsorship, and aims to achieve another form of ROI, namely: Return On Impact.

ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE TAYA ELECTRIC WIRE & CABLE CO., LTD.'S CORPORATE SOCIAL RESPONSIBILITY REPORT) FOR 2015

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by TAYA Electric Wire & Cable Co., Ltd. (hereinafter referred to as TAYA) to conduct an independent assurance of the Corporate Social Responsibility Report for 2015 (hereinafter referred to as CSR Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the text, and data in accompanying tables, contained in this report.

The information in the TAYA's CSR Report of 2015 and its presentation are the responsibility of the management of TAYA. SGS has not been involved in the preparation of any of the material included in TAYA's CSR Report of 2015. Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all TAYA's stakeholders.

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

This report has been assured using our protocols for:

- evaluation of content veracity at a moderate level of scrutiny for TAYA and moderate level of scrutiny for subsidiaries and applicable aspect boundaries outside of the organization covered by this report;
- AA1000 Assurance Standard (2008) Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2008); and
- evaluation of the report against the Global Reporting Initiative Sustainability Reporting Guidelines (G4 2013).

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

STATEMENT OF INDEPENDENCE AND COMPETENCE

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

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

VERIFICATION/ ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the information and data contained within TAYA's CSR Report of 2015 verified is accurate, reliable and provides a fair and balanced representation of TAYA sustainability activities in 01/01/2015 to 12/31/2015.

The assurance team is of the opinion that the Report can be used by the Reporting Organisation's Stakeholders. We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting. In our opinion, the contents of the report meet the requirements of GRI G4 Core Option and AA1000 Assurance Standard (2008) Type 2, Moderate level assurance.

AA1000 ACCOUNTABILITY PRINCIPLES (2008) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

Inclusivity

TAYA has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, sector association, and governmental authorities are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, TAYA may consider having two-way direct involvement of stakeholders during future engagement.

Materiality

TAYA has established processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders. More identification and disclosures of other material aspects are recommended in the next report.

Responsiveness

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

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

The report, TAYA's CSR Report of 2015, is adequately in line with the GRI G4 Core Option. The material aspects and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material aspects and boundaries, and stakeholder engagement, G4-17 to G4-27, are correctly located in content index and report.

It is encouraged to have more disclosures on corporate governance. More disclosures on the information of subsidiaries within the organization are recommended in future reports. Disclosures on Management Approach components, such as goals and targets, specific actions taken to achieve the expected results, may be further enhanced in the next report. Also, indicators of EC2, EN32, LA3, LA14, HR10, and SO9 are recommended for future disclosure.

Signed:
For and on behalf of SGS Taiwan Ltd.

AA1000
Licensed Assurance Provider
000-8

Dennis Yang, Chief Operating Officer
Taipei, Taiwan
14 September, 2016
WWW.SGS.COM

GRI G4 Index

General Standard Disclosures

Indicators	Disclosure Item	Our Response	Page Number	Identified Omission	External Assurance
Strategy and Analysis					
G4-1	Provide a statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	Chairman's Statement	1		●
Organizational Profile					
G4-3	Report the name of the organization.	Editorial Principles	Cover		●
G4-4	Report the primary brands, products, and services.	Brand Management Organization	6, 7		●
G4-5	Report the location of the organization's headquarters.	History	4		●
G4-6	Report 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.	Financial Performance	8		●
G4-7	Report the nature of ownership and legal form.	Functions of the Board	10		●
G4-8	Report the markets served.	Financial Performance	8		●
G4-9	Report the scale of the organization.	Financial Performance Employee Profiles	8, 18		●
G4-10	Report the total number of employees.	Employee Profiles	18		●
G4-11	Report the percentage of total employees covered by collective bargaining agreements.	---	---	None	●
G4-12	Describe the organization's supply chain.	Supplier Management	36		●
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	---	---	None	●
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.	Response to Climate Changes	46		●
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	---	---	None	●
G4-16	List memberships of associations and national or international advocacy organizations.	External Organizational Involvement	15		●
Identified Material Aspects and Boundaries					
G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents.	Organization	7	Please refer to Ta Ya's 2015 Annual Report p.115.	●
G4-18	Explain the process for defining the report content and the Aspect Boundaries.	Analysis of Materiality	13		●
G4-19	List all the material Aspects identified in the process for defining report content.	Analysis of Materiality	13		●
G4-20	For each material Aspect, report the Aspect Boundary within the organization.	Analysis of Materiality	13		●
G4-21	For each material Aspect, report the Aspect Boundary outside the organization.	Analysis of Materiality	13		●
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	None	---		●
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	Editorial Principles	Cover	This report added the following entities: United Electric Industry Co., Ltd., Ta Ya Green Energy Technology Co., Ltd. , and Ta Ya (Viet Nam) Electric Wire & Cable Joint Stock Company .Given Ta Ya Green Energy's nature as an investment company, disclosures have been made on the contractor: Hengs Technology Co., Ltd.	●

Indicators	Disclosure Item	Our Response	Page Number	Identified Omission	External Assurance
Stakeholder Engagement					
G4-24	Provide a list of stakeholder groups engaged by the organization.	Stakeholders Engagement	12		●
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	Stakeholders Engagement	12		●
G4-26	Report the organization’ s approach to stakeholder engagement.	Stakeholders Engagement	12		●
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	Stakeholders Engagement	12		●
Report Profile					
G4-28	Reporting period for information provided.	Editorial Principles	Cover		●
G4-29	Date of most recent previous report (if any).	Editorial Principles	Cover		●
G4-30	Reporting cycle.	Editorial Principles	Cover		●
G4-31	Provide the contact point for questions regarding the report or its contents.	Editorial Principles	Cover		●
G4-32	Report the ‘in accordance’ option the organization has chosen.	Editorial Principles GRI G4 Index	Cover 56		●
G4-33	Report the organization’ s policy and current practice with regard to seeking external assurance for the report.	Editorial Principles External Assurance Statement	Cover 55		●
Governance					
G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	Functions of the Board	10		●
Ethics and Integrity					
G4-56	Describe the organization’ s values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	Core Values Code of Conduct and Anti-Corruption	6 11		●

Specific Standard Disclosures

Material Aspect		Indicators	Disclosure Item	Our Response	Page Number	Identified Omission	External Assurance
Economic	Economic Performance	Generic Disclosures on Management Approach		Financial Performance	8		●
		G4-EC1	Direct economic value generated and distributed.	Financial Performance	8		●
		G4-EC3	Coverage of the organization's defined benefit plan obligations.	Welfare and Care	20		●
	Procurement Practices	Generic Disclosures on Management Approach		Supplier Management	36		●
		G4-EC9	Proportion of spending on local suppliers at significant locations of operation.	Supplier Management	36		●
Environment	Materials	Generic Disclosures on Management Approach		Usage of Energy Resources	42		●
		G4-EN1	Materials used by weight or volume.	Usage of Energy Resources	42		●
	Energy	Generic Disclosures on Management Approach		Usage of Energy Resources	42		●
		G4-EN3	Energy consumption within the organization.	Usage of Energy Resources	42		●
		G4-EN5	Energy intensity.	Usage of Energy Resources	42		●
		G4-EN6	Reduction of energy consumption.	Energy-Saving and Carbon-Reduction Measures	48		●
	Water	Generic Disclosures on Management Approach		Environmental Policy and Management	43		●
		G4-EN8	Total water withdrawal by source.	Water Resource Management	44		●
	Emissions	Generic Disclosures on Management Approach		Environmental Policy and Management	43		●
		G4-EN15	Direct greenhouse gas (GHG) emissions (SCOPE 1).	Greenhouse Gas Inspection	46		●
		G4-EN16	Energy indirect greenhouse gas (GHG) emissions (SCOPE 2).	Greenhouse Gas Inspection	46		●
		G4-EN18	Greenhouse gas (GHG) emissions intensity.	Greenhouse Gas Inspection	46		●
		G4-EN19	Reduction of greenhouse gas (GHG) emissions.	Energy-Saving and Carbon-Reduction Measures	48		●
		G4-EN21	NOX, SOX, and other significant air emissions.	Air Quality Management	43		●
	Effluents and Waste	Generic Disclosures on Management Approach		Environmental Policy and Management	43		●
		G4-EN22	Total water discharge by quality and destination.	Water Resource Management	44		●
		G4-EN23	Total weight of waste by type and disposal method.	Waste Management	45		
		G4-EN24	Total number of volume of significant spills.	None	-		
	Products and Services	Generic Disclosures on Management Approach		Innovation Management	38		●
		G4-EN27	Extent of impact mitigation of environmental impacts of products and services.	Innovation Management	38		●
	Compliance	Generic Disclosures on Management Approach		Environmental Policy and Management	43		●
		G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	None	---		●
	Supplier Environmental Assessment	Generic Disclosures on Management Approach		Supplier CSR Evaluation	37		●
		G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken.	Supplier CSR Evaluation	37		●

Material Aspect		Indicators	Disclosure Item	Our Response	Page Number	Identified Omission	External Assurance
Labor Practices and Decent Work	Employment	Generic Disclosures on Management Approach		Employee Profiles	18		●
		G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	Employee Profiles	18		●
		G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part time employees, by significant locations of operation.	Welfare and Care	20		●
	Occupational Health and Safety	Generic Disclosures on Management Approach		Occupational Safety and Health	22		●
		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.	Occupational Safety and Health	22		●
		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 gender.	Occupational Safety and Health	22		●
	Training and Education	Generic Disclosures on Management Approach		Educational Training	26		●
		G4-LA9	Average hours of training per year per employee by gender, and by employee category.	Educational Training	26		●
		G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Educational Training	26		●
	Supplier Assessment for Labor Practices	Generic Disclosures on Management Approach		Supplier CSR Evaluation	37		●
		G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	Supplier CSR Evaluation	37		●
Human Right	Freedom of Association and Collective Bargaining	Generic Disclosures on Management Approach		Harmonious Labor Relations	21		●
		G4-HR04	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these right	Harmonious Labor Relations	21		●
	Supplier Human Rights Assessment	Generic Disclosures on Management Approach		Supplier CSR Evaluation	37		●
		G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken.	Supplier CSR Evaluation	37		●
Society	Compliance	Generic Disclosures on Management Approach		Code of Conduct and Anti-Corruption	11		●
		G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	None.	---		●
	Supplier Assessment for Impacts on Society	Generic Disclosures on Management Approach		Supplier CSR Evaluation	37		●
		G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken.	Supplier CSR Evaluation	37		●
Product Responsibility	Product and Service Labeling	Generic Disclosures on Management Approach		Product Information Labeling	33		●
		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.	Product Information Labeling	33		
		Generic Disclosures on Management Approach		Customer Satisfactory Survey	35		●
		G4-PR5	Results of surveys measuring customer satisfaction.	Customer Satisfactory Survey	35		●

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