

The Implementation of Social Responsibility in 2016

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
<p>I. Actualizing the promotion of corporate governance policies</p> <p>1. Condition where the Company sets forth corporate social responsibility policies or regulations and examines performance results from the implementation.</p> <p>2. The Company's promotion of corporate social responsibility by holding regular related trainings.</p> <p>3. The Company's establishment of a dedicated Board authorized task force, to promote corporate social responsibility and present relevant reports to the Board.</p>	✓		<p>1. The Company's establishment of "Corporate Social Responsibility Best Practices" to stipulate employee policy with code of conduct and regulations, ensuring safe and clean environment as well as safekeeping of hazardous materials (regarding energy, production material and waste). The Company will also conduct regular reviews held by the task force and associated departments.</p> <p>2. The Company has designated instructors and arranged routine trainings on corporate social responsibility.</p> <p>3. The Company has set up a Task Force to establish and monitor the integrity management policies and the related preventive measures, provide reporting ESG mailbox to receive related complaints, report to the Board regularly to ensure the establishment of a corporate culture with integrity management and a sound management system under the concept.</p> <p>The task force is made up of divisional managers or designated representatives that are in charge of subject matter planning, data collection, target setting etc.</p> <p>Work planning and job description</p> <p>Taking charge of establishing and monitoring the integrity management policies and the related preventive measures, listing all related issues to</p>	None

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4. The Company's establishment of a sound salary and compensation policy connecting employee performance evaluations to corporate social responsibility and delineating a clear and effective review system.			<p>be followed up under the internal control and reporting to the Board regularly.</p> <p>Providing reporting ESG mailbox to take in complaints. All complaints will be reviewed, put on official records and entered into investigation procedures after received</p> <p>4. The Company has established a sound salary and compensation policy connecting employee performance evaluations to corporate social responsibility. Employees will be rewarded when participating in community activities or benefiting others significantly.</p>	
<p>II. Develop sustainable environments</p> <p>1. Condition where the Company is devoted to enhancing the effective use of all resources and making use of recycled materials that pose the least impact to the environment.</p> <p>2. Condition facilitating the Company establishment of an appropriate environment management system compliant with industry characteristics</p>	✓		<p>1. The Company has established effective waste management procedures that separate waste into three types in accordance with their natures and entrust certified waste management services for disposition and recycling. Environmentally friendly materials are chosen during product development (the Company halted the use of Styrofoam in 2015).</p> <p>2. The Company's product line includes connecting wires, connectors, solar junction boxes, wire harnesses and cables, and optical components. The Company is dedicated to establishing the optimal environment management system to fulfill environmental protection responsibilities by insisting on pollution prevention and continuous improvement of green product manufacturing while implementing Quality Management Systems to promote social development and enhance operational efficiency.</p>	None

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<p>3. The Company's awareness of impacts from climate change to business activities, implementation of greenhouse gas inventory, stipulation of a strategy for energy conservation, as well as carbon and greenhouse gas reduction.</p>			<p>Certifications:</p> <p>(1) ISO 14001:2004 Environment Management System: plants that receive the certificate include Shenzhen plants (Xiang Yao, Bizconn, TongYing), Queen Mao, OptiWorks, BizLink Electronics and Malaysia plant for implementation measures on energy saving, environment protection, and waste disposition. This builds a foundation for the continuous improvement of procedures to reduce environmental hazards for long term ecological balance.</p> <p>(2) Microsoft certification laboratory: Laboratory Accreditation for OEM (ISO/IEC 17025) and testing laboratory for lead and hazardous materials</p> <p>(3) Environment protection plant: Certifications for EU RoHS (Restriction of Hazardous Substances Directive) and OHSAS 18001 occupational health and Safety environmental plant</p>	
			<p>3. To ensure that the production and manufacturing processes of our halogen free materials conform with the European RoHS Standards an environment evaluation report and sewage discharge permission were obtained before establishing a halogen free material production plant. In addition, industry waste such as the residue of ink solvent from processing wire harnesses, stamping process, and chemical residue from the maintenance of mold and injection molding machines is relatively low, and has been approved by the QC080000 Hazardous Substance Process Management system. The Company takes corporate social responsibility seriously; and strives to</p>	



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			<p>conform with environmental protection standards by reducing its’ carbon footprint every step of the way.</p> <p>Greenhouse gas emission for the past two years:</p> <p style="text-align: right;">Unit: CO2e tons</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2015</th> <th>2016</th> </tr> </thead> <tbody> <tr> <td>Direct emission</td> <td>1,432.38</td> <td>1,293.09</td> </tr> <tr> <td>Indirect emission</td> <td>12,667.88</td> <td>13,878.23</td> </tr> <tr> <td>Total emission</td> <td>14,100.26</td> <td>15,171.32</td> </tr> </tbody> </table> <p>The current inventory checks were conducted in the Kunshan, TongYing, Bizzcon, and OptiWorks plants.</p> <p>In-house R&D procedures executed in order to reduce energy usage and greenhouse emissions with the goal of reducing water and electricity consumption in the next year by 10%:</p> <p>(1) Improve the treatment and recycling of hazardous waste: Establishment of <hazardous waste recycling and disposal> management indicators to reduce emissions into the environment with the goal of a waste disposal facility that is able to treat or recycle 100% of the waste. All requests from the environmental agencies will be enforced strictly. In production we apply standardized safety management and SOP strictly, make sure reasonable use of materials for minimal waste and use KPIs that are carefully planned to control each procedure.</p> <p>(2) Improving production lines: The</p>	Year	2015	2016	Direct emission	1,432.38	1,293.09	Indirect emission	12,667.88	13,878.23	Total emission	14,100.26	15,171.32	
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			<p>upgrade and improved management of production and equipment to minimize material waste</p> <p>(3) Plant energy saving measures: The TongYing plant introduced potable water systems in 2015, reducing the number of existing water fountains by 66% to achieving energy and water savings</p>	
<p>III. Maintenance of social welfare</p> <p>1. The Company's complies with relevant laws and regulations, and the International Bill of Human Rights to establish related management policies and procedures.</p> <p>2. The Company's establishment of due mechanism and channels handling employee complaints.</p> <p>3. The Company's offers a safe and healthy working environment for its employees and provides safety and health education regularly..</p>	✓		<p>1. To conduct due diligence on human rights issues and stipulate related management policies and procedures the Company has conformed with the International Bill of Human Rights; including the U.N. "Universal Declaration of Human Rights" and "Labor Standard from ILO". The Company has also established the "Business and Human Rights: Protect, Respect and Remedy Framework" and "Guiding Principles" to support this initiative.</p> <p>2. To address this issue, the Company has created "Management Practices for Employee Complaints" located in the employee handbook. In principle, claimants shall appeal via chain of command system. For extraordinary matters, employees are allowed to appeal via channels that he or she finds appropriate.</p> <p>3. The Company aims to provide a secure, healthy and comfortable working environment for the employees. A healthy environment will be achieved by promoting the right mindset, sound bodies and sound minds. In addition to employee health, BizLink conducts safety tests and hygiene education sessions on a regular basis. Regulations and related files regarding worker safety and hygiene are made available for viewing on internal website.</p>	None

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4. The Company establishment of an internal communication platform to , notify employees of any significant operational changes.			4. Diverse channels to communicate with employees and provide business strategy updates: (1) To facilitate bi-directional communication within managerial layers: all-manager meetings are held every six months. (2) Each subsidiary maintains a presidential mailbox: employees can send all suggestions directly to the mailbox. (3) Internal network communication system: the internal network keeps all information for future search and updates timely new release, product information and management policies.	
5. The availability of effective career development plans employees.			5. Personality & aptitude tests will be given to newly-hired college graduates when during the on-boarding process. Guidance regarding career paths will be provided after. A dual promotion system is adopted for existing staff to develop their career in a professional or management field based on personal will and characteristics. Four-month training, including on-job education and rotation, will be required for a new manager to strengthen their management capabilities.	
6. The Company's creation of consumer rights policies and communication channels regarding its processes on R&D, procurement, production, operational processing and service.			6. With a core value of integrity and being customer oriented, the Company considers customers to be partners and aims to create mutual benefits for both parties. The Customer Service department is responsible for customer complaints, and conducts an annual satisfaction survey for continuous improvement.	
			7. The Company has established	

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<p>7. The Compliance of relevant laws, regulations and international guidelines when marketing or labeling its' products.</p> <p>8. The Company's verification of records pertaining to its' suppliers' negative impact on the environment and society.</p> <p>9. The Company's capability to terminate contracts with its suppliers any time the supplier has violated such policy or has caused significant negative impact on the environment and society.</p>			<p>"Corporate Social Responsibility Best Practice Principles" in addition to following the related regulations and international standards regarding the marketing and labeling of its' services and products.</p> <p>8. To encourage supplier corporate social responsibility, suppliers must comply with the "Guarantee for maintaining corporate social responsibility" policy. Before engaging with BizLink, the suppliers must obtain the corresponding environment protection document and ROHS certification. Prior impact on environment and society from the suppliers is evaluated on the below criteria:</p> <ol style="list-style-type: none"> (1) Availability of technology, quality criteria and testing methodology for raw materials (2) Availability of conducting quality system examinations on material vendors (3) Completed records when making orders to qualified vendors (4) Availability of tracking procurement procedures (5) Availability of environment protection labeling on packaging (6) Availability of signing eco-friendly agreement with raw material suppliers'. (7) Records of violating environmental protection and social responsibility. <p>9. The Company has included its corporate social responsibility in supplier contracts. The Company has the right to terminate a contract any time a supplier violates any of the policy stated below or makes significant negative impact to the environment and society. Terms and conditions:</p> <ol style="list-style-type: none"> (1) Based on "Raw Material Procurement Contract", the 	



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			<p>Company stipulates environmental protection standards, termination clauses and associated damages with the vendor. These require that the supplier conduct business activities with due consideration of labor health and safety, friendly working environment, legal compliance, code of ethics, EICC qualification and ban on using metal from controversial mining areas.</p> <p>(2) According to suppliers' "Guarantee for maintaining corporate social responsibility", vendors shall not apply materials from controversial mining areas. However, vendors shall comply with all related laws and regulations, as well as related standards covering employee management, health and safety, environment and ethics. Vendors will also understand the Company's right to terminate any transaction when violating corporate social responsibility.</p>	
<p>IV. Reinforce information disclosure</p> <p>The Company's disclosure regarding status of corporate social responsibility on its website and Market Observation Post System.</p>	✓		<p>Regular updates on corporate responsibility information are available on the Company's website (http://www.BizLinktech.com/).</p>	None
<p>V. If the company has established its corporate social responsibility code of practice in accordance with the "Corporate Social Responsibility Best Practice Principles for TWSE / GTSM-Listed Companies" please describe the operational status and differences: None.</p> <p>The Company has long upheld integrity as its core value and integrated corporate social responsibility to its daily business activities and management. The Board approved the "Corporate Social Responsibility Best Practices" policy to facilitate our implementation of the concept and fulfill our promise to society.</p>				
<p>VI. Other important information to facilitate better understanding of the Company's implementation of corporate social responsibility (e.g., environmental protection, community participation, social contribution, social services, social welfare, consumer rights, human rights, and safety and health):</p> <ol style="list-style-type: none"> Employee rights and employee care: Please refer to labor-management relations in the business operation section of the annual report. Rights of the shareholders: There is an open communication channel with banks, employees, consumers 				

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				<p>and suppliers, whose legitimate rights are respected and maintained. In addition, there is a spokesperson, deputy spokesperson, and litigation and non-litigation agent available for the Company. The Company provides shareholders with honest financial and business records to protect the rights of shareholders. The Company’s transactions with subsidiaries follow strictly by “Administrative measures governing related party transactions” and “Procedures governing the monitoring and management of subsidiaries”.</p> <p>3. Environmental protection: In addition to following global design and manufacturing trends, responding to the demands of RoHS, HSF (Hazardous Substances Free) of the Company, and customers so as to ensure that the Company’s products satisfy international standards and customers’ requirements, the Company complies strictly with the Trash Clearance Act, Water Pollution Controls Act and Air Pollution Controls Act to protect environmental quality.</p> <p>4. Community participation, social contribution, social services and social welfare: donations to social groups, participation in educational, welfare and cultural activities and implementation of corporate social responsibilities:</p> <p>(1) Together with nine other Taiwanese companies, we started, in 2015, to sponsor a three-year project, “Organic Maioli, Shen Nong Project” with the purpose of sponsoring 11 elementary schools in the county, helping them build an interdisciplinary learning model that covers topics of organic diet, land education and homeland identity. Adoptee school made by the Company: BizLink adopted the Tongluo Elementary School with a donation of NT\$0.8 million.</p> <p>(2) Total donations made during 2016 was US\$ 51,000 which covered ten children and medical charitable organizations that included World Vision, Doctors without Borders, UNICEF (United Nations Children’s Fund), FCSN Friends of Children with Special Needs, St. Jude Children’s Hospital, Susan G. Komen Foundation, Children’s Hospital Oakland</p> <p>5. Consumer rights: Improve the Company’s competitiveness by providing aggressive, efficient, and effective services to meet the satisfaction of existing and potential customers.</p> <p>6. Human rights: the Company offers equal opportunity to all genders, religious groups, and political parties, and provides a working environment free of discrimination and harassment.</p> <p>7. Occupational safety and health: The Company provides the best safety and health environment so as to comply with the Labor Safety and Health Act (please refer to Labor safety and health code of practice for details).</p> <p>8. Public organizations: The Company shares its experiences in public organizations and seminars in hopes of enhancing industry competitiveness and contributing to a better society.</p>
<p>VII. Other information regarding products or the "Corporate Social Responsibility Report" which are verified by certification authority shall be specified: None.</p>				

