

GIGABYTE™

***GIGABYTE 2015
Corporate Social Responsibility
Report***

Introduction

GIGABYTE has published a CSR report annually since 2010. In keeping with our philosophy of "Concern about the Society and Fulfilling the Obligations", GIGABYTE continues to develop our indicators realize economic, social and environmental benefits. This report enables GIGABYTE to report to our stakeholders on our business operations, corporate governance, employee relations, business ethics, social concern and environmental protection. The report will hopefully inform stakeholders about the ongoing efforts and accomplishments achieved by GIGABYTE towards sustainable development.

Scope

The report covers the sustainability performance of the GIGABYTE Group's global operations between January and December, 2015. The indicators in the report encompass subsidiaries in Taiwan, China and other overseas regions. The financial statistics disclosed in the report are from open annual report information certified by accountants. The organizational greenhouse gas emissions audit and reduction statistics, ISO14001 and OHSAS18001 were certified by SGS Taiwan, with indicators covering the headquarters in Xindian, the Nanping plant in Taoyuan, Dongguan and the Ningbo plant in China. The details are elaborated in the report.

Reporting principles and guidelines

GIGABYTE collects important international economic, environmental and social topics, where materiality analysis is conducted to identify topics that are deemed important by the stakeholders. Furthermore, the company's operating strategies are taken into consideration at the monthly GIGABYTE Green Sustainable Development Committee meeting to discuss and select important topics. All relevant implementation outcomes are presented in the report.

The report follows the framework of Global Reporting Initiative's Sustainability Reporting Guidelines (GRI G4) as well as ISO26000 and the United Nations Global Compact in disclosing the outcomes of GIGABYTE's CSR commitments, strategies and management policies during the reporting period.

Publication

GIGABYTE regularly publishes our sustainable development report on the sustainable development official website every year (<http://csr.gigabyte.tw/>)

Current issue: June 2016

Previous issue: July 2015

Next issue: Scheduled for June 2017

Contact

If you have any question or suggestion regarding the contents of this report please do not hesitate to contact us.

GIGABYTE TECHNOLOGY CO., LTD.

Sustainable Development Office

Address: No. 6 Bao Chiang Rd. Xindian Dist.,
New Taipei City 231 Taiwan (R.O.C)

TEL: +886-2-89124000

FAX: +886-2-89124005

e-mail: CSR@gigabyte.com

Table of Contents

1 MESSAGE FROM THE CHAIRMAN 6

1 PROFILE OF GIGABYTE

1.1	CSR COMMITMENT	10
1.2	CSR POLICY	11
1.3	CSR GOALS AND ACCOMPLISHMENTS	11
1.4	MISSION AND VISION	12
1.5	CSR MILESTONES	12

2 STAKEHOLDER ENGAGEMENT

2.1	STAKEHOLDER ENGAGEMENT MECHANISM	17
2.2	STAKEHOLDER IDENTIFICATION	18
2.3	TOPIC IDENTIFICATION, COMMUNICATION AND DISCUSSION	18
2.4	MATERIALITY ANALYSIS OF SUSTAINABILITY TOPICS	19
2.5	TOP 17 MATERIAL TOPICS FOR GIGABYTE	20
2.6	STAKEHOLDER COMMUNICATIONS	22

3 CORPORATE GOVERNANCE

3.1	CORPORATE GOVERNANCE ORGANIZATION	26
3.2	CORPORATE CODE OF CONDUCT	32
3.3	PRACTICE INTEGRITY	34
3.4	RISK MANAGEMENT	40
3.5	LEGAL COMPLIANCE	44
3.6	POLITICAL CONTRIBUTION	45
3.7	OVERNMENT FINANCIAL AID	45

4 ECONOMIC ASPECT

4.1	COMPANY OVERVIEW	50
4.2	CUSTOMER SERVICE AND SUPPLIER MANAGEMENT	66

5 ENVIRONMENTAL ASPECT

5.1	ENVIRONMENTAL MANAGEMENT POLICY	78
5.2	CLIMATE CHANGE MITIGATION AND ADAPTATION STRATEGY	84
5.3	GREEN ACTION PLAN	92
5.4	GREEN PRODUCTS	97
5.5	GREEN GUARDIAN	102
5.6	SUSTAINABLE CITY - BUILDING AN EXCLUSIVE ECO-ROOFTOP	105
5.7	GREEN PROMOTION	110

6 SOCIAL ASPECT

6.1	GLOBAL TALENTS	116
6.2	EMPLOYEE GROWTH ENGINE	122
6.3	OUTSTANDING REMUNERATION AND BENEFITS	125
6.4	EMPLOYEE ASSISTANCE PROGRAMS INTEGRATE VIRTUAL AND PHYSICAL SERVICES	128
6.5	EMPLOYEE PARTICIPATION	128
6.6	WORK-LIFE BALANCE	132
6.7	HEALTHY AND SAFE WORK ENVIRONMENT	138
6.8	SOCIAL PARTICIPATION	140

Message from the Chairman

Dear Friends of GIGABYTE: :

As a leading brand of motherboards and graphics cards, GIGABYTE assumes social corporate responsibility (CSR) as its own duty and obligation; emphasizes integrity, self-discipline, and legal compliance; and aggressively pursues excellence in all aspects. We understand that as the scale of operations expands, our impact and responsibility increases in economic, environmental, and social terms. Therefore, we value governance with due diligence and insist on sustainable operations. As early as in 2009, we established the "GIGABYTE Green Sustainable Development Committee" where members report the interaction and communication with stakeholders outside of the organization; capture the trends and topics with which our stakeholders are most concerned; and balance the interest among shareowners, employees, customers, and other stakeholders, in order to maintain a balance among production, life, and ecosystem; and create a higher value for the value chain, to requite society, and contribute to environmental protection.

Building a Sustainable Value Chain and Creating a Green Brand

In 2015, incidents regarding evil business practices by large enterprises were exposed across the world. This suggests that instead of mercenary practice, ethics and integrity should be emphasized in the pursuit of sustainable business operations. Ever since the company was established, GIGABYTE has been upholding the principle of "ethical business practices". Furthermore, we have spared no effort in recent years to develop eco-friendly products and build a sustainable supply chain. In 2015, we launched the world's largest green material certification database in collaboration with MiTAC International to share information of hazardous substances with suppliers in order to reduce environmental load and supplier burdens and improve corporate competitiveness. To us, besides securing brand value and goodwill, value chain management has more to do with the protection of customer and consumer rights and benefits and enables GIGABYTE products to bring safe, proud, and joyful experiences to users.

Accountability in Maintenance of Co-existence and Co-prosperity with the Environment

Climate change and global warming are by far the world's severest environmental problems at the moment. In particular, the UNs passed the Paris Agreement Draft at the end of 2015, indicating that the global business deployment naturally entered the era of green technology development and low-carbon transformation. Since 2010, we have started the organizational greenhouse gas (GHG) inventory and have set the 2020 emission reduction target. Through energy saving, the long-term green action plan, educational workshops, cultivation of environmental habits, and purchasing more energy-efficient process equipment, we advanced the accomplishment of the 2020 target in 2012. Therefore, we have raised our target to a stricter standard. Furthermore, embracing the belief to grow trees for the Earth, we established the "G-Home Sustainable Eco-Roof" in 2013 to realize co-existence between humankind and nature in urban areas. Besides providing employees with a space for relaxation after work,

this is the venue for organizational environmental education to incorporate "care, ecology, and sustainability" with GIGABYTE's corporate culture.

Care for People and Contributions to Society

Ever since GIGABYTE was established 30 years ago, we have been upholding "Upgrade Your Life" as our corporate mission. In addition to improving the living quality of consumers and optimizing the workplace well-being of employees, we have exploited all abilities to give back to Taiwan and its people while GIGABYTE survives. In 2002, we established the "GIGABYTE Education Foundation to embark on technology education, cultivate talents for product design and innovation, fill up the disparity between education and employment, and shorten the urban-rural gap in digital infrastructure with our core expertise. Furthermore, we encourage employees to support blood donations, purchase direct-from-farm commodities, donate medical

and rescue equipment, support disadvantaged groups, satisfy the needs of society. We believe that the core competence of a business shall eventually return to the basic care for humankind and insist on doing the right thing.

We deeply understand that besides pursuing continual profit growth, it is necessary to contribute to environmental protection and philanthropy, exercise self-discipline, and surpass regulatory requirements in order to preserve optimal competitiveness and power toward sustainable operations. To GIGABYTE, CSR is neither a slogan nor a fashion, nor is it the source of additional expenditures. Instead, it is a "necessary expense" for sustainable operations. Aiming to pursue sustainable development, based on the spirit of social enterprise and through innovation and continual improvement, we hope to demonstrate substantial influence to make society and the environment better and better.

Chairman





1.1 CSR Commitment

GIGABYTE is inspired by the philosophy of upgrade your life; we strive to improve energy and resource efficiency, eliminate hazardous substances, and achieve the targets of zero waste and zero pollution. We aim to implement clean production, strengthen sustainable supply chain management, and continue to promote sustainable development based on the highest ethical standards. We develop low-carbon technology, design green products and work to build a green brand. Employees are encouraged to set "technological innovation, stable quality" as a principle for caring about environmental and ecological development in order to live in symbiosis with planet Earth.

The United Nations Millennium Development Goals signed in 2000 were converted in 2015 into the "Sustainable Development Goals" (SDGs) to set the international development agenda for the next 15 years. More than 1000 enterprises worldwide were consistent with the SDGs, which demonstrates that businesses will become an important driving force behind global sustainable development.



In 2015, GIGABYTE continued to embrace the core values of "Upgrade Your Life" in its promotion of sustainable corporate development. Technology was used to realize clean production and low-carbon technology with zero emissions in order to beautify the life, balance economic development with environmental conservation, harmonize technology and culture, and equalize opportunities for the current and future generations. Short- medium- and long-term strategies were also adopted to enhance the environmental education project supporting sustainable corporate development. Employees were also gradually taught through the workplace how the business activities of the enterprise influenced the environment and society, as well as the extent of that influence. The return to basic business values and philosophy enabled the negative impacts of an enterprise on the environment and society to be reduced through organizational management. In the future, GIGABYTE will work even more actively to apply its core competencies to the creation of synergies with the environment and society. Together, we shall help bring about sustainable development in the 21st Century.

1.2 CSR Policy

1. Be dedicated to the improvement of energy and resource utilization, the elimination of hazardous substances and the achievement of zero waste and zero pollution.
2. Implement clean production, reinforce green supply chain management and maintain high ethical standards and regulations while promoting sustainable development.
3. Develop low-carbon technology, commit to green product development, promote green consumption and build a green brand.
4. Care about the environment, development of ecosystems and symbiosis on the Earth.
5. Care about culture and society.

1.3 CSR Goals and Accomplishments

Stage	Goal	Accomplishment
Short term	<ul style="list-style-type: none"> Environmental safety policy and commitment. Ensure our products satisfy the client and environmental requirements. Strengthen our employees awareness and sense of urgency toward environmental protection. We want to propagate the concept of cherishing the Earth and protecting the environment to families of employees and the society. 	<ul style="list-style-type: none"> Passed ISO 14000 and OHSAS 18001 certification. Set up Labor Safety and Health Committee. Focus on green product R&D and innovation. Satisfy customers through the production of high-quality products. The Green Action Plan launched in 2009 educated employees on the importance of environmental sustainability so they can take action at work and in their everyday life.
Medium term	<ul style="list-style-type: none"> Promote business ethics and CSR. Establish organizational greenhouse gas and product carbon footprint performance index system. Effectively reduce products' carbon emissions and environmental impacts. 	<ul style="list-style-type: none"> Issued CSR report and corporate code of conduct. By 2015, the GIGABYTE Group as a whole had reduced its carbon emissions by 39.87% compared to the baseline year of 2009. Established a product environmental impact assessment database.
Long term	<ul style="list-style-type: none"> Goal: Upgrade Your Life Develop environmentally friendly products that create customer value with fulfilling the company's CSR as the goal. 	<ul style="list-style-type: none"> Developed a green cloud platform and partner with the supply chain to reduce the consumption of energy resources. Forge a green brand through the development of a product environmental impact assessment system and green products.

1.4 Mission and vision



1.5 CSR Milestones

- 2009 Set up GIGABYTE Green Sustainable Development Committee. Issued commitment to sustainable development.
- 2009 Launched the "Green Action Plan" with short, medium and long-term strategies for defined sustainable development goals.
- 2009 Hosted the "GIGABYTE Technology Environmental Policy Conference" for suppliers to explain the environmental policy at GIGABYTE and form partnerships for protecting the environment.
- 2009 Hosted "Product Carbon Footprint Declaration Promotion Procedure" symposium.
- 2010 Published the first GIGABYTE Sustainability Report containing disclosure on ESG performance to demonstrate commitment to sustainable development.
- 2011 GIGABYTE employees invited to join in committing to the effort on climate change.
- 2011 Hosted the Green Ideas event. All employees encouraged to participate in the diversified events and the energy conservation initiatives in order to sow the seeds of sustainability.
- 2012 Presented with the "Industrial Sustainable Excellence Award" by the Industrial Development Bureau of Ministry of Economic Affairs.
- 2012 Developed sustainable supply chain evaluation to expand our efforts in CSR, environmental protection, labor rights, fair trading practices, supply chain responsibility as well as contributions to society and local community so everyone can work together for a sustainable future.
- 2012 Introduced waste electronics recycling regardless of brand at each customer service site to reduce the burden on the environment and the threat to the environment/ecology.
- 2013 Hosted the Green Innovations event with sustainability, innovation and value as the theme to lay the foundations for sustainability.
- 2013 Pioneered the G-Home eco-rooftop on

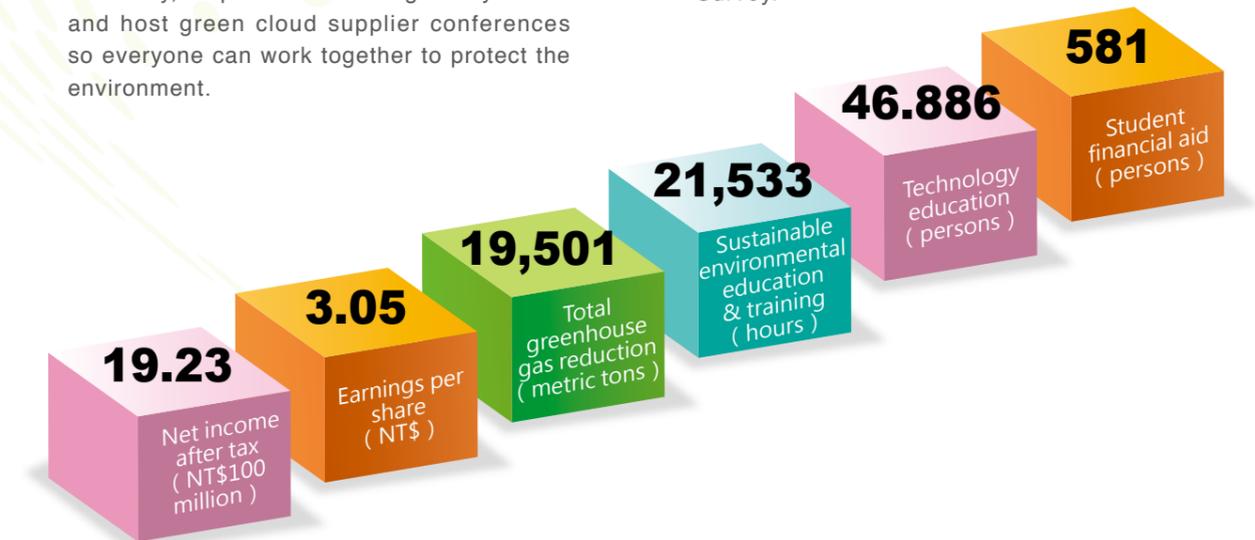
the corporate headquarters to promote the ideals of sustainability and environmental education based around planting trees for the planet and promoting employee health.

- 2013 Set up the GIGABYTE Go Green Club, a corporate volunteering group dedicated to helping the environment and society.
- 2013 Launched the Eco Working Holiday so employees can do their part and protect their homeland directly.
- 2013 Received Energy Saving and Carbon Reduction Label from EPA in the office category.
- 2014 Hosted the Seeing Green series of activities-Family trips, family painting competitions and eco-themed photography competition instilled the philosophy of ecology and sustainability in everyday life.
- 2014 Received Commonwealth CSR Award (Large Corporation Top 18) and TCSA Climate Leadership Award.
- 2014 Received New Taipei City Environmental Education Award (private

corporation category – excellent award).

- 2014 Hosted the "Symposium on Reducing Operating Risks and Resource Waste in the Green Supply Chain" to strengthen product responsibility and partner with suppliers for a win-win outcome.
- 2014 Partnered with Green Share for promoting the GMCP green cloud platform to reduce the risk of hazardous substance management, enhance management efficiency, respond to future regulatory trends and host green cloud supplier conferences so everyone can work together to protect the environment.

- 2015 Received National Environmental Education Award (private corporation category -outstanding award)
- 2015 Supported legislation on rooftop greening to establish urban eco-corridors, reduce the urban heat island effect, alleviate peak power consumption during the summer and lower the demand for nuclear power.
- 2015 Selected as one of the top 30 companies in Taiwan by the GVM's CSR Survey.



stakeholder



Web Images Videos

38,000,000 found result

Did you mean : stakeholder

<http://searching=info.7680742952.html>

Synonyms for the word **stakeholder** with free online antonyms , thesaurus , and definitions

We provide services and products in the area for enquiries please contact....

[Contact us](#) - [Ranking](#) - [other stories](#)

Showing Results for stakeholder

<http://searchengine=info.3570342952.html>

You search of the word **stakeholder** have resulted in about 1,680,000,000 results in 0.52 second. The definition of the word is

[Join us](#) - [Ranking](#) - [Other services](#) - [Contact](#)

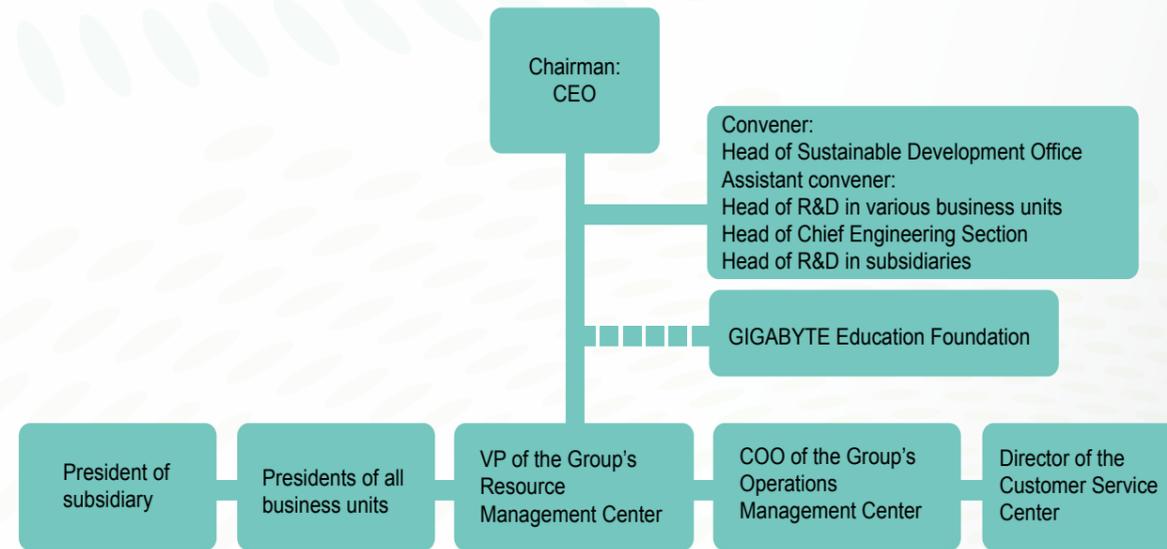


2 >

Stakeholder Engagement



The "Green Sustainable Development Committee" is GIGABYTE's top CSR decision-making and management organization. The Committee Chairman is President Dandy Yeh, while the head of the Sustainable Development Office serves as the convener. The Committee is a standing trans-department organization with representatives from all business units, factories and subsidiaries meeting on monthly basis. Every organizational representative also communicates with stakeholders during routine operations to collect their feedback, manages stakeholder issues, and effectively tracks GIGABYTE's progress on its sustainable development commitment and CSR policy implementation. These include regulatory compliance, risk management, promotion of green products, supervision of product quality and environmental impact, conflict metal management, sustainable supply chain management, and greenhouse gas management. By remaining on top of global market trends as well as domestic and overseas environmental regulations and impacts, the Committee ensures that the green sustainability developments at GIGABYTE can keep up with the times and continue to follow sustainable development trends. CSR accomplishments for the current year as well as the promotion plan for the following year are published in the company annual reports every year to make CSR a part of the company's decision-making process.



Organization of the GIGABYTE Green Sustainable Development Committee

2.1 Stakeholder Engagement Mechanism

To realize the goal of sustainable development and fulfill our corporate social responsibility, GIGABYTE has established transparent, effective and multilateral channels of communication with all of our stakeholders to understand their needs and expectations of GIGABYTE. These serve as important references during the formulation of our CSR policy and related projects.

To engage in effective communication with stakeholders through the medium of the CSR Report, we place a strong emphasis on stakeholder requirements and expectations of information related to sustainable corporate development. To this end, GIGABYTE has established a stakeholder engagement mechanism, provided disclosure of our sustainable development information for 2015 and compiled this report as a response to the expectations and suggestions of our stakeholders in order to realize effective two-way communication.

Identification of stakeholders and topics of concern

- Overseen by the GIGABYTE Green Sustainable Development Committee

Stakeholder communication plan and execution

- Committee members establish individual channels of communication with stakeholders.

Examination of stakeholder communication results

- The stakeholder communication results are presented during Committee and central meetings. Response is taken based on the importance of topics of concern.

Disclosure

- Official CSR website, financial reports, CSR reports, press releases.

2.2 Stakeholder Identification

GIGABYTE stakeholders consist of internal/ external groups or individuals who influence or are influenced by our company. Stakeholders identified in this manner included employees, customers, investors, suppliers, communities/ non-government organizations, media and the government.

2.3 Topic Identification, Communication and Discussion



2.4 Materiality Analysis of Sustainability Topics

In 2015, GIGABYTE used a questionnaire survey to collect stakeholders' level of concern on 40 topics for statistical analysis. 493 stakeholders took part in the survey including employees, suppliers, investors, government, and community/NGOs. Based on the stakeholder survey statistics and materiality analysis on each sustainability topic's impact on GIGABYTE operations, the top 17 topics were as follow:

Topic	Stakeholders' level of concern	Impact on GIGABYTE operations	Topic	Stakeholders' level of concern	Impact on GIGABYTE operations
Ethics and integrity	8.38	7.55	Product responsibility	4.40	6.43
Innovative R&D	5.98	8.12	Greenhouse gas reduction	4.12	5.95
Industry competitive edge	5.31	7.60	Operating strategy and condition	2.68	6.83
Environmental policy and management system	4.75	7.22	Occupational health and safety	4.37	4.98
Green product	4.41	7.49	Social engagement	1.80	5.80
Supply chain sustainability management	5.63	6.20	Corporate code of conduct	2.53	4.32
Ecological conservation	6.00	5.30	Financial performance	1.40	5.11
Corporate governance	4.15	7.08	Environmental education	2.39	3.05
Hazardous substance	3.69	7.52			

2.5 Top 17 Material Topics for GIGABYTE

Sustainability Topic	Report Chapter	Sustainability Topic	Report Chapter
Ethics and integrity	3.2 Corporate code of conduct	Occupational health and safety	6.7 Safe and healthy workplace
	3.3 Ethics & integrity	Corporate governance	3. Corporate governance
Innovative R&D	4.1.4 R&D and technological innovation	Hazardous substance	5.4.1 Ban on hazardous substances
Industry competitive edge	4. Economic aspect	Greenhouse gas reduction	5.2.3 Climate change mitigation
Supply chain sustainability management	4.2 Customer service and supplier management	Operating strategy and overview	4. Economic aspect
Green product	5.4 Green product	Corporate code of conduct	3. Corporate governance
	5.1.1 Green management	Financial performance	4.1.9 Financial performance
Product responsibility	5.4 Green product	Social participation	6.8 Social participation
	4.2 Customer service and supplier management	Environmental policy and system	5.1 Environmental policy and system
Ecological conservation	3.5 Compliance	Environmental education	5.3 Green Action Plan
	5.3 Green Action Plan		5.5 Green Guardian
	5.5 Green Guardian		5.6 Sustainable City - Building an exclusive eco-rooftop
	5.6 Sustainable City - Building an exclusive eco-rooftop		5.7 Green promotion
	5.7 Green promotion		5.8 Natural conservation



2.6 Stakeholder Communications

GIGABYTE stakeholders included employees, customers, investors, suppliers, community/NGO, the media and the government; We believe that each stakeholder has a different set of expectations from our responsibilities, so we use a variety of methods and channels to communicate with each stakeholder and convey to them GIGABYTE's sincerity and determination to embrace sustainable development.

GIGABYTE values the opinions and suggestions of all stakeholders. We not only work actively to understand stakeholders' expectations of GIGABYTE, but also communicate with stakeholders on our CSR efforts and accomplishments. Apart from the different channels for stakeholder communications described above, there is also a "Contact Us" page (<http://www.gigabyte.tw/about-gigabyte/contact-us.aspx>) and CSR mailbox

(csr@gigabyte.com) on the GIGABYTE website to help us listen to the outside world. Dedicated staff would sort and forward questions and suggestions by scope and type to the appropriate business units for response.

GIGABYTE believes that establishing a positive relationship with stakeholders will not only help us master the challenges in the economy, society, and environment, but will also create value for GIGABYTE and social environment. This will in turn continue to drive our sustainable business development and guide our continued industry leadership.

Stakeholder	Employee	Customer	Investor	Supplier	Community/NGO	Media	Government
Key topics of concern	<ul style="list-style-type: none"> Comply with the law and regulations Labor-capital relation Remuneration and benefits Occupational health and safety Corporate governance Green Action Plan 	<ul style="list-style-type: none"> Product quality and reliability Design support Customer service Product delivery date and production capacity Price Green product Non-conflict mineral investigation Confidential information protection Cooperate with the customer to realize environmental and social responsibility targets 	<ul style="list-style-type: none"> Correct and timely disclosure Provide appropriate return on investment Corporate governance Industry competitive edge Senior management change 	<ul style="list-style-type: none"> Supply chain management Environmental protection, health and safety management Comply with the law and regulations Sustainable development strategy Innovation management Management performance Provide reasonable transaction pricing 	<ul style="list-style-type: none"> Environmental management Use of chemicals Ecological conservation Occupational health and safety Social harmony Risk management Volunteer service Establish the GIGABYTE Education Foundation to bridge the educational divide 	<ul style="list-style-type: none"> Management performance Corporate governance Sustainable development strategy Investment plan 	<ul style="list-style-type: none"> Corporate governance Compliance with the law and regulations Capital-labor relation Remuneration and benefits Occupational health and safety Greenhouse gas reduction Water resource management Green product Water and power conservation
Communication channel/method	<ul style="list-style-type: none"> Regular labor-capital meetings Internal website Human resources service representative Regular/ad hoc communication meetings for various organizations Provide internal and external education/training Regular employee health examinations Hold health promotion activities from time to time Various green movement activities and lectures by prominent figures Diverse employee feedback channels, such as employee opinion e-mails and employee message boards 	<ul style="list-style-type: none"> Annual customer satisfaction survey Customer audit Customer technical seminar and demonstration Online service system and platform Regular/asperiodic communication meeting Questionnaire response 	<ul style="list-style-type: none"> AGM Company annual report Hosting of communication and small-scale investor conferences at different times Publish major information on M.O.P.S or publish company news on the company website 	<ul style="list-style-type: none"> SProvide an electronic communication platform Organize supplier conventions Consult on green procurement specifications Supplier audit Supplier questionnaire survey Supplier business review meeting Environmental health and safety and CSR management demonstration 	<ul style="list-style-type: none"> Establish a foundation to co-organize related activities Participate in relevant organizations and forums Support related activities Invite communities and NGOs to visit the company and participate in company activities 	<ul style="list-style-type: none"> Press conference Press release Actual visits Special project planning 	<ul style="list-style-type: none"> Official documents Meetings (public hearing, demonstration, forum) Join industry organizations to set up a platform for stakeholder communication Provide promotional resources as necessary
Related activities	<ul style="list-style-type: none"> Organize annual employee sports meet, road running events Invite well-known figures to present lectures in order to enhance the colleagues environmental knowledge Organize the group's green courses Organize health lectures and activities Hold annual health examinations Create eco-rooftop at the headquarters as a recreational venue for our employees. Organize employee innovation competitions 	<ul style="list-style-type: none"> Complete annual customer satisfaction survey Collaborate with the clients annual audits Continue to make improvements based on the customers' demands Product aftersales service Complete various questionnaires required by the customers 	<ul style="list-style-type: none"> Convene AGM Comply with the law and publish annual report Publish corporate governance and operations related information on the investor's section of the company website 	<ul style="list-style-type: none"> Stringent supplier screening process Supervise and help the suppliers to establish environmental management system Invite suppliers to attend the annual convention Update the company's green supply chain management system Organize annual supplier sustainability evaluation 	<ul style="list-style-type: none"> Promote legislations pertaining to eco-rooftops. Continue organizing technology on campus, PC DIY and G-Design competitions to cultivate talents surrounding the company Continue to conduct community computer classes Encourage employees to partake in volunteer service Provide student grants to students from families that have experienced misfortunes Donate to major disasters throughout Taiwan 	<ul style="list-style-type: none"> Company operation and sustainable management related press release Reports on GIGABYTE's G-HOME Sustainable Eco-Rooftop 	<ul style="list-style-type: none"> Participate in industry/government/academia forums and seminars. Pay attention to and respond to government programs



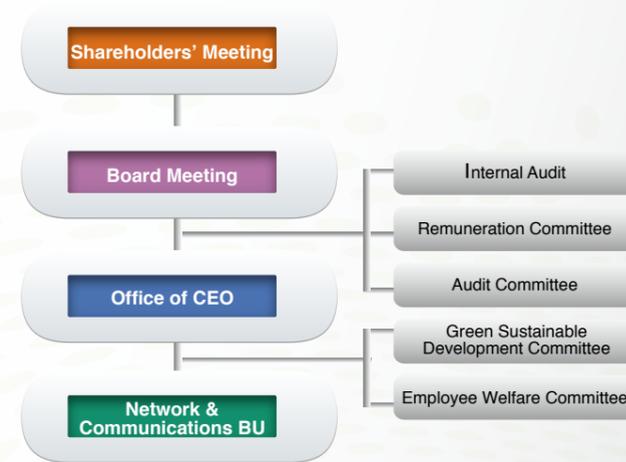
3 > Corporate Governance

"Honesty and Practicality" form the very foundation of sustainable corporate management. GIGABYTE upholds this core value of business management and sets high ethical standards for ourselves. We prohibit corruption, bribery and abide by the country's Company Law, Securities and Exchange Act as well as other relevant regulations and corporate governance related principles. An effective corporate governance structure has been put into place with regular self-audits of internal controls to protect shareholder interests, respect stakeholders, improve the transparency of operations and strengthen the competency of the Board of Directors. GIGABYTE hopes to improve business performance and fulfill its corporate responsibility on sustainable development through corporate governance activities.

3.1 Corporate Governance Organization

The GIGABYTE Board of Directors, Remuneration Committee and Audit Committee operate in accordance with the "Board of Directors' Procedural Rules", "Organization Regulations of the Remuneration Committee" and "Organization Regulations of the Audit Committee". The corporate governance policy and its current implementation, the corporate charter, the procedural rules for shareholders' meetings, the procedural rules for Board of Directors' meetings, the election rules for the Board of Directors, the organization regulations of the Remuneration Committee, the organization rules of the Audit Committee and the Standard Operating Procedure Regarding Major Information are available from the Investor section of the GIGABYTE website.

(URL: <http://www.gigabyte.tw/gigabyte.aspx?s=36>)



3.1.1 Board of Directors

The GIGABYTE Board of Directors is composed of eight directors, each from a different professional backgrounds. The Board is responsible for the management and supervision of company operations. Under the leadership of our Chairman, the Board of Directors places tremendous emphasis on their duties. The Board of Directors is an independent, dedicated and professional organization within the company. It is also the highest governing body of GIGABYTE and the decision-making center of major management policies. The current Chairman is Mr. Pei-Chen Yeh. The GIGABYTE Board is convened regularly and 7 meetings were held in 2015. Directors' attendance at the meetings is on record with audio recordings and meeting minutes retained in accordance with the law. All important decisions are disclosed on M.O.P.S. as required by the law, with directors recusing themselves from any motion in which they have a conflict of interest.

Title	Name	Primary experience	Attendance rate
Chairman	Yeh, Pei-Chen	Department and Institute of Electronic Engineering, MUST CEO of GIGABYTE Technology, President of Checa Investment Limited, Chairman of GIGABYTE Communications Inc., Representative Director of G-Style, Representative Director of Bigatech, Representative Director of Lianjia Management Consultants, Chairman of Lianjia International Investments, Director of Chun Electronics Co., Ltd., Chairman of PG Union, Representative Director of Walsin Technology, Chairman of Gigazone	85.71% Consecutive term
Vice Chairman	Ming Wei Investment Co., Ltd. Representative: Liu, Ming-Hsiung	Department of Business Administration, NCCU Executive VP of GIGABYTE Technology Co., Ltd., Representative Director of Checa Investment Limited, Representative Director of GIGABYTE Communications Inc., Representative Director of G-Style, Chairman of Lianjia Management Consultants, Director of Info-Tek Corp., Representative Director of Lianjia International Investments, Representative Director of Huiyang Venture Capital, Representative Supervisor of Gigazone, Representative Director of JM Material Technology, Representative Supervisor of SenYun Precision Optical Corporation, Chairman of Green Share, Representative Director of QSAN Technology, Representative Director of e7line	100% Consecutive term
Director	Shi Jia Investment Co., Ltd. Representative: Ma, Meng-Ming	Department of Electronic and Computer Engineering, NTUST Senior VP of GIGABYTE, Representative Director of Checa Investment Limited, Representative Director of GIGABYTE Communications Inc., President of G-Style, Representative Director of Bigatech, Representative Director of Lianjia International Investments, Representative Director of Gigazone	100% Consecutive term
Director	Yuei-yeh Kai Fa Investment Limited Corp. Representative: Tseng, Chun-Ming	Department and Institute of Electronic Engineering, MUST Senior VP of GIGABYTE, Representative Director of GIGABYTE Communications Inc.	85.71% Consecutive term
Director	Shi Da Investment Limited Corp. Representative: Ko, Tsung-Yuan	Master's Degree, Department of Industrial Engineering and Engineering Management, NTHU President of Albatron Technology Co., Ltd., Representative Supervisor of Chun	71.43% Consecutive term
Independent Director	Yang, Zheng-Li	MBA, Tulane University; Entrepreneur Program, NCCU Chairman of King Core Electronics Inc.	100% New appointment
Independent Director	Chan, Yi-Hung	California State University Fullerton; Entrepreneur Program, NCCU Director of Taisun Enterprise Co., Ltd.; Supervisor of Info-Tek Corp.	100% New appointment
Independent Director	Chao, Sheng	Master in Science Electronic Engineering CEO of Bigatech (Singapore), Senior VP of Quanta Computer	100% New appointment

3.1.2 Board of Directors Election

Nominations for the Board of Directors adhere to a rigorous selection process. In addition to their knowledge, skills and character, particular importance is attached to the ethical reputation of candidates. The qualification and selection of independent directors should conform to the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" as well as Article 24 of the "Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies." The GIGABYTE Board of Directors or shareholders holding more than 1% of all issued shares may nominate in writing their candidates for the next Board of Directors.

3.1.3 Remuneration Management Committee

To establish a sound remuneration system for the company's directors, supervisors and managers, at the end of 2011 we created the "Remuneration Committee" based on the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter" of the Securities and Exchange Act. The committee consists of three members appointed by the Board of Directors. One serves as the convener who shares the same tenure as the Board of Directors.

In June, 2015, Mr. Zheng-Li Yang, was appointed the convener of the 3rd Remuneration Committee. The role of the Committee is to (1) evaluate and provide recommendations on the annual/long-term performance targets and remuneration policy of company directors, supervisors and executives from a professional and objective perspective. (2) Evaluate and make recommendations on the performance of the company's directors, supervisors and executives, as well as their individual remuneration packages

and amount. (3) This is to ensure that the company's remuneration complies with the relevant laws and is sufficient to attract talented personnel. The Committee also advises the Board on related decisions. The Remuneration Committee is convened at least twice a year but extraordinary meetings may be called when necessary.

The following table separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past two fiscal years to Directors, Supervisors, Presidents and Vice-Presidents, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

Job title and description	2014 Total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements to Directors, Supervisors, Presidents and Vice-Presidents		2015 Total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements to Directors, Supervisors, Presidents and Vice-Presidents	
	GIGABYTE	Other subsidiaries	GIGABYTE	Other subsidiaries
Director				
Supervisor	12.71%	12.72%	14.88%	14.90%
President and Vice-President				

Job title	Director and Supervisor remuneration	President and Vice-President remuneration
1. Remuneration policy	Remuneration for GIGABYTE directors and supervisors is allocated in accordance with the corporate charter. No further remuneration may be issued to directors and supervisors. Any additional allocations or changes require the approval of the AGM.	Remuneration is given based on the company's remuneration management regulations, employee performance evaluation regulations, business unit financial performance calculation and assessment principles as well as the performance bonus assessment and issuance regulations.
2. Standards and packages	Based on the weighted distribution of responsibilities and duties of the directors and supervisors as well as their obligations.	Base salary, living allowance, meal allowance, position allowance, transport allowance, annual cash gifts (Chinese New Year/Dragon Boat Festival/Mid-Autumn's Day), performance bonus
3. Procedure for determining remuneration	The Board of Directors draws up the net earning appropriation motion for the AGM's approval.	Based on education, work experience and salary, difference in performance and delegated authority.
4. Linkage to operating performance and future risk exposure	Depends on the company's performance and profitability. Fulfill the duty of supervision and management, formulate management guidelines in order to transform risk into opportunity	Remuneration is based on targets met, BU performance, profitability and contribution. Reinforce employee loyalty to realize the sharing of both profits and loss by employees and management in order to face the risk environment together.

3.1.4 Audit Committee

GIGABYTE implemented the "Organization Rules of the Audit Committee" and established an Audit Committee in accordance with Article 3 of the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies" issued by the Financial Supervisory Committee. The GIGABYTE Audit Committee is made up of all independent directors and must contain at least three members. One member must also have an accounting or finance background to enhance the credibility and independence of internal audits.

The Audit Committee provides oversight of the Company's financial reports, the retention (termination), independence and performance of the CPA, effectiveness of internal controls, compliance with the relevant laws and regulations, and the Company's management of potential risks. Based on these control goals, the authority of Audit Committee members includes: (1) Formulation and revision of internal control systems in accordance with the Securities and Exchange Act; (2) Review and re-inspection of the internal control system; (3) Ensuring that the procedures for acquisition or disposal of assets, trading in derivative products, issuing of loans to other parties, endorsement of other parties or guaranteeing of major financial business activities comply with the Securities and Exchange Act; (4) Review matters relating to conflicts of interest by Board directors; (5) Review transactions involving major assets or derivative products; (6) Review major loans, endorsements or guarantees; (7) The raising, issuing or private placement of securities that offer stock rights; (8) The appointment, termination or remuneration of CPA; (9) The appointment or removal of executives in charge of finance, accounting or internal audit;

(10) Review of the annual financial report and half-yearly financial report; and (11) Review of all other major matters as defined by the Company or competent agencies.

The Audit Committee must be convened at least once a quarter, and may also be convened as necessary. At least half of all members must be in agreement for resolutions to be valid. Meeting minutes are also kept and permanently archived in accordance with the law. The members of the Audit Committee are expected to exercise their role as managers in good faith, to faithfully carry out their responsibilities as defined in the organizational rules, and report to the Board of directors. Their missions is to ensure the reliability and objectivity of the financial reports and audited items, strengthen the Company's internal control standards, reduce fraud and unethical business behavior, improve organizational discipline and create an atmosphere of rigorous management.

3.1.5 Internal audit

GIGABYTE's internal audit is conducted by an independent unit that reports directly to the Board of Directors. In addition to routine meeting reports at the Board of Directors, the unit will report to the Chairman either monthly or when necessary. The internal audit guidelines of the company clearly state the function and power of the unit, including: assist the Board of Directors and management in inspecting and reviewing shortcomings in the internal control mechanism, measure performance and efficiency, and provide improvement suggestions sufficient to ensure the continual and effective implementation of the internal control mechanism, and to use them as the basis for reviewing and revising internal control mechanism.

Audits are based on the Board-approved audit plan that is divided into regular internal audits and ad hoc internal audits. The audits provide the management with timely information on the operation of internal control functions, providing another channel for identifying existing or potential weaknesses in business operations. Internal audit reviews the internal control self-assessment conducted by each unit to ensure that the internal control system is being executed as designed. The results of the self-assessment are then combined to provide the Board of Directors or President with their main basis for evaluating the validity of internal controls and the issuing of internal control declarations. The risk-oriented internal audit functions are shown below.

- Expanding traditional internal controls based around auditing of financial reports to including strategic planning and execution, operating efficiency and legal compliance.
- Adopting a risk-oriented approach that connects company goals, risk acceptance and strategies as well as actively assisting the company management with keeping the risks within an acceptable level.
- Serving as a bridge between the Board of Directors, executive management, business units, external auditors and the competent agencies.
- Assisting with identifying and handling enterprise-wide risks.
- Assisting with evaluating reasonable resource requirements and allocations.



3.1.6 Green Sustainable Development Committee

The "Green Sustainable Development Committee" is GIGABYTE's top CSR decision-making and management organization. The Committee Chairman is President Dandy Yeh while the head of the Sustainable Development Office serves as the convener. The Committee is a standing trans-department organization with representatives from all business units, factories and subsidiaries meeting on monthly basis to effectively track GIGABYTE's progress on its sustainable development commitment and CSR policy implementation. These include regulatory compliance, risk management, promotion of green products, supervision of product quality and environmental impact, conflict metal management, sustainable supply chain management, and greenhouse gas management. By remaining on top of global market trends as well as domestic and overseas environmental regulations and impacts, the Committee ensures that the green sustainability developments at GIGABYTE can keep up with the times and continue to follow sustainable development trends.

3.2 Corporate Code of Conduct

GIGABYTE has always embraced a philosophy of "Upgrade Your Life" since our 1986 founding. As a large enterprise, we are not only pursuing continued improvements in product technology and service quality, but also strive to ensure the integrity, honesty and legality of all management and business practices. It is also our responsibility to protect the interests of all stakeholders.

1. Ethics & Mutual Respect

The purpose and scope of the code of conduct are clearly stated with an emphasis on every employee's duty to comply and report any violations. We also affirm our determination to act on all infractions so that employees can stay disciplined and committed.

2. Equity & Safety

GIGABYTE promises every employee equity, safety and health in their workplace and career opportunities. We also respect every employee's privacy and protect their rights.

3. Personal Duty & Cautiousness

In return, every employee is expected to take proper care of company assets, respect intellectual property and copyrights, protect business confidentiality, maintain our brand image, practice rigorous documentation and account keeping in order to consolidate and enhance the value of the company together.

4. Honesty & Transparency

GIGABYTE embraces "honesty" in business and requires every employee to make it their overriding principle during business activities. We insist on positive competition with our peers, emphasize honesty and responsibility to customers and consumers, maintain transparency in our interactions with the government and media, avoid conflicts of interest and uphold GIGABYTE's business principles.

5. Compliance and Corporate Social Responsibility

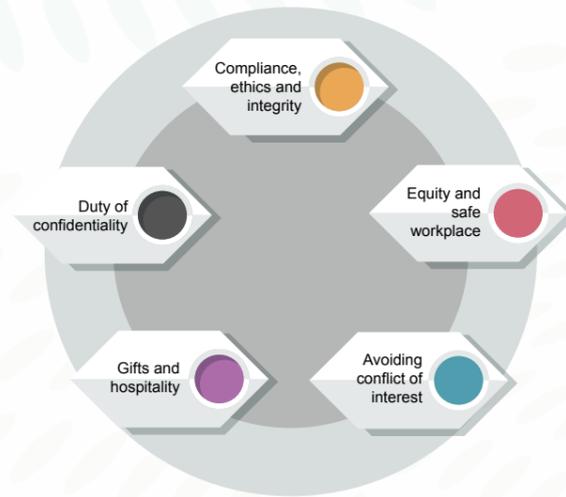
GIGABYTE affirms that all business activities comply with the law. We pay taxes and provide disclosures in accordance with the law, comply with international trade and product requirements, and make it our goal to protect the interests of society as a whole and reduce environmental impact. Employees responsible for related activities are required to actively pay attention to and comply with these goals.



3.3.2 Employee Code of Ethics

GIGABYTE values employee and social welfare. We have made a public commitment to the Electronic Industry Code of Conduct (EICC) and the "Code of Ethics for TWSE/GTSM Listed Companies". The relevant information is disclosed in our annual report as well.

The GIGABYTE "Employee Code of Ethics" is a code of conduct governs all employee behavior, rewards and disciplinary action. We hope that it will enhance the business ethics and professional integrity of all GIGABYTE employees in order to protect shareholders' interests and fulfill our CSR. The code of ethics is published in full on the Intranet where they are accessible to all employees. New employees are also asked to read and sign their willingness to abide by the work rules upon arrival.



■ Legal compliance, ethics and honesty

GIGABYTE employees are expected to follow the relevant regulations and internal company regulations during the performance their duties. We expect them to hold themselves to the highest ethical standards. All matters should be processed in an honest manner and business records faithfully documented. Reports to superiors should be true with no forged records or deliberate attempts to hide matters that impact on company interests. For information whose disclosure is required by the competent authorities, the responsible employees should comply fully with the disclosure procedure and do their best to ensure that the reported or submitted information is complete, appropriate, correct and up to date.

■ Equal and safe work environment

GIGABYTE hopes to provide employees with an equal and safe work environment. Every employee should treat all other employees equally and no discrimination on the basis of race, gender, color, sexual preference, language, religion, political affiliation, place of origin, nationality, physical or mental handicaps or marital status. There should be no bias in the recruitment, testing, hiring, assignment, placement, performance evaluation or promotion of employees unless it is due to the nature of the work and a proper reason can be offered. There should be discrimination based on gender or sexual preference. Employees may not engage in any discriminating or harassing behavior (including sexual harassment as defined in the Gender Equality in Employment Act) during the performance of their duties

■ Avoiding conflicts of interest

All employees should have the company's interests at heart during their work. They should avoid engaging in any behavior that may lead to a conflict between personal and company interests.

■ Gifts and hospitality

All GIGABYTE employees, their spouses and direct family members may not receive or ask customers or suppliers to provide rebates, commissions, securities, valuables or hospitality of excessive value.

■ Confidentiality

All information about GIGABYTE that an employee learns during their employment, including but not limited to business information, operations information, technical information (including concepts and ideas not yet expressed in text or drawings), IP and business secrets, or information exchanged between GIGABYTE and other companies and customers, are considered confidential information owned by GIGABYTE, with the exception of those that are common knowledge among the general public. To protect GIGABYTE interests, all employees must safeguard the company's confidential information in an appropriate manner. It is also the responsibility of employees to ensure the confidentiality of that information during or after their period of employment with the company. The information must not be made known to their friends, relatives or any other third party in a direct or indirect manner.

3.3.3 Anti-corruption and Anti-bribery

The GIGABYTE "Code of Integrity" requires all employees to adhere to all applicable laws, statutes, regulations and international regulations when on company business. Employees should also do their utmost to ensure that all company business is conducted ethically and in accordance with trading conventions. A fair, just and open relationship should be maintained between employees and shareholders with all business activities conducted in a fair manner.

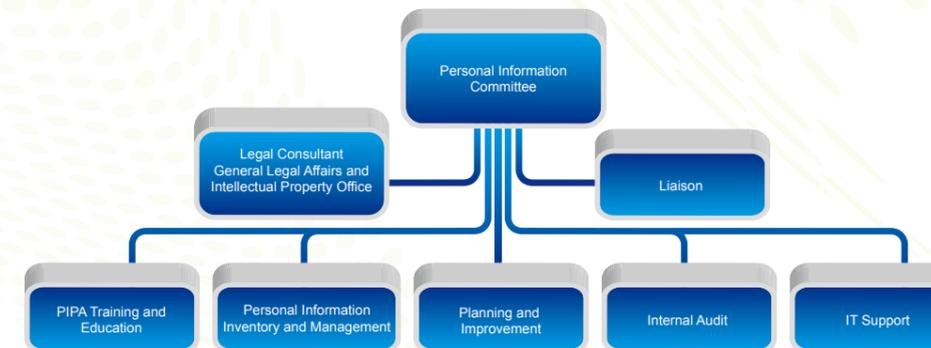
The company promotes various codes of practice to all new colleagues, including the "Employee Code of Ethical Conduct". At the same time, we also introduce employee benefits and rights to them. The training ratio of our new colleagues is 100%. GIGABYTE stipulates the following requirements of "Code of Integrity and Honesty"

(1) Personnel involved with purchasing, general administration and outsourcing should select the most competitive products or services in terms of quality, price, delivery date and after-sales service while upholding the principles of integrity, impartiality and professional ethics. Personnel are prohibited from soliciting suppliers for rebates or other improper benefits. Employees and their families are strictly prohibited from accepting cash or gifts with a value of more than NT\$1,500 from suppliers, or accepting their hospitality in any form. Any gifts accepted out of etiquette should be reported to the General Manager for confiscation or conversion to company lottery prizes.

(2) Employees should not exploit their position to fraudulently acquire or steal materials, monies or information from the company or employees. All expenses and quantities should be reported truthfully. Employees should not overstate travel expenses, overtime, advance payments or overtime hours.

3.3.4 Personal Information Committee

Due to the introduction of the Personal Information Protection Act (PIPA) by the government, GIGABYTE has set up a Personal Information Committee with teams on PIPA training and education, personal information inventory and management, planning and improvement, internal audit and IT support. The Committee is convened on a regular basis and the teams are tasked with protecting the security of personal information.



Personal Information Committee Roles and Functions

Committee Composition	Team Function
Convener	Coordinate business resources, arbitrate on key decisions and make regular progress reports to the Board of Directors.
Legal Consultant	Consulting and interpreting of government regulations.
Liaison	Convene the personal information protection and management meeting on a regular basis, report progress to executives, follow-up on outstanding issues and coordination.
PIPA Training and Education Team	Development of training and education materials, in-service training of employees on personal information awareness and concepts, orientation training for new employees on personal information awareness and concepts.
Personal Information Inventory and Management Team	Collate the personal information inventory of all business groups, centers and subsidiaries.
Planning and Improvement Team	Compile personal information laws and regulations, add/amend rules and management regulations, and carrying out corrective action.
Internal Audit Team	Regular audits, report on deficiencies and track corrective action.
IT Support Team	Develop and modify systems as well as plans and install hardware and network communication equipments based on the requirements of personal information management.

3.4 Risk Management

CSR fulfillment is the best long-term risk management method in business. GIGABYTE integrates and manages all potential strategic, operational, financial and disaster-related risks to business operations and profits in order to reduce business uncertainty to a minimum.

3.4.1 Operating Risks

■ Shareholders' meetings and small investor conferences on company operations are convened on a regular basis to increase financial transparency. We also use our core competencies to host social integration events to fulfill our responsibility as a part of society

■ For national policies and legislation, the responsible units keep close track of important policies and legislative changes. Our company's internal systems, processes, and business activities are adjusted as necessary to ensure smooth company operations.

■ For labor and ethical issues in the EICC Code, the relevant units at GIGABYTE monitor the regulatory changes in order to make adjustments to related systems. Risk assessments and mitigation are also carried out; a "Corporate Code of Conduct" has also been drawn up to specify guidelines for behavior, incentives and disciplinary action in order to reduce ethical risks in business (See 3.2 Corporate Code of Conduct).

■ For further information, please refer to the GIGABYTE Annual Report (GIGABYTE Investor Relations page: <http://www.gigabyte.tw/gigabyte.aspx?s=36>)

3.4.2 Financial Risk

GIGABYTE's routine operations are influenced by a number of financial risks including market risks (such as exchange rate risks, interest rate risks and price risks), credit risks and liquidity risks. The overall risk management policy emphasizes unpredictable events in the financial market and looks for ways of reducing potential unfavorable factors that affect our company's finances and financial performance.

Risk management at GIGABYTE is performed by our Finance Department in accordance with the policy approved by the Board of Directors. GIGABYTE's Finance Department works closely with business units to identify, assess and avoid financial risks. The Board defines the overall risk management principles in writing while also providing written policies on specific areas and items such as exchange rate risks, interest rate risks, credit risks, the use of derivative and non-derivative financial instruments, and the investment of excess liquidity.

3.4.3 Supply Chain Disruption Risk Management

The risk of a broken chain is divided into supply and demand related risks. The fluctuations in the upstream industry are the main cause of risk in component demand, while supply risk is attributed to changes in the downstream raw material supply chain. This can further be broken down into various components, where the same components used by more industries, products and manufacturers will require greater production quantity. As a result, the risk of broken chain is relatively small. Therefore GIGABYTE's establishes external market information gathering channel, which includes supply chain related information from the same industry or different industries, as well as related changes in the political and economic trends. Internally, we have established the teamwork method involving research, production and marketing. Moreover, we have stipulated related control processes pertinent to components and manufacturers; the processes can be adjusted flexibly in response to external transformations. For instance, we utilized shared materials, specifications and reputable suppliers; in addition, we have established contingency plans such as safety stock,

where the best response to an event is chosen according to protocol and joint discussions made by the research, production and marketing units.

Monitor and report

- Monitor: Gather information on the supply chain, competitors, other industries as well as political and economic legislations.
- Report: Report the relevant risks to supervisors and involve research, production and marketing units in discussions on actions to take.

Respond

- Assess: Assess the risk of supply chain disruption.
- Response strategy: evaluate the different responses for different levels of risk, such as searching for alternative materials, vendors and specifications, as well as increasing prices, cash transactions and other measures.

Maintain and restore company operations

- Coordinate the clients' shipment plans in conjunction with measures such as air freight in order to compensate for the disruption of the supply chain.
- Reallocate resources and adjust the production plan according to the level of urgency and inventory condition.

Continuity

- Continue to collect market intelligence and maintain the supply chain continuity management mechanism to prevent the risk from recurring.

3.4.4 Climate Risk

In 2015, the global CO₂ concentration officially exceeded 400ppm, leading to a worldwide pressure on carbon reduction. The risks brought by climate change include increasing costs, shortage of water resources, increasing severity and frequency of storms and floods, etc.. In addition to formulating a risk contingency plan, we also strive to mitigate greenhouse gas emission through various actions. We introduced the ISO14064 energy management system, promoted the Green Action Plan and devoted to raising company-wide awareness on the issue. In caring for the environment and the ecology, we are dedicated to improving the energy and resource utilization efficiency, which serves to alleviate the impacts on the environment and minimize corporate management risks.

3.4.5 Crisis Response Management

To cope with internal and external impacts as well as challenges to company operations, GIGABYTE drew up the "Crisis Response Management Procedure" in 2001, which is used for setting up a cross-unit discussion group on potential natural disasters or threats to corporate image, so appropriate response strategies and reporting mechanisms can be put into place. A risk identification and post-incident review mechanism can help minimize the potential impact.

Crisis Response Management Procedures

Item	Response Procedure
Power Outage	Emergency Generator SOP
Fire	Emergency Fire Drill
Chemical Solvent Spill	Chemical Solvent Spill Emergency Response Plan
Production	Emergency Production, Shipment and Transportation Plan
Products & Services	Emergency Service Management Procedure
Equipment	Critical Facilities Management Procedure
IT Management	IT Disaster Recovery Procedure

3.4.6 Authorized Economic Operator (AEO)

GIGABYTE has passed Authorized Economic Operator (AEO) certification and has set up an internal AEO education webpage to practice proper risk assessment and management. This reduces human and goods-related risks to ensure the safety of goods throughout the supply chain. Safety training and information integration have also been strengthened to reduce the risk of intellectual property theft. All units now work closely together to actively identify potential losses of intellectual property, patent infringements or misuse, or losses due to fraud or theft. By following the relevant laws and regulations, we ensure that the safety requirements of customs authorities and customers are met. GIGABYTE is currently continuing to evaluate and execute supply chain safety solutions to strengthen the protection of company assets. Finally, management review and improvements are rigorously executed to ensure suitability and effectiveness of supply chain safety systems.

Internal Website Promoting AEO (Authorized Economic Operators)



3.5 Legal Compliance

Since GIGABYTE operates in major cities around the world, the Legal Department pays special attention to local laws and regulations. In particular, local legal consultants are hired to provide the company with the latest legal information. In the event of major regulatory changes, we also consult with local legal experts to ensure that our Legal Department track and respond to local regulations. This helps GIGABYTE comply with local laws and enhances our corporate image.

In addition, the Legal Department makes arrangements for our legal personnel to participate in domestic and overseas courses and seminars in order to enrich them with the latest legal information, so that our colleagues from the Legal Department can respond to legal cases equipped with the latest legal knowledge.

In relation to the changes and understanding of the domestic laws, the Legal Department also holds education and training courses from time to time-particularly intellectual property related knowledge-to let our employees understand the aspects of relevant regulations and key compliance.

For any legal consultation needed in various departments and contract reviews within the group, the legal personnel are ready to offer assistance at any time in order to safeguard the legal rights of various subsidiaries in the group and avoid any right violations.

In 2015, GIGABYTE was not involved in any litigation related to the violation of fair trade or antitrust behavior, nor did it violate any law and receive any substantial fine.

3.6 Political Contribution

The GIGABYTE Group has always remained politically neutral but employees are encouraged to exercise their right to vote, play an active role in politics and vote for their preferred election candidates.

3.7 Government Financial Aid

GIGABYTE's primary products are motherboards, which also one of main product of Taiwan, therefore we enjoy tax reductions, incentives or grants in accordance with the Statute for Industrial Innovation, and we have applied for industrial TDP grant from the MOEA to conduct several R&D projects.





4 >
Economic Aspect

Looking back on 2015, the global economic recovery showed signs of a slowdown with growth held back by developments in major regional economies. Doubts over higher US interest rates, structural adjustments to the economy of China as well as structural unemployment issues derived from sovereign debt in the Euro-zone all saw the global economy under-perform in 2015. Economic growth in the US was relatively strong compared to other leading countries (or regions). Persistent structural unemployment in the Euro-zone and continuing concerns over deflation means a policy of Quantitative Easing (QE) will remain in place. The Ukrainian crisis, the Greek debt crisis, the refugee crisis and repeated terrorist attacks have all served to crippled the already weak growth; Japan has benefited from plummeting oil prices and increase in wages, offsetting somewhat

the impact on domestic demand from higher consumption taxes to improve the financial structure. This however led to less capital investment by businesses and slowed economic recovery; China is continuing to make structural economic changes and the slowdown in domestic investment growth is impacting real estate and industrial exports. Planned tax reforms may result in reduced tax incentives that impact on investor interest and lower economic growth; ASEAN has been affected by the drop in oil and commodity prices, and exports are unlikely to perform well either due to the slowdown in economic growth in

China. In other emerging markets, the end of QE in the US, higher interest rates and a strong dollar has led to capital flight and crashes in their share, debt and currency markets.

Among GIGABYTE's key regional markets, the North American market benefited slightly, Asia saw slight growth, while sales declined significantly in the Euro-zone and Eastern Europe due to the unfavorable economic conditions there. Demand was also weak in other emerging markets. On the whole, the performance in 2015 declined slightly over the previous year. Revenue was reduced by 6.81% and net profits after tax was reduced by 19.88%.

Item	2015	2014	Change magnitude	Change percentage (%)
Operating income	50.829 billion	54.542 billion	-3.713 billion	-6.81%
Operating profit	8.761 billion	9.468 billion	-707 million	-7.47%
Net earnings after tax	1.923 billion	2.400 billion	-477 million	-19.88%

Unit: TWD

In keeping with the brand spirit of "Upgrade Your Life", GIGABYTE will continue to launch attractive and competitive products while also further expanding our presence in next-generation products for the digital age. Trends such as cloud technology and personalized digital lifestyle will be leveraged to achieve more diverse and innovative products in order to identify new market niches, expand our market, boost our customer base and deliver long-term growth in revenues and profits for the Company. GIGABYTE specializes in the R&D of high-quality, ultra-durable and high-performance products. We have long focused on the development of green product technology. We hope to convert green energy technology and green products into customer trust in GIGABYTE. This can then be converted into a corporate competitive advantage to realize even more growth for the Company. Continue to generate profits, share with shareholders, improve mankind and give feedbacks to society.

GIGABYTE believes that our innovative technology, value chain management and commitment to quality will enable us to continue creating breath-taking products in the future as well as provide swift and attentive after-sales services in order to satisfy demand in the market; in the future, we shall strive to provide stakeholders with even greater economic value.



4.1 Company Overview

4.1.1 Company Introduction

Company Name GIGABYTE TECHNOLOGY CO., LTD.		
Chairman Dandy Yeh	Headquarters No. 6, Bao Chiang Rd. Xindian Dist., New Taipei City 231, Taiwan	Date Established April, 1986
President Liu, Ming-Hsiung		
Capital NT\$6.291 Billion	Products and Services Motherboards, graphics cards, computer cases, power supply, cooling products, computer systems, servers, network communication products, multimedia and computer peripherals, notebook computers, tablet computers, portable devices, smart phones	
Listing Listed on the TWSE for the first time on September 24, 1998	Number of employees Approx. 8,200 worldwide	Operating regions Taiwan, China, US, Germany, Netherlands, UK, France, Russia, Poland, India, Japan, Spain, Mexico, Egypt, Australia

■ Upgrade Your Life

GIGABYTE was founded in 1986 and "Upgrade Your Life" has been the driving force behind all of our future progress. By setting being the pioneer of innovation as the goal, GIGABYTE has launched the Ultra Durable™ technology that was a revolutionary industry breakthrough, the patented WINDFORCE™ technology which represents a breakthrough in hardware constraints, the G1 gaming series of high-end e-gaming products for gamers, as well as the BRIX series of super micro-computer small enough to be carried in one hand. GIGABYTE has opened up a whole new digital world in its own way. We will continue to create breathtaking products to provide you with a better lifestyle.

■ Customer is always right-Attentive service

GIGABYTE's consumer-oriented management philosophy is implemented at the beginning of product development. We appreciate your stringent demand for quality and service, therefore our ultra-durable motherboards and graphics cards are manufactured using only premium materials to ensure their reliability and performance over time. In addition, GIGABYTE is the first manufacture in the world to offer four-year guarantee for all our motherboards. Moreover, we have created a comprehensive global service network to provide swift, thoughtful aftersales service. We are determined to create a touching experience for you whilst using our products, and we are always thinking about your needs, because the smile on satisfied customers is our ultimate reward

4.1.2 GIGABYTE Chronicle

- 1989 Renamed as "GIGA-BYTE Technology Co., Ltd."
- 1998 Became a public-listed company and founded Dongguan Gigabyte Electronics Co., Ltd.
- 2000 Inauguration of Xindian headquarters and Taoyuan Nanping plant.
- 2002 Founded "GIGABYTE Education Foundation" to make contribution to the society.
- 2003 Inauguration of Ningbo plant in China.
- 2004 Received the 15th National Quality Award, quality system received recognition from the clients and consumers.
- 2011 K8100 gaming keyboard received Red Dot Award.
- 2012 Received the 13th Industrial Sustainable Excellence Award from MOEAIDB.
- 2013 Received Energy Saving and Carbon Reduction Label from EPA in the office category
- 2013 Aivia Neon received the Red Dot Award.
- 2013 Achieved 100% record! GIGABYTE received Taiwan Excellence Award for 16 consecutive years to claim 100% award rate.
- 2014 Received the "8th Outstanding Enterprise Award" and "2014 Outstanding Employer Award."
- 2014 Received Commonwealth CSR Award (Large Corporation Top 18) and TCSA Climate Leadership Award.
- 2014 Received New Taipei City Environmental Education Award (private corporation category – excellent award).
- 2015 AORUS THUNDER K7 and M7 received Red Dot Award.
- 2015 Received National Environmental Education Award (private corporation category – outstanding award)
- 2015 AORUS X5 received both the COMPUTEX BC Award and d&i Award
- 2015 Selected as one of the top 30 companies in Taiwan by GVM's CSR Survey.
- 2015 Grand Slam! 100% win rate for GIGABYTE submissions at 24th Taiwan Excellence Award



4.1.3 Global Service Locations

GIGABYTE's production bases are concentrated in Taiwan and China, including Taoyuan's Nanping plant, China's Dongguan and Ningbo plants. Our overseas subsidiaries are dispersed throughout the world: US, Germany, the Netherlands, UK, France, Russia, Poland, India, Japan, Spain, Mexico, Egypt and Australia, with over 100 service locations to provide total and thoughtful aftersales service.

■ Comprehensive service network

- 100 service locations across four major regions in the world: Western/Eastern Europe, China, Northeast/Southeast Asia, Australia, India, Middle East, and North/South America.
- Complete service network provides our customers with the fastest and most professional service.

■ Service philosophy of "Total quality and customer satisfaction"

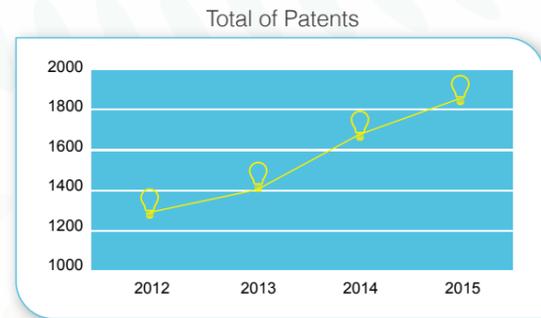
- 0800 toll-free hotline and online technical service in Taiwan provide instant technical consultation service to enhance customer satisfaction.
- Exclusive customer service webpage describes in detail various service contents such as: maintenance service, service status inquiry, product warranty and technical support to facilitate our customers in searching for product maintenance and troubleshooting information.
- We value the protection of our customers' personal information and abide by the personal information protection measures during the maintenance process.

Global Service Locations



4.1.4 R&D and Technological Innovations

Every year, GIGABYTE allocates 3% of our revenue, equivalent to 25% of our net profit to product R&D, thereby leading the industry to unveil innovative technologies every year with 1,859 patents secured between 2001 and 2015. For motherboards, graphics cards, notebooks and peripherals, GIGABYTE made safety, environmental protection, low-energy, power-saving and high-performance our goal to continue making breakthroughs in performance and quality. We have also developed cloud service solutions in response to recent cloud developments and applications.



■ GIGABYTE Thunderbolt™ 3 motherboard brings new reinforcements!

GIGABYTE's quality motherboard uses the Intel® Thunderbolt™ control chipset and supports the latest Thunderbolt™ 3 technology. The USB Type-C™ interface provides up to 40 Gb/s of massive bandwidth, double the bandwidth offered by the previous generation of Thunderbolt™ technology.

The USB Type-C™ interface supported by Thunderbolt™ 3 is compatible with the DisplayPort 1.2 standard and can be connected to 4K displays to output ultra-high resolution imagery at 60 FPS. USB Type-C™ with Thunderbolt™ 3 also comes with revolutionary features such as Power Delivery 2.0. A daisy-chaining architecture means the USB Type-C™ can be used to connect up to 6 external devices.

■ Five all-new high-end graphics card to create the dream team of e-gaming

The new generation of XTREME GAMING products represent the pinnacle of GIGABYTE graphics cards. From graphics performance, appearance to durability, these graphics card combine the most advanced functions and technologies. The handpicked core GPUs and premium materials challenge the extremes of gaming performance. Using the requirements of hardcore gamers as the starting point and top e-gamers as the target market, every aspect of the graphics card was re-designed and optimized to provide the ultimate gaming tool for players who seek to constantly surpass their own limits.



■ Slim and lightweight GTX 980M for high-end gaming and business

The 17" P37X and 15" P35X recommended as quality slim e-gaming notebooks by Notebookcheck, a well-known international review site, have been the preferred choice of many mobile gamers. Its slim, lightweight yet streamlined chassis comes with the powerful GTX 980M enthusiast-grade independent graphics card carrying double the VRAM of competitors (8GB) in its class. The most intimidating e-gaming specifications in history are packed into an ultra-slim metal chassis measuring just 20.9mm thick, so gamers do not need to compromise on performance when on the move!



■ World's first detachable magnetized mechanical keyboard

Players can adjust 80% of the keyboard and 20% of the macro keys at will for the optimal gaming experience. Cherry™ red keys are used throughout to provide players with the best tactile response and click-free result. The keys require a force of just 45g and are activated after a distance of just 2mm. The light touch is particularly well-suited to extended battles. The reinforced material increases the service life of keys to 50 million cycles, which is 10 times that of normal keyboards! This satisfies the demands of frequent and intense key presses while gaming.

4.1.5 Awards

GIGABYTE has not only long been one of Taiwan's top 100 exporters but is also committed to product innovation. We have embraced sustainable development to develop a series of energy-saving and high-performance products that satisfy customer requirements. We are also the recipient of many awards from international media and leading agencies every year. As of 2015, GIGABYTE has received over 13,538 awards. The many accolades represent recognition of our company's excellent product quality and business direction.

Having previously won the "Industrial Sustainable Excellence Award", the highest honor in the industrial sector, in 2012, GIGABYTE continued to embrace its mission of "Upgrade Your Life" and continued to stand by its corporate philosophy of giving back and caring about the society. In 2013, GIGABYTE received the "Energy Saving and Carbon Reduction Mark -Distinction" in the Office category from the Environmental Protection Administration; in 2014, the Commonwealth Magazine named GIGABYTE as a "New Star" in the large-scale enterprise

category of its "CommonWealth CSR Awards"; in 2015 GIGABYTE was ranked in the top 30 of the Global Views magazine "Annual CSR Survey." These accomplishments demonstrated the exceptional performance of GIGABYTE in aspects such as corporate governance, corporate commitment, social participation, environmental protection, business management, environmental education and employee care. The spirit of sustainability has been gradually internalized by corporate culture to become a part of the collective consciousness and practices.



2015 Award Record		
Date	Award	Organizer
2015-01	GA-Z97X-Gaming G1 high-performance gaming and multimedia motherboard	23rd Taiwan Excellence Awards
2015-01	AORUS X3 Plus-the world's most powerful 13" slim e-gaming notebook	23rd Taiwan Excellence Awards
2015-03	AORUS Thunder M7 MMO gaming mouse AORUS Thunder K7 - The world's first detachable magnetized mechanical keyboard	Winner of Germany's Red Dot Design Award, 2015
2015-06	Winner of the National Environmental Education Award - Merit	Environmental Protection Administration, Executive Yuan, Taiwan
2015-06	AORUS X5 - The most powerful 15" notebook on the surface of the planet	COMPUTEC BC Award d&i Award
2015-11	Excellent Breastfeeding Room - Friendly Workplace Category - Distinction	Health Department of New Taipei City



■ High-performance motherboard and slim e-gaming notebook wins "Taiwan Excellence Award"

The Taiwan Excellence Award is hosted by the MOEA and Taiwan External Trade Development Council (TAITRA) to promote great quality Taiwanese products in different categories. All selected products are judged in the five criteria of "R&D innovation", "Design", "Quality", "Marketing" and "Made in Taiwan" before they are awarded the "Taiwan Excellence" mark. To uphold our philosophy of "Boutique by GIGABYTE", we have developed energy-efficient and eco-friendly products that are aesthetically pleasing and user-friendly at the same time. In response to the future trend in the industry and the market, we have proposed product creativities endowed with differentiated appeals to stand out from more than 1,000 submissions and set the record of winning awards every year for the past 19 years. The high-performance multimedia motherboard that provided players with an immersive experience as well as the AORUS X3 Plus slim high-powered notebook released in 2015 were

both recognized with the Taiwan Excellence Awards, a testament to GIGABYTE's commitment to "Innovation and Quality." GIGABYTE has retained its Taiwan manufacturing facility for developing advanced mid- and high-end products such as motherboards, graphics cards and notebooks so that "Made in Taiwan" can continue to shine on the international stage.

■ Winner of the National Environmental Education Award - Merit

In order to promote environmental education at every level of the society, the Environmental Protection Administration of the Executive Yuan began hosting the "National Environmental Education Award" in 2012. The award encourages private enterprises, groups, individuals, schools, government agencies and communities to incorporate environmental education into their work. Under the rigorous competition process, the six types of units from above must pass through a 3-stage process of regional preliminary review, central re-review and central final review

in order to qualify for the national awards and public recognition of outstanding performance.

GIGABYTE has been promoting sustainability and environmental education through the "Green Action Plan" since 2009. No effort was spared in reaching out to stakeholders such as employees, nearby residents, visitors, consumers and suppliers for the promotion of environmental education and sustainability issues. The achievement of maximal results with minimal resources won praise from the judges and enabled GIGABYTE to stand out from other private enterprises to receive the Merit award.

(Note: See Chapter 5 Environmental Aspects for promotion of sustainability and environmental education)



4.1.6 Intellectual Property

Through systematic and institutionalized management, GIGABYTE has achieved remarkable performance in regards to intellectual property management. As far as patent is concerned, our patent personnel not only conduct a comprehensive patent search and analysis, this year we also reinforced our patent deployment in product strategy R&D. We have continued to engage in patent audits to improve our patent quality. This not only reduces costs but is also expected to endow our R&D personnel with a deeper appreciation about the concept of intellectual property while researching and developing new technologies, so that the patent quality and quantity can be significantly increased. Furthermore, the Patent Department also organizes internal patent education and training focusing on the different needs of our R&D personnel, as well as to expand the company colleagues' awareness toward intellectual property. Certainly, on top of our substantial and administrative awards in our annual patent reward system, GIGABYTE has further devised a R&D personnel incentive program to maximize the company's innovativeness. Generally speaking, the

patent system and systematic due diligence management have considerably improved GIGABYTE's patent application quantity and approval rate.

In terms of trademarks, the systematic management of trademark right acquisition and authorization has enabled us to monitor GIGABYTE's trademark application and authorization status throughout the world. In addition, we are also able to keep an eye on any third party intentionally trying to infringe upon the trademark rights of GIGABYTE, thereby protecting the company from trademark infringements or preventing the company from infringing the rights of others.

Our legal personnel also provide legal consultation services for GIGABYTE colleagues concerning questions on intellectual property in order to minimize legal risk.

GIGABYTE's intellectual property management system not only effectively utilizes management resources, but also protects the company's intellectual properties and operating profit. These in turn create new profits while enhancing the company's values and brand image.



4.1.7 Association Membership and International Involvement

GIGABYTE is committed to improving the efficiency of energy and resource usage as well as eliminating the use of hazardous substances. To realize the target of zero waste and zero pollution, we have joined relevant organizations such as the Climate Savers Computing Initiative and Carbon Disclosure Project (CDP). GIGABYTE has also joined key domestic industry associations such as Taiwan Electrical and Electronic Manufacturers' Association and Taipei Computer Association. In response to

stakeholder concern on sustainability topics and modern trends, GIGABYTE partnered with industry peers and other industries to establish the "Corporate Green Competitiveness Alliance", "User Experience Promotion Alliance, Taiwan" and more to continue promoting sustainable development with the highest ethical standards. We also hope to make a tangible contribution by applying technological innovations to the solving of environmental and social problems.



4.1.8 Market overview

■ Current state and developments in the industry

An IDC research report noted that, in 2015, the PC market was under threat from longer product life cycles, mobiles and tablets. Other factors included the drop in commodity prices, weakening in currencies other than the USD, as well as social turmoil in Europe, Middle-East, Africa (EMEA) and Asia-Pacific regions. These, along with the overall economic situation in China, all had a negative impact on the industry. This led a 10.4% decline in PC shipments worldwide for the year.

Competition remained intense in the global PC market in 2016. With the recent weakness of the Chinese economy, the PC market may remain relatively stable until the second half of the year when Windows 10 may drive a new wave of upgrades. The motherboard market delivered a strong performance this year due to increased demand for e-sports as well as the introduction of new virtual reality technology. The launch of new products should lead to more solid shipments in the second half of the year.

■ Market Share

GIGABYTE was founded in 1986 and is a leading global provider of motherboards. We focus on the development of critical technologies while providing thorough, attentive after-sales service. Motherboards form the mainstay of our product portfolio. Information provided by the Institute for Information Industry (III) indicated that motherboards produced by GIGABYTE enjoy a 13% share of the global market. In the future, we shall continue to boost our competitive advantage by cultivating our brand value and channel advantage. At the same time, we will

expand our branded products and service advantage to maintain high profit margins.

GIGABYTE will continue to boost our competitive advantage by cultivating our brand value and channel advantage. At the same time, we will expand our branded products and service advantage to maintain high profit margins.

Unit: Thousand pcs

Year	Global motherboard production	GIGABYTE motherboard production (Note 1)	Market share
2015	130,483	17,100	13%
2014	146,403	19,782	14%
2013	144,300	19,950	14%

Source: III statistics

Note (1) The 2015 GIGABYTE motherboard shipment data is for channel-type motherboard shipments

■ Future market growth

Green energy and cloud computing are the hottest topics in the PC market today. GIGABYTE is also building on our R&D advantage by not only to achieving several world firsts in performance, but also providing our customers with the best personalized service. Through innovative use of software and hardware, we not only provide users with more positive experiences and surprises, but also continue to garner awards and external recognition with our products. With sales generated by innovative technologies and new products, we are capable and confident to uphold our consistent management philosophy of reliability and practicality, so as to provide our clients with the best products and maximize the value of sustainable brand development. ◦

■ Future Business Environment

The overall domestic and overseas economic environment in 2016 poses a number of favorable and unfavorable factors to company operations. For example, a stronger USD and lower oil prices are continuing to affect exports and the oil industry. This however favors domestic consumption and a steady economic recovery. Whether interest rates will continue to rise will be a critical factor in determining economic growth. The European Central Bank will continue to promote the European version of a QE policy. The devaluation of the Euro as well as the flow of capital to Asia will continue to drive the strengthening of Asian currencies and influence the competitiveness of Taiwanese exports. The Chinese economy has slowed with new taxes that remove past incentives and increase costs. While oil prices are now stabilizing, they are still relatively low so commodity prices have continued to fall, making it impossible to increase shipping prices. A weaker RMB will impact on buying power and buyer interest. Low oil and commodity prices are weighing down

the economy of countries that export related products, resulting in reduced buying power and inventory demand.

The weakness of the international economy and political unrest in the Middle-East means that oil and material prices may continue to fall. In summary, with the exception of the US, all of the other major countries (or regions) experienced weak economic growth in 2016. With Japan and Europe both expanding the scale of their QE policy by introducing negative interest rates of currency devaluations to maintain the competitiveness of their exports, buying power and inventory demand in these countries have been affected as well. Sales and profits in these regions have therefore been indirectly affected. In 2016, the slowdown in the global economy as well as fluctuations in TWD will represent serious challenges to business profitability. GIGABYTE will continue to cultivate and consolidate our operations in key markets to reduce the impact of the unfavorable factors.

■ Short-term Plan

Market

With the strong demand for personalized digital integration services as well as e-sports and other high-performance products last year, GIGABYTE expects to continue releasing products that combine cloud technology with slim design. At the same time, we will release e-sports products designed for high-performance, high-quality and ultra high durability. These will not only satisfy the user demand for constant access to cloud services, but also meet the needs of professional and hardcore gamers, making us the most competitive leading brand in the market.

Products

GIGABYTE has long been committed to high quality and innovative R&D. Our products have won the recognition of many top international awards. Apart from focusing on high quality, ultra high durability and high performance, we have also followed a strategy of following high standards on smart energy conservation and electronic safety. Ecology, environment and energy-saving are considered from the start of the design process to provide customers with the best green products. The launch of new products is complemented by product safety guarantees, environmental safety inspections, smart energy-saving services and disclosure of carbon footprints to satisfy different user segments. GIGABYTE will further strengthen the integrity, performance and value of our branded products in order to realize higher profit margins.

Marketing

Innovative and differentiated marketing are combined with co-marketing conducted in conjunction with major international upstream manufacturers such as Intel, AMD, NVIDIA and strategic brand alliances (software companies) to enhance brand exposure and awareness.

Channel development

Strengthen cooperation with distributors to ensure that market strategies tailored to local conditions can realize their goals. Virtual and physical channels will be progressively integrated. Local marketing will be strengthened with appropriate services and support provided to boost brand value and sales.

Service

With the coming of the digital age, support for all channels will interact more effectively with customers and build long-term relationships to further enhance customer satisfaction. We will also communicate the values of our commitment even more quickly.

■ Long-term Plan

(1) GIGABYTE will continue to uphold our brand spirit of "Upgrade Your Life" and continue to release products that are both attractive and competitive while also expanding our product lines and market position.

(2) Trends such as cloud technology and personalized digital lifestyle will be leveraged to achieve more diverse and innovative products in order to identify new market niches, expand our market, boost our customer base and deliver long-term growth in revenues and profits for the Company.

(3) GIGABYTE specializes in the R&D of high-quality, ultra-durable and high-performance products. We have long focused on the development of green product technology. We hope to convert green energy technology and green products into customer trust in GIGABYTE. This can then be converted into a corporate competitive advantage to realize even more growth for the Company.



4.1.9 Financial Performance

Investor communication

GIGABYTE publishes revenue information every month and organizes AGM every year; all relevant information can be obtained from GIGABYTE's official website. The company has instated a spokesperson, acting-spokesperson and stock affairs unit responsible for communicating company information to the investors, so as to ensure that they fully understand the company's operating guidelines. Shareholders are entitled to propose motions at the AGM in accordance with the Company Act. Furthermore, the company has established the investors' section to regularly update related information. In addition, the shareholders and investors can also express their concerns and suggestions through the shareholder service email. GIGABYTE strives to enhance our operational transparency so that the investors can receive additional information while making their investment decisions.

GIGABYTE official website : www.gigabyte.tw/
 Stockholder service email : stockholder@gigabyte.com

Financial performance

GIGABYTE has always set an example of honesty and practicality. We possess sound business management, sales channels and comprehensive customer service, continue to achieve innovative brand and technology, provide customers with excellent value, and receive strong support and recognition from international awards and the media. Our operations have continued to grow at a steady pace. In 2015,

2014 earnings were issued to investors with cash dividends of 2.5 TWD per ordinary share; generally speaking, there was only a slight decline in 2015 compared to the previous year. Revenue was reduced by 6.81% and net profits after tax was reduced by 19.88%. For more information, please refer to the relevant financial disclosures in the GIGABYTE Annual Report. <http://www.gigabyte.tw/gigabyte.aspx?s=36>

Financial information for the GIGABYTE Group

Item	2015	2014	Change	Change(%)
Operating Income	50.829 billion	54.542 billion	-3.713 billion	-6.81%
Gross Operating Profit	8.761 billion	9.468 billion	-707 million	-7.47%
Net Profit after Tax	1.923 billion	2.400 billion	-477 million	-19.88%

Unit: TWD

Item		2015	2014
Financial Structure (%)	Debt Asset Ratio (%)	32.15	32.99
	Long-term Capital Ratio (%)	574.06	544.04
Debt Paying Ability (%)	Current Ratio (%)	274.81	251.95
	Quick Ratio (%)	176.00	161.03
Profitability (%)	Return on Assets (%)	5.74	7.02
	Return on Equity (%)	8.51	10.80
	Profit Margin (%)	3.78	4.39
	Earnings Per Share (TWD)	3.05	3.82

Sales Volume and Value over the Last Two Years

Unit: 1,000 pieces/TWD million

Main products	volume and value	2014				2015			
		Domestic sales		Export		Domestic sales		Export	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Motherboard	366	708	19,010	30,599	357	762	16,543	28,152	
Other		1,554		21,681		1,280		20,635	
Total		2,262		52,280		2,042		48,787	

Note: The table contains net sales statistics.

Sales Amount and Percentage Across Various Regions over the Past Three Years

Unit: TWD1,000

Region	Year	2013		2014		2015	
		Amount	%	Amount	%	Amount	%
Asia		26,726,662	52.28	26,036,670	47.74	26,597,688	52.33
Europe		13,179,842	25.78	15,779,293	28.93	10,954,415	21.55
US and Canada		6,384,545	12.49	7,822,318	14.34	7,119,292	14.01
Other regions		1,592,976	3.12	1,984,359	3.64	3,904,849	7.68
Domestic sales		3,234,969	6.33	2,919,047	5.35	2,252,568	4.43
Total		51,118,994	100.00	54,541,687	100.00	50,828,792	100.00

4.2 Customer Service and Supplier Management

Sustainable corporate development depends on sustained economic performance and growth and respect for customer feedback, satisfaction of customer needs, and the winning of customer recognition and support. Stable economic performance must also be balanced against the environmental and social aspects as well, so that the economic growth and sustainability of the business itself will also promote mutual prosperity and sharing in society.

GIGABYTE's consumer-oriented management philosophy is implemented at the beginning of product development. Not only do we uphold the attitude of innovation, care and service, we are also focused on the R&D, design and innovation of green products, so as to contribute our efforts and expertise to protecting the Earth. Furthermore, we are also devoted to implementing various environmental management standards such as quality, environment, occupational health and safety and hazardous substance management systems to achieve the goal of constant improvement. By manufacturing high quality products, extending their lifespan, minimizing unnecessary depletion of energy and resources and making the best use of the Earth's resources, we strive to garner our clients' trust and highest level of satisfaction.

GIGABYTE considers suppliers to be our long-term partners in building a stable and sustainable supply chain. GIGABYTE tier-1 suppliers are required to set up an environmental management system and all have now achieved ISO14001 certification.



Besides conforming to GIGABYTE's Eco Product Requirement, Hazard Chemical Substance Regulation (HCSR) and paying attention to supplier quality, delivery date, service and price, we also request our suppliers to value human rights and monitor global environmental issues in order to create a sustainable supply chain and fulfill CSR jointly.

4.2.1 Customer Service

The consumer-oriented philosophy at GIGABYTE strives to ensure an exceptional consumer experience from the start of product development through to the entire product life cycle. The ultra-durable motherboards and graphics card from GIGABYTE all use the highest quality materials and the most advanced energy-saving technologies to ensure stable product performance over the long-term while protecting the environment. GIGABYTE also pioneered 4-year warranties on all motherboards. We have now established a comprehensive worldwide service network to deliver swift, attentive after-sales service. We also use consumer support networks, social network management, blogs,

media reviews and global forums to demonstrate the exceptional performance of the GIGABYTE brand and to provide consumers with the latest professional information. The diversity of channels for real-time consumer interaction contributes to delivering comprehensive pre- and after-sales service. All GIGABYTE service centers throughout Taiwan have long promoted recycling and plastic reduction as well with computers and other electronic products of any brand all accepted for recycling. This not only provides consumers with a convenient service and builds up brand loyalty, but also contributes to the sustainability of planet Earth.

GIGABYTE has over 100 service locations in four major global regions to provide aftersales services. We have also established a dedicated customer service webpage explaining various services, including maintenance service, service status inquiry, product warranty and technical support to facilitate our customers in searching for product maintenance and troubleshooting information. Toll-free hotline is available in Taiwan to provide consumers with technical consultation, so when our clients experience any problem with the products they are able to receive solutions as soon as possible.

Consumer Service Network in Taiwan (<http://service.gigabyte.tw/>)



GIGABYTE social networks

- GIGABYTE Facebook <https://www.facebook.com/GIGABYTE/>
- GIGABYTE Channel <https://www.youtube.com/user/GIGABYTEChannel>
- GIGABYTE Instagram https://www.instagram.com/gigabyte_official/
- GIGABYTE SNS <http://www.gigabyte.tw/gigabyte.aspx?s=95>
- GIGABYTE Forum <http://www.gigabyte.tw/gigabyte.aspx?s=101>

4.2.2 Customer Satisfaction

GIGABYTE regularly holds customer satisfaction survey to ensure that our customers' needs are properly taken care of and to achieve high-satisfaction service. From 2010 to 2015, the company's fast service center averaged a customer satisfaction of 98.15%. The customer satisfaction survey was obtained by inviting GIGABYTE customers to fill in the questionnaire on the consumer service system. GIGABYTE proposed improvement solutions and created an effective report-back system. We perceive the outcome of the customer satisfaction survey as the company's performance indicator and an important yardstick against which the evaluation of our future growth is measured. We also believe that improving customer satisfaction is an integral part of customer loyalty and sales growth. In addition, GIGABYTE also hosts a variety of promotions at different times such as "GIGABYTE Welcomes the Year of Goat" and "GIGABYTE Black Edition Motherboard Giveaway" to appreciate consumers' support for our products and cultivate good customer relations.

4.2.3 Customer Personal Information Protection

When carrying our maintenance work, GIGABYTE perceives great importance in protecting our clients' personal information by implementing the following personal information protection measures. In 2015, GIGABYTE did not receive any complaints for violating our customers' privacy or loss of data.

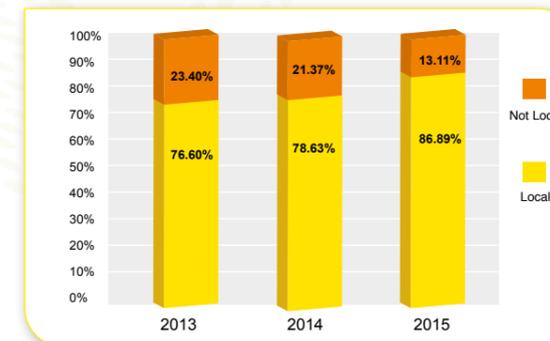
Customer Personal Information Protection Measures

- 1 The customer's triplicate form is sent back to the headquarters to be destroyed every six months as per the company's ISO regulations.
- 2 The telephone service records can only be used by our intranet; furthermore, different levels of clearance are set up for different accounts, and the information cannot be accessed by external networks.
- 3 For email reply services, personnel using the system are assigned different clearance levels and accounts, and the data can only be accessed via specific networks. No access is permitted from external networks.
- 4 Our accessories are only sold through telephone ordering to prevent the risk of personal information leakage associated with online shopping.

4.2.4 Supplier Risk Management

Suppliers are important partners of GIGABYTE, and we pursue the sustainable management of the company and growth through close collaboration with our suppliers. Under our material purchasing policies, we only choose qualified local suppliers in order to ensure supply efficiency and in the meantime to support the local economy. By strengthening the proportion of local purchasing, we can reduce attrition from logistics, use of energy resources and carbon emissions to realize a win-win outcome for both parties. GIGABYTE's main production facilities are located in Taiwan as well as Dongguan and Ningbo in China. Around 350 suppliers and contractors are long-term GIGABYTE partners and the proportion of local purchasing has continued to increase every year and reached 86.89% in 2015.

Proportion of Local Purchasing



GIGABYTE's Main Suppliers

Main product name	Main material name	Main material name	Supply condition
		Main supplier	
Motherboard and graphics card	Chipset and IC	INTEL	Steady
		NVIDIA	Steady
		AMD	Steady
	Other important components	Global Brands Manufacture Ltd.	Steady
		Hon Hai Precision Industry Co., Ltd.	Steady
		LOTES Co., Ltd.	Steady
	Promate Electronic Co., Ltd.	Steady	

- Supplier audit: Basic certification (environmental management system, green certification etc.), financial, personnel, machinery, material and equipment audit, productivity audit and up/downstream supplier audit.
- Supplier selection: GIGABYTE's suppliers are selected from the list of qualified suppliers.
- Supplier interaction: Each year, we sign productivity guarantee, quality and green contracts with our suppliers to stipulate each other's rights and obligations.
- Supplier evaluation: We conduct quarterly and annual supplier evaluations based on performance criteria, including quality, flexibility, price and service.
- Supplier replacement: After the supplier evaluation, we will conduct review to replace suppliers that do not qualify.

4.2.5 Fair Trade and Green Purchasing

"Fair trade and green purchasing" is the first step to GIGABYTE's sustainable supply chain management. Besides providing reasonable purchasing price and preventing the suppliers from using hazardous substances for the sake of cost reduction, in order to decrease the impact of hazardous substance on people and the environment, all our purchased products must comply with the company's "Harmful Chemical Substances Requirements (HCSR) in order to mitigate potential risks of the products. At the same time, in order to enable the suppliers to understand the company's relevant measures for CSR and sustainable development, the company has organized supplier conventions prior to implementing various policies and measures. The purpose of the convention is to communicate both sides' opinions and provide the necessary assistance. °

4.2.6 Supplier Audit

Supplier management is implemented through the three dimensions of system implementation, product specification, review and assessment. GIGABYTE Group requires tier-1 suppliers to set up an environmental management system and all tier-1 suppliers have now passed ISO14001 certification. The auditing of key Tier-1 suppliers makes suppliers emphasize the management of their own upstream suppliers in order to realize the goal of sustainable supply chain management.

Supplier audit is the second step to GIGABYTE's sustainable supply chain management. The supplier must fill in the "Product, Environment and Substance Management System Evaluation Form" and "Environmental Health and Safety Management Evaluation Form". Furthermore, besides general assessment items such as quality, price, delivery date and service, the suppliers must also comply with GIGABYTE's Harmful Chemical Substances Requirements (HCSR) and sign the Declaration of Conformity in order to implement green supply chain management. In regards to components, the suppliers may collaborate with us through Green

Supply Chain Management (GSCM), where they can proceed with the relevant Declarations of Conformity, in turn reducing the time frame via systematic control. As a result, we can achieve effective communication, tracking and management and in turn eliminate the possibility of using components containing restricted or prohibited hazardous substances. Each supplier may understand GIGABYTE's latest "Hazardous Substance Regulation" through the platform as well as relevant regulations on green products.

GIGABYTE is continuing to conduct random supplier inspections on product responsibility, environmental protection, occupational safety and health, and sustainable development. In 2015, 8.86% suppliers were inspected. Counseling was provided to at-risk suppliers and 60 days given for corrective action in order to improve product quality, reduce corporate risk, realize joint growth with the supplier, and fulfill the goal of mutual success. GIGABYTE will terminate its relationship with any supplier found to have negatively impacted on the local society by violating local social or labor-related laws and regulations .

4.2.7 Supply Chain Labor Rights and Ethical Requirements

GIGABYTE requires suppliers to comply with laws on labor rights and conflict minerals.



■ Voluntary compliance with the Electronic Industry Code of Conduct (EICC)

Although GIGABYTE is not an official member of the Electronic Industry Citizenship Coalition (EICC), we continue to support the code of conduct promulgated by the coalition voluntarily, including labor, health and safety, environment, ethics and management systems. In addition to obeying the local laws by applying the highest ethical standards and Electronic Industry Code of Conduct (EICC), GIGABYTE also demands our suppliers in the supply chain to comply with environmental, health and safety, labor rights and labor conditions.



■ Non-use of conflict minerals

Conflict minerals are metals exploited under conditions such as armed conflicts, illegal mining, human rights violations, and poor working environments, especially minerals in possession of armed forces in the Democratic Republic of the Congo and nearby countries, including tantalum, tin, tungsten and gold. The minerals are used to finance armed conflicts. Since large quantities of such minerals are used by the high-tech and manufacturing industries, they have become a risk that must be contained in order to ensure sustainable supply chain management. GIGABYTE has conveyed to our suppliers the principle of non-use and non-support of conflict minerals through our group official website and in the contract. Furthermore, we request our suppliers in the supply chain that the components they supply GIGABYTE may not contain aforementioned conflict minerals. In addition, we also launched non-used investigations to minimize the impact of "conflict minerals," thereby making sure the purchasing conducts of our suppliers are in line with GIGABYTE's expectations on conflict minerals.

4.2.8 Restrictions on the Use of Hazardous Substances

GIGABYTE became the first system brand vendor in the world to pass IECQ QC 080000 certification in 2005. Lead-free production processes were adopted for our products and a green material management system introduced to establish a green supply chain. Green Supply Chain Management (GSCM) is used to integrate component suppliers and link to the relevant regulatory review and approval processes. Through effective communication, tracking and management, components that contain restricted chemical substances are eliminated from the supply chain. All suppliers can use the system platform to check the latest version of HCSR issued by GIGABYTE Group as well as the relevant green product specifications.

Product suppliers are required to conform to the GIGABYTE Technology Group Guideline for the Management of Harmful Chemical Substances Requirements (HCSR), RoHS, WEEE and other regional pollution prevention or waste disposal-related environmental regulations. For environmental laws or substance management regulations specified by GIGABYTE such as the Substance of Very High Concern (SVHC) defined by the EU REACH legislation or Level B and Level C substances defined in the HCSR, suppliers should cooperate with inspections and voluntarily report the results. Suppliers must also sign the Certificate of Non-use of the Controlled Substances as well as a declaration of conformity on SVHC in EU REACH legislation.

4.2.9 Partner Excellence Award

GIGABYTE hosts suppliers' conferences at different times to help suppliers understand our expectations on quality, environmental issues and sustainable supply chain management. We have also used the end of year supplier banquet to build up quality consensus for three straight years to emphasize the importance that GIGABYTE places on sustainability issues. To thank our supplier partners for their longstanding support and contribution, outstanding suppliers are recognized through the "Partner Excellence Award" and "Best Partner Award".



4.2.10 Supplier Sustainability Award

GIGABYTE invests time and manpower in sustainable management while also influencing suppliers to follow our example in embracing and fulfilling CSR. To boost our suppliers' sustainable development ability, GIGABYTE has developed the "Supplier CSR Self-Assessment Tool". The self-assessment and evaluation mechanism helps suppliers effectively implement GIGABYTE's requirements on CSR management, anti-corruption/bribery, employee's basic human rights, prohibition on child labor, occupational safety & health, environmental protection, supply chain responsibility as well as social and local contributions at all levels. Each year, the "Supplier Sustainability Award" is awarded to suppliers that have demonstrated outstanding CSR performance in order to commend their endeavors in CSR and in turn communicate GIGABYTE's emphasis and determination in the sustainable development of our supply chain.

The Six Assessment Dimensions of Supplier Sustainability Award



4.2.11 Integration of Supply Chain Resources to Boost Green Competitiveness

GIGABYTE not only developed a green cloud platform by combining the supply chain with our soft power, we also convened joint supplier conventions with MSI and MiTAC so that the suppliers will be able to respond to the risks of green operation.

■ Green Competitiveness Alliance for Sustainability

In response to the international trend on sustainability development, GIGABYTE supported the Taipei Computer Association's proposal to establish the "Corporate Green Competitiveness Alliance." Founding members including Epson Taiwan, Lite-On, Acer, GIGABYTE, Pegatron, MiTAC, HP, ASUS, MSI, Quanta Computer, ETI, Wistron and Viewsonic. Key initiatives included:

1. Convening supplier conventions to promote the standardization of components and GP cloud platform in order to minimize resource waste and risk.
2. Conflict mineral response and platform promotion.

As the head of the Corporate Green Competitiveness Alliance, GIGABYTE aims to help our members to respond to global green environmental regulations, grasp the green trend, create green values and compile industry advices and policy topics. In doing so, we can form a mutually beneficial and sustainable business environment. We also promoted the "Minimize Risk and Resource Waste" seminar in hopes of reinforcing the sustainable development of the supply chain.

■ Building the world's largest material GP certification database to enhance the competitiveness of Taiwanese industry

GIGABYTE and MiTAC partnered to found "Green Share", a green cloud platform that hosts the world's largest raw material GP certification database. The database is connected to the GP network of the global electronics industry and aims to provide a comprehensive management system for supplier GP certification, sharing of restricted substance information, and lower waste from duplicated resources. It will boost the competitiveness of Taiwanese industry by reducing environmental impact and burden on suppliers. Other system vendors are welcome to join the alliance in the future.

4.2.12 Chinese Distributors Visit GIGABYTE Headquarters

Sustainable development and continuous innovation are crucial to the longevity and strength of a brand. To help GIGABYTE partners understand our sustainable development philosophy in order to promote trust and consensus, in 2015 GIGABYTE eSports Peripherals invited more than 70 Chinese distributors to visit the GIGABYTE headquarters. The GIGABYTE philosophy of sustainable development and results along with the marketing strategy for e-sports peripherals were shared through the theme of "Vitality of Sustainability." Distributors were also given a tour of GIGABYTE's laboratories and equipment for innovative R&D in a demonstration of our R&D prowess and commitment to sustainability. The multi-faceted seminar and tour was used to communicate and bond with distributors. We hope this will facilitate future business cooperation while also communicating the values of sustainable corporate development.

Visit by Chinese Distributors of eSports Peripherals.





5 > Environmental Aspect

5.1 Environmental Management Policy

5.1.1 Green Management

GIGABYTE pays close attention to the global environmental trends and we perceive environmental protection as the responsibility of our enterprise. In addition to observing the environmental laws at our various operating locations, we also monitor the latest developments in the global environmental issues. Furthermore, we have employed several eco-friendly actions, developed a green cloud platform with fellow industry manufacturers and formed the "Corporate Green Competitiveness Alliance" to enhance environmental protection performance.

In 1998, GIGABYTE received ISO14000 and ISO 9000 certification and in 2005 we became the first IECQ QC 080000 certified systems brand manufacturer in the world. Lead-free production processes were adopted for our products and a green material management system was introduced to establish a green supply chain. This ensured our compliance with EU RoHS requirements and allowed us to provide users with safe computer equipment. In terms of green technology, we focus on product quality to increase their lifespan and energy efficiency. In 2010, we implemented the ISO14064 GHG inventory system. On the basis of accumulated experience and efforts over the past decade, we have received affirmations by winning numerous sustainable development related awards since 2012. These included the Industrial Sustainable Excellence Award from the Industrial Development Bureau, the Corporate Citizenship Award from Commonwealth Magazine, the Taiwan Corporate Sustainability Award, and the National Environmental Education Award. Environmental topics are gaining importance worldwide and among our

stakeholders. Regulation is becoming stricter as well. GIGABYTE will make compliance our basic principle while setting ethical standards that surpass government regulations. We shall embrace environmental management throughout the company and deliver triple returns in the economy, environment and society.

■ Establishment of an environmental management system

GIGABYTE has introduced the ISO14001 Environmental Management System to manage operations in all our plants. By combining the "Plan-Do-Check-Act" approach with the annual audit and the company's TQA (Total Quality Assurance) activity, we have created awards to constantly promote conducts that improve the environmental performance.

■ Environment and safety policy

The following environment and safety policies of GIGABYTE are stipulated in accordance with the requirements of ISO14001/OHSAS 18001:

- Execute clean production, contamination prevention and continual improvement.
- Observe environmental, health and safety regulations, and other related requirements.
- Encourage suppliers to perform environmental protection, health and safety programs.
- Control safety and health risks. Prevent injury and bad health.
- Volunteer to monitor, control and reduce greenhouse gases, and to continually save energy and resources.
- Realize the elimination of environmentally prohibited substances from products as well as meet the targets for recovery, reuse and recycling.

- Communicate company-wide with all personnel controlled by the company and make them aware of their personal environmental safety and health responsibilities.

5.1.2 Air Pollution Prevention

GIGABYTE's primary air pollution prevention strategy is based on using process optimization to reduce the amount of pollutants in emissions. The secondary strategy is using high-performance equipment to scrub pollutants from emissions. Concentrations of pollutants emitted into the atmosphere must meet or be under government regulations.

Our Ningbo plant has two sets of powder coating and electronic waste emission treatment systems for treating Xylene and non-methane hydrocarbons (NMCHC). The remaining plants are in industries that do not require EPA monitoring and their processes do not emit controlled pollutants.



5.1.3 Cherish the Water Resources

Global climate change has made the development and allocation of water resources an important issue around the world. Rainfall in the wet and dry season have become increasingly extreme in Taiwan since 2009, highlighting the increasing risk of drought and flooding. In April 2015, there were water shortages throughout Taiwan during the summer leading to water restrictions being imposed. This impacted both industrial and domestic water consumption. The increasing severity of water resource risk means that GIGABYTE is now using all possible channels to strengthen water management and promote water conservation.

■ Water resource management

GIGABYTE knows that extreme precipitation is the result of global warming and climate change. The former must be solved before the latter can be dealt with. As this process make take several decades, water resource management is therefore a crucial part of climate change risk management and adaptation for businesses. Government collaboration is also particularly essential for water resource management compared to other methods for coping with climate change. GIGABYTE's main production process does not require water resources so the ISO 14001 management system was used as the basis for water conservation measures.

The bulk of water consumption comes from plant infrastructure (e.g. recycled water for air-conditioning and compressors) as well as employee's domestic water consumption. All water resources come from public utilities. GIGABYTE does not draw up on rivers or ground water directly so causes no significant impact on water sources and community water supplies.

In 2015, GIGABYTE plants in Taiwan and China consumed 349,000 kiloliters of water, with each person consuming an average of 58.74 tons of water per year. Compared to 2010, the average water consumption has decreased by 13.58%. In 2015, our total effluent was 299,300 kiloliters, with the effluent emission density of 5.51m³/NT\$1 million, which was a reduction of 13.14% compared to 2010.



■ Water recovery

The effluent treatment facility at the plastic painting production line at the Ningbo plant, China is able to achieve 100% reuse rate, recycling 1,500m³ of water annually. The plastic molding shop's cooling water facility has 100% reuse rate and recycles 1,000m³ of water every year. The central air-conditioning unit's cooling water recycling equipment is rated at 1,000m³/h and achieves 100% reuse rate also. It has an annual water consumption of 5,000m³. The mold shop is cleaned using recycled steam condensate, achieving an annual recycled water volume of 100m³.

● Increasing awareness on water conservation

Water resources and climate change are both important environmental issues today. In the spirit of "worry about shortages during times of plenty", GIGABYTE routinely promotes the importance of water conservation rather than only taking action after water restrictions are announced. All of the fittings at our office buildings and factories have the water-saving mark. Posters are also put up to promote water conservation. A range of channels encourage everyone to treasure water resources and make this a habit in their everyday lives.



5.1.4 Waste Reduction

In terms of waste management, the traditional way of cleaning and processing was replaced with effective management of resources and implemented in daily operations. Innovative methods are also incentivized.

Waste is now treated as resources and managed accordingly through proper sorting at the source to improve the recyclability of waste. GIGABYTE also collaborates with waste disposal and recycling firms to identify and develop potential recycling methods in order to reduce the amount of waste ultimately sent to incinerators and landfills. We also actively work with material suppliers to reduce the amount of chemical use at the source and the generation of waste chemicals. Joint research is carried out on the recovery of raw materials by the supplier for re-working in order to realize the targets of sustainable resource recycling.

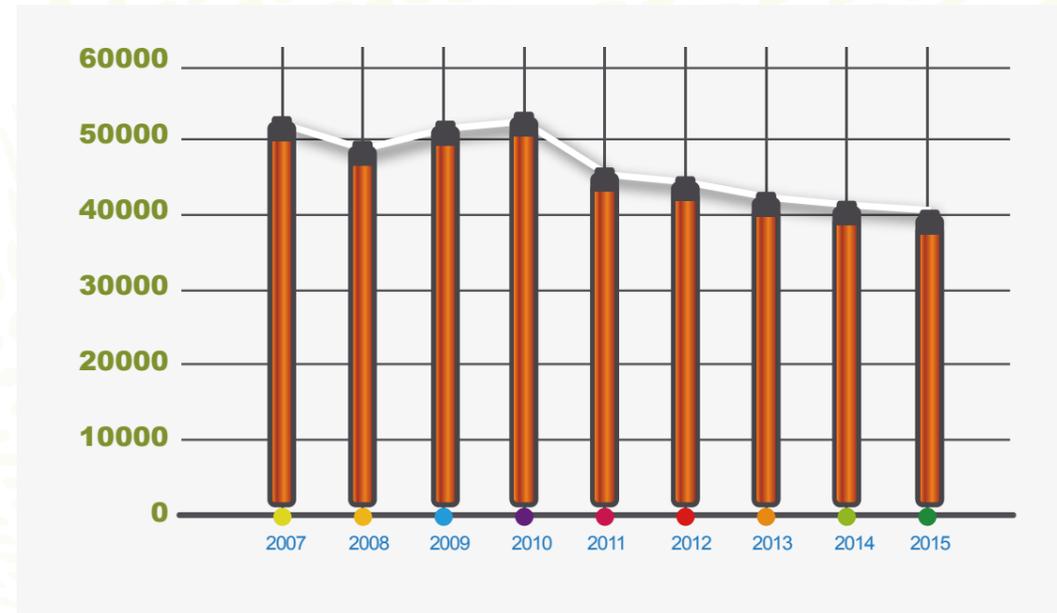
In 2015, we produced 410.50 metric tons of general waste, 1,408.83 metric tons of recycled resources, and 61.40 metric tons of hazardous wastes. In particular, the generation of hazardous wastes average 0.004 metric tons per 1,000 units of production, which was a 49.84% reduction from 2010. The company has commissioned legal waste management service providers to remove the three major types of wastes mentioned above and adequately reuse recycled substances. We also comply with the regulations of the Basel Convention.



5.1.5 Conservation of Energy Resources

Over the past several years, the total electricity consumption by all four plants of GIGABYTE was around 48,000 to 53,000 MWh per year. After the launch of “Green Action Plan” in 2009, power consumption has gradually decreased each year. In 2015, the power consumption dropped to 40,454 MWh, a reduction of 11,527 MWh compared to 2009 and equivalent to a 28.48% decrease in power consumption per 1,000 units of production, it was a significant improvement. The direct energy consumption of all four GIGABYTE plants in 2015 are 1,990.48 metric tons of steam, 37.58 kl of petrol, 8.74 kl of diesel, 0.51 kl of LPG. Compared to 2009, the consumption of steam, petrol, diesel and LPG decreased by 90.87% mainly due to steam not being used during the summer.

Power Consumption over the Years (MWh)



5.2 Climate Change Mitigation and Adaptation Strategy

Climate change is an important global issue and one of the key topics in sustainable management at GIGABYTE. We pay close attention to global climate change trends and international developments. Climate change is also listed as an important business risk. We analyze and monitor related issues including risk and opportunity identification, response strategies and greenhouse gas emission management. Any special developments are reported to members of the Board.

5.2.1 Climate Change Risks and Opportunities

GIGABYTE monitors international and domestic trends in climate change. The business risks and opportunities are also monitored in terms of three aspects: Regulatory, Operations and Product. These are described below:

■ Climate change risk

- **Regulatory risk:** Every country is now introducing rules for "controlling greenhouse gas emissions" as part of an international trend. GIGABYTE's main factories are located in Taiwan and China. Both Taiwan's "Greenhouse Gas Reduction Act" and China's "13th 5-Year Plan" will impose stricter mandatory controls on GHG emissions. GIGABYTE began carrying out voluntary carbon emission inventories in 2009. We also continued to monitor regulatory developments in the industry.

- **Operating risk:** Major climate events such as changes in precipitation pattern, water shortages, droughts and typhoons are now all climate risks that everyone must face together. They can also

disrupt business operations and the supply chain. GIGABYTE has defined internal emergency response procedures and crisis management plans for typhoons, earthquakes, fire and flooding. There is also a crisis management procedure for corporate image. Externally, we work to strengthen the sustainable development awareness and initiatives of our supply chain partners.

- **Product risks:** Consumers now expect greater transparency on the environmental impact of green products and product life cycles. Businesses must therefore pay greater attention to product risks and their brand image. GIGABYTE therefore actively provides consumers with high-quality products that comply with environmental regulations and conserve energy resources in order to reduce their environmental impacts. GIGABYTE is continuing to monitor our energy efficiency during production and product use in order to evaluate the environmental impacts and to ensure that our products conform to the regulations of sale in various countries and satisfy consumer expectations.

■ Climate change opportunities

- **Regulatory aspect:** GIGABYTE is now voluntarily reducing our carbon emissions and actively increasing the energy efficiency of our products. Our mastery of regulatory developments allows us to enhance our brand competitiveness with greater precision.

- **Operating aspect:** Mitigating and adapting to climate change is now a collective responsibility, creating an opportunity for communication between different stakeholders. By either promoting internal operational and management initiatives within a company or facilitating communication with external partners, branded enterprises will be able to reach a consensus more easily and work together towards a sustainable future.

- **Product aspect:** GIGABYTE's strength in R&D and high standards on quality has produced many motherboards that led the industry in terms of energy-efficiency. We have also worked with providers to set up a product environmental impact assessment system.



5.2.2 Response Strategies to Climate Change

Since 2009, GIGABYTE has conducted internal education on climate risk and management through the "GIGABYTE Green Sustainable Development Committee" and the "Green Action Plan." The implementation of various initiatives has helped employees understand and respond to potential problems. The strategy for responding to climate change has the five following key aspects:

■ **Topic planning and management:** To manage climate change adaptation and mitigation, GIGABYTE has assigned dedicated staff to monitor international developments of climate change management and to study the conclusions of UN conferences on climate change each year; monthly meetings are convened to track potential carbon risk topics and define the company's environmental policy and targets based on an international consensus.

■ **Organizational operations:** GIGABYTE now conducts regular inventories and management of energy consumption and carbon emissions from operations. The scope of audits is being gradually expanded as well to examine contributions and improvements to carbon emissions at every stage. We are also continuing to track trends in government legislation and global sustainable development in order to respond to potential future impacts such as higher water and electricity rates, impact of climate disasters on operations, and supply chain risks.

■ **Product management and innovation:** To ensure our product quality and consumer rights, GIGABYTE set up a dedicated laboratory for testing the operational performance of our products during climate extremes. We also hosted the "Green Product Innovation Event" to encourage employees to develop green products that combine innovation, value and sustainability in order to serve as a basis for the promotion of green products.

■ **Sustainability and environmental education:** The Green Action Plan is adopted to promote environmental education among all employees so they can practice it at work and in everyday life. We also participate in local environmental initiatives in Taiwan while connecting with environmental proposals around the world such as the Earth Day and protecting the ecological environment of local communities.

■ **Urban regulation and mitigation:** The "G-HOME GIGABYTE Sustainable Eco-Roof" was based on an eco-friendly design. GIGABYTE is now working with the industry, government and universities to provide a multi-functional solution for climate change adaptation and mitigation solution.



5.2.3 Climate Change Mitigation

■ Dedicated to the development of low carbon technology and creation of carbon reduction goals

The GIGABYTE Group is very much aware of how the Earth's climate and environment is worsening due to climate change. As a global citizen, GIGABYTE has introduced clean production systems, developed energy-saving products, improved production processes and efficiency, and introduced the ISO14064 GHG inventory system. The GHG report provides disclosure of our company's GHG inventory and management efforts. By effectively tracking our GHG emissions, GIGABYTE is able to build up consensus within the company and continue with our GHG reductions in order to help slow global warming and fulfill our CSR.

■ Group-wide carbon reduction target reached ahead of schedule-2020 new target and expectations

In 2015, our greenhouse gas emission continued to decline, with an emission volume of 29,456.07 metric tons, the figure was 19,501.07 metric tons less than 48,957.14 metric tons in 2009. In other words, the internal activity carbon emission reduced by 39.83%.

Since we reached the 2020 target in 2012, the target was adjusted in 2013 to decreasing group-wide internal activities by 40% by 2020, using 2009 as the baseline.

■ Greenhouse gas reduction strategies and methods

After assessing our internal and external conditions, we formulated the following greenhouse gas reduction strategies:

1. Implement energy-saving and carbon reduction measures throughout the enterprise based on a principle of "No Regrets". Green products and services are to be developed to leverage our corporate expertise in helping society realize green innovation.
2. In response to national energy policies, SOPs for energy-consuming equipment were defined to improve energy efficiency and reduce carbon emissions.
3. To meet the GHG reduction targets set by the organization, aggressively implement energy-saving and carbon reduction measures in a way that does not impact employees' working conditions. The targets will take in the form of short-, medium- and long-term reduction goals.
4. China is now actively developing renewable energy sources. We will evaluate the

In 2015 we completed a planning for the Scope 3 and investigations and calculations have been conducted for key inventory items to gain a more precise understanding of GHG emissions at GIGABYTE.

feasibility of transitioning over to green power purchasing in the future in order to reduce GHG emissions from excessive power use.

5. Focus on improving efficiency of energy usage through improving quality, increasing yield, enhancing productivity and so on. An assessment of air-conditioning system efficiency is also carried out.

The methods can be divided into "organizational dimension" and "product dimension":

1. Organizational dimension: improve power consumption efficiency, replace antiquated equipment, improve the air-conditioning system, improve efficiency and optimize production process. At the same time, we have also improved our ventilation system to decrease reliance on air-conditioning. We are in the process of gradually replacing old lamps with energy-saving LED lamps.
2. Product dimension: We continue to strengthen our product quality, optimize design, reduce rework rate, reduce waste and significantly improve customer satisfaction

and product value.

■ Everyday energy-saving measures

GIGABYTE's GHG reduction strategy starts with environmental education to build up consensus among all employees. We implemented several types of energy-saving and carbon reduction measures to realize energy management and optimize resource utilization. These included environmental education classes, encouraging conservation of electricity and water, implementation of 5S, waste sorting at the individual level, encouraging people to take the stairs rather than elevators, provision of bicycle parking, daily provision of optional vegetarian meals at Nanping plant, and video conferencing.

■ Organizational Greenhouse Gas Emissions

GIGABYTE continued with our corporate-wide GHG inventory from January to December, 2015.

The inventory covered our Xindian Headquarters and Nanping plant as well as the Dongguan and Ningbo plants in China. The data were verified by SGS to ISO14064-1 standards. In 2015, total emissions amounted to 29,456.07 metric tons CO₂e. The majority of emissions were indirect emissions (98.04%).

The organizational GHG inventory results as well as our production data showed that our carbon emissions per thousand units had dropped 54.39% from 3.88 metric tons to 1.77 metric tons CO₂e between 2007 and 2015. GHG emissions per capita dropped 33.27% from 7.43 metric tons CO₂e in 2007 to 4.96 metric tons CO₂e in 2015. GIGABYTE is not only aggressively improving our production processes to maximize energy efficiency, but also strengthening energy management at all sites.

Since 2009, GHG emission inventory has focused on two areas: Scope 1 is direct emission, including diesel used by emergency backup generators, fuel consumption by company car, natural gas consumption by boilers and refrigerant effusion from air conditioners and refrigerators. Scope 2 is indirect emissions including electricity consumption by offices and dormitories. GIGABYTE's GHG emissions are mostly indirect, while effusion account for most of the direct emissions.

Scope 3 Emissions-Identification of Key Topics and Inventory Results Emission Source:

Emission source	Inventory item	Importance	Inventory result
Upstream	1.Purchased products and services	★★★	635,144.80 metric tons
	2.Capital goods	★	
	3.Fuel- and energy-related activities	★★	
	4.Upstream transportation and distribution	★★★	69.94metric tons(Main products in Taiwan)
	5.Waste generated in operations	★★★	1,695.24 metric tons
	6.Business travel	★★★	1,368.15 metric tons
	7.Employee commuting	★★★	858.66 metric tons(Main locations of operations)
	8.Upstream leased assets	Not applicable	
Downstream	9.Transportation and distribution of sold products	★★★	
	10.Processing of sold products	★★★	4,073.14 metric tons
	11.Use of sold products	★★	1,421,062.43 metric tons
	12.End-of-life treatment of sold products	★★★	2,573.79 metric tons
	13.Downstream leased assets	Not applicable	
	14.Franchises	Not applicable	
	15.Investments	Not applicable	

5.2.4 International Participation

■ Carbon Disclosure Project, CDP

The Carbon Disclosure Project (CDP) is a well-known international carbon management rating organization pushing to improve the transparency of carbon management in business. This includes carbon emission inventory verification, promotion of carbon reduction, as well as the identifying and responding to the regulatory and concrete risks of climate change. The goal is to reduce business risks and costs and then convert the different risks into opportunities that enhance sustainable business development. GIGABYTE achieved a disclosure score of 97 and performance score of C for CDP in 2015. Both were higher than the CDP average of 60 and D for supply chains. The result was a recognition of GIGABYTE's accomplishments in GHG reduction. In the future, GIGABYTE will continue to improve our energy efficiency and promote carbon reduction programs.

5.2.5 Product Carbon Footprint

■ Climate Savers Computing Initiative

The Climate Savers Computing Initiative is a computer energy-saving program launched by Intel® and Google in 2007. The non-profit organization is made up of many major computer vendors and computer component manufacturers. Membership currently includes many consumers, businesses and environmental organizations with higher awarenesses on environmental protection. The goal of the program is to manufacture and promote energy-saving computers and power management tools that reduce the environmental impacts of computer use. GIGABYTE is a member of the initiative and is committed to providing products that conform to the specified energy efficiency requirements.



■ Set-top box carbon footprint certification

GIGABYTE's digital set-top box MD-300 is a network and communications product that underwent life cycle carbon emission inventory in accordance with the PAS 2050 carbon footprint standard and its product carbon footprint was certified by the British Standards Institution (BSI). As part of the process, we helped 15 suppliers complete a carbon footprint inventory for raw materials to determine the product's environmental impact and basis profile at each stage of the life cycle. GIGABYTE has also purchased a Life Cycle Assessment (LCA) tool to monitor products' energy/material requirements during production and their environmental emissions. The impacts of these energy/materials/emissions are assessed and used to general an environmental impact assessment. This enables more effective identification of opportunities and methods for reducing the impact of different procedures and raw materials on the environment. It therefore serves as a basis for reducing environmental impact during green product development and fulfilling our CSR.

■ Development of smart phone product category rules

The Environmental Protection Administration determined that a common standard was necessary to ensure the fairness and transparency of carbon footprint calculations for similar products and services. The private-sector was therefore invited to work together to define the "Product Category Rules". GIGABYTE, CompalComm, the Environment and Development Foundation and the Taiwan Electrical and Electronic Manufacturers' Association" joined forces to draft and define the "Product Category Rules" (PCR) for the "Smart Phone" category. On December 6, 2011, a stakeholder conference was hosted with the industry invited to review the draft rules. The PCR has now been verified by expert review and has been officially proclaimed in the EPD/PCR area of TEEMA. The new PCR helps manufacturers or service providers define the scope of the system boundaries and the data used for calculations.

5.3 Green Action Plan

5.3.1 Green Action Plan Goals and Strategy

The realization of sustainability awareness and environmental protection needs a series of actions with scope and depth. For this reason, GIGABYTE launched the "Green Action Plan" in 2009 to not only focus on energy conservation, carbon reduction and environmental protection but to also establish sustainability and environmental awareness, including knowledge, attitude and skills, among all employees through a series of activities. As these sustainability concepts become parts of work and everyday life, they would be also gradually embedded in the corporate culture. The creation of a new green culture enabled the concept of Eco-Design to be spread among all employees. This will hopefully combine with our core competencies to create new green value for the brand so that corporate innovation can realize the goals of environmental sustainability and increased social value.

■ Green Action Plan goals

The Green Action Plan is based on global and corporate trends in sustainable development. Using the core competencies and values as the starting point, the Plan defines the sustainable division and strategy for GIGABYTE. This includes internalization through environmental education, pioneering clean production for production processes, promoting green innovative technologies, emphasis on social harmony, fulfillment of product responsibility, and working with supply chain partners to create sustainable value. A comprehensive approach that takes both breadth and depth into account is used to support the sustainable development of GIGABYTE.



■ Green Action Plan strategy

The "Green Action Plan" is a key strategic management policy for enhancing the environmental awareness and its everyday practice in all employees. It is also the core plan driving sustainable corporate development. On the strategic level, it starts by building consensus among all employees before expanding to internal and external stakeholders, and from there throughout the entire supply chain. Since 2009, external professional instructors have been retained to lead employees in experiencing nature and establishing environmental awareness; the development of the industry has led to increasing attention on the role of business as social citizens. GIGABYTE follows the global trend in corporate sustainability through voluntary disclosure, reporting and communication with all stakeholders. We also plan activities involved by all employees such as clean production, innovative technologies, and the establishment of green product standards. We are continuing to build up results and capabilities in every project to lay down the foundations for long-term development. The core elements of the short, medium and long-term plans are as described below:

Short-term: In 2009, we launched the Green Action Begins with Your Heart program inspired by the theme of "Love Earth and Promote Environmental Protection" in order to create a company-wide consensus and culture.

Medium-term: "Green Action Plan 2012" coincided with the 20th year of the 1982 Rio Declaration on Environment and Development. "Environmental protection" has increased in importance and urgency since then. Adaptation and mitigation of climate change can no longer be ignored either. GIGABYTE's promotion of clean production, GHG reduction and disclosure, green product innovation activities, and building of the first sustainable eco-rooftop is not only intended to pursue stable business profits and look after our employees. It also looks after the investing public, supports environmental and social issues, and fulfills a business' responsibility to the social environment. At the same time, it is GIGABYTE's way of encouraging more businesses to recognize the value of sustainability and put it into practice.

■ Future prospects of the Green Action Plan

The Green Action Plan moved from the medium-term to the long-term development plan in 2015. From 2016 onwards, we will continue to build on your existing foundations and strengthen our sustainable supply chain by promoting the "Green Action Plan 2.0." We hope a new business model that solves social environmental issues while meeting the needs of business operation will lead to prosperous development in environment, economy and society.



5.3.2 Green Action Plan-Supporting Environmental Sustainability Through Direct Actions

The activities of Green Action Plan not only promoted environmental protection and sustainability in the workplace and everyday life. It also expanded the scope of interest to environmental resources that we depend on for survival, including the oceans, forests and biodiversity. Every year, GIGABYTE responds to the call of international environmental festivals. Environmental protection is combined with routine recreation to provide employees and their dependents with very meaningful experiences. These include participation in beach clean-ups to remove marine waste, protecting the coastal environment, understanding the causes of marine pollution and their impact on human survival, as well as supporting tree planting activities by planting native trees in the proper manner and re-forestation to protect land and water resources. Each tree can absorb over 1 ton of carbon emissions a year and thus can help to regulate the climate. Supporting these events enabled GIGABYTE employees' concern for the environment to be sustained and put to good use so all can work together for planet Earth.

Green Action Plan Accomplishments in 2015 and Previous Years

Investment	Result		
	Item	2015 accomplishments	Cumulative accomplishments
NT\$11.3144 million 6,655 people	CO ₂ e reduction	1,591.14 metric tons	6,930.69 metric tons
	Sustainability and environmental education seminar	3,637 hours	21,533 hours
	Beach clean-up to remove marine waste	308.84 kg	1,163.46 kg
	Tree planting	2,941 trees	8,899 trees
	Provision of vegetarian lunch boxes rather than lunch boxes containing meat at company seminars and activities during the year	5,828 lunch boxes	46,183 lunch boxes
	Support for vegetarian meals	5,134 people	38,076 people
	Total power consumption	40,454 MWh	A reduction of 11,527 MWh from the baseline year

In 2015, NT\$11.3145 million was invested in the Green Action Plan with up to 8,343 people took part in, making a tremendous success. CO₂e emissions in GIGABYTE's primary business location were reduced by 6,930.69 metric tons. Total duration of sustainability and environmental seminars was 21,533 hours. GIGABYTE will continue to use the existing foundations to focus on important topics such as plastic reduction and waste reduction, so that more people will see the importance of environmental protection activities and become involved as well.

■ Celebrity lecture communicates the philosophy of the heart

In recent years, due to the increasing environmental protection awareness among the public, as a citizen of the global village, we are duty-bound to become familiar with topics such as climate change, preservation of biodiversity, food safety and crises and so on, therefore the Green Action celebrity lecture focuses on three major themes such as energy conservation and carbon reduction, sustainable business development and biodiversity preservation. To this end, we have invited distinguished scholars and experts to conduct special lectures in order to increase our colleagues' environmental knowledge and introduce them to the latest trends. In 2015, Mr. Chi-Ming Peng of WeatherRisk and Secretary-General Her-Lin Hsieh of Taiwan Watch Institute spoke to GIGABYTE employees on new developments in sustainability along themes such as "How businesses should deal with climate change" and "Sustainability depends on you and me" to promote the ideals of sustainability.

Sustainability Depends on You and Me



■ Environmental education lectures for LOHAS in life

The Green Action Plan organizes numerous lectures and activities to enhance the environmental awareness and environmental protection related knowledge, attitude and skills of our colleagues in everyday life and at work. We not only invited Tzu Chi to promote the concept of recycling, but also demonstrated how to grow potted plants, which in turn enriching everyone's green lifestyle.

■ Low carbon holidays and ecological concern

Outdoor activities as part of environmental protection effectively strengthen our employees' commitment to environmental protection and can be converted into environmental protection skills.



■ Supporting environmental events together

GIGABYTE knows that air and maritime pollution are the most trans-border pollution issues in the world today. We therefore support global environmental protection days and call upon the rest of the industry to become involved in well in environmental protection.

5.3.3 Promoting Green Product Innovation to Lay the Foundations for Sustainability

GIGABYTE has formed an internal green product innovation forum to keep on encouraging our colleagues to partake in green product innovation activities. We hope the colleagues will be able to unleash their ingenuity and take environmental dimensions into consideration from the design stage, so as to mitigate the products' environmental impact and effectively manage environmental problems. Our ultimate goal is to achieve the double benefits of environmental protection and minimizing resource waste. As green products are now a market trend and a key component in sustainable corporate development, the continued development of green products is not only GIGABYTE's mission but will also enhance our image as a green brand.

Green product innovation submissions are divided into ten categories. Examples are provided for each category to provide employees with a guide for ideas and implementation. The categories are listed below.



Employees participating the Green Product Innovation activity must describe the innovation ideal and background. They must also specify the recommended method, procedure and analyze the overall costs. The submissions are reviewed, classified then forwarded to the relevant departments to determine the feasibility of process or design improvements. Since Green Production Innovation was launched, three entries have passed review, including: Transforming Packaging Box, Multi-Function Inner Box and Custom-length Power and Extension Cables. These innovative ideas can come from visiting exhibitions, absorbing new knowledge, learning from other people's experience, paying attention to everyday habits and applying their minds to the task. Inspiration eventually struck over time. Green Product Innovation is now slated as a long-term activity. Employees' participation will help GIGABYTE realize its sustainable development.

5.4 Green Products

GIGABYTE takes into account the potential environmental impacts during the product design stage. Products are designed for "reduced environmental impact" from the source to the end-user. The following green design measures are currently in use at GIGABYTE.

5.4.1 Ban on Hazardous Substances

GIGABYTE became the first system brand vendor in the world to pass IECQ QC 080000 certification in 2005. Lead-free production processes were adopted for our products and a green material management system was introduced to establish a green supply chain. This ensured our compliance with EU RoHS requirements and allowed us to provide users with safe computer equipment. The development of the halogen-free process technology marked a major advance towards environmentally friendly products in 2008. All current GIGABYTE motherboards, graphics cards, optical drives, computer chassis and power supply products

conform to the RoHS directive. We have also continued to monitor developments in international environmental legislation such as REACH and China RoHS so controls or bans on hazardous substances can be adopted as necessary. Management and review meetings are convened every month and our standards are stricter than those issued by the EU. The internal HCSR is now upgraded to Ver. 4.1, which requires our suppliers and contractors to join us in protecting the environment, fulfilling our philosophy of "Excellence from GIGABYTE" and ensuring consumers' peace of mind.

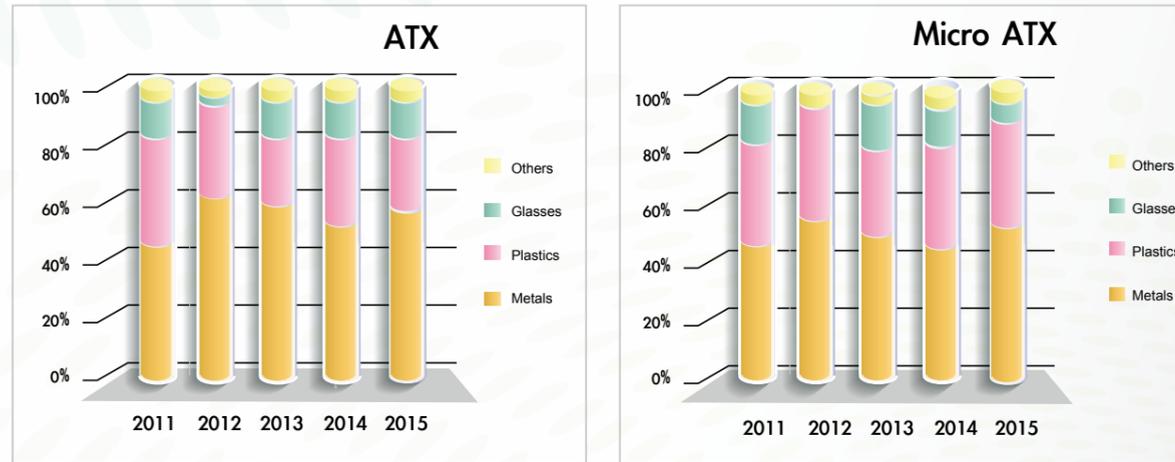


5.4.2 Materials that Minimize Environmental Burden

GIGABYTE's choice of raw materials is based on the ideal of "reduced environmental impact". The use of raw materials is minimized to reduce the generation of waste and production costs. This approach has proven to be more economical and environmentally friendly.

GIGABYTE has established a dedicated unit to regularly research product materials and we have also developed the LCA (Life Cycle Assessment) tool. Within the company, we are continuing to adjust raw material parameters to optimize and minimize their use. This not only reduces product costs, but also the generation of pollutants and waste. Externally, we require suppliers to review the appropriateness of their chemical usage and gradually reduce it to a minimum. Over 87% of the materials used in motherboards that we now produce are recyclable. Most of this is in the form of metals but recyclable plastics and other raw materials will be taken into consideration during design. Materials that require less processing are preferred to improve recyclability.

Proportion of Raw Materials Used in ATX and Micro ATX Motherboards



5.4.3 Extended Producer Responsibility

Motherboards with solid state capacitors have longer lifetime than those with conventional capacitors especially under high temperatures. For this reason, GIGABYTE introduced motherboards with all solid state capacitors in 2006 and it is now an industry standard. Today, GIGABYTE offers the most comprehensive product range of any motherboard maker. GIGABYTE's motherboard sales also account for the greatest share of sales as well. Solid state capacitors are now used throughout the whole range from entry-level to high-end motherboards, ensuring not only long service lives, but also greatly boosting system stability. This was why GIGABYTE announced in 2011 that it would become the first motherboard maker to start offering 4-year product warranties. By taking

the product lifecycle into account at the very start, this reduced waste and helped protect the environment in the most practical way. Some materials in waste electronics still possess very high reuse value. To help create a recycling society, GIGABYTE embraced the spirit of extended producer responsibility to conform to the EU WEEE directive. Product recycling channels have now been set up in Europe, North America and Taiwan where consumers can deliver their waste products to the nearest recycling point. In this way, waste can be recycled and reused. For more information, please visit the GIGABYTE website at <http://csr.gigabyte.tw/>.

5.4.4 Management and Reduction of Product Packing Materials

GIGABYTE has long spared no effort when it comes to reducing product packaging. To comply with the EU Directive of Packaging and Packaging Waste (94/62/EC) (PPWD), all effort is made to use minimal packaging and recyclable materials, restrict the use of polystyrene buffer materials and hazardous substances, and provide recycling labeling on packaging materials. These measures are intended to facilitate future recycling and reuse. GIGABYTE has now adopted soy-based ink for printing product packaging and plans to adopt FSC-certified paper across the board for more environmentally-friendly packaging. In 2015, GIGABYTE packaging used 11,325.98 tons of paper and 344.32 tons of plastics in its packaging materials with the recyclability ratio of 97.05%. Since 2010, the proportion of recyclable GIGABYTE packaging has climbed steadily from 93.06% to 97.05%. This demonstrated GIGABYTE's efforts in reduced packaging and we will continue investing in green packaging design in the future.

5.4.5 Energy-Saving Products

GIGABYTE's main products are peripheral computer components such as motherboards and graphics cards. While these are not eligible for the Taiwan Green Mark, we still strive to qualify for international environmental marks and standards. Extending the service life is GIGABYTE's main approach to reducing the energy consumption of motherboards. Solid state capacitors, Ultra Durable motherboards, dynamic energy-saving and 24-phase energy-saving design are used to reduce temperatures, reduce power consumption, extend product life cycle and effectively optimize resource. Many motherboards conform to the Energy Star 4.0 and 5.0 standards, and also satisfy the EU Energy-related Product (ErP) Lot 6 requirements. The T series notebooks also satisfy the requirements of Energy Star 5.0.

Energy-saving and Waste Reduction in Products

Ultra-durable motherboards



Improving the cooling performance of motherboards allows the system to maintain low temperature, high performance and stability even when running at maximum load or frequency.

Redefining the Standard for Desktop PCs - BRIX / Barebones Micro PC



- Simple and easy to use characteristics have set a brand new benchmark for micro PCs.
- The compact but powerful performance makes it versatile in any environment.
- Average weight 540-600 g.
- Using much less materials compared to NB or desktop PC, thereby significantly reducing use of energy and resource consumption.

5.4.6 Trans-Action

The MOEA Industrial Development Bureau is actively pushing for the upgrade and transformation of Taiwanese industries. In partnership with TCA and other leading Taiwanese tech companies including GIGABYTE, it used "User Experience" as the core for combining fields such as cloud computing, big data, human-factor, communications, and interactive design to create the "Trans-Action" platform for stimulating innovation and creative opportunities. To cultivate trans-action talent, the "Trans-Action Competition" was first held in 2014 with three key principles: (1) Inter-industry cooperation with experts in research, design and technology; (2) Implementation of user experience with an emphasis on Learning-by-Doing; (3) Line-up of top instructors made up of R&D managers and user experience events from Pegatron, GIGABYTE, Acer and HTC. The platform is used to concentrate innovation energies and develop value-added services that meet user requirements and can compete in the market.

"Smart Life for My Lifestyle" was the theme chosen for the first year of the competition. This was further broken down into five main application types: Smart exercise, mobile tourism, smart family, remote care and green products.

GIGABYTE used the category of "Green Products" to encourage trans-action talent to not only innovate, but also incorporate the ideals of sustainability and environmental protection to keep up with current development trends.



5.5 Green Guardian

5.5.1 Thousand Mile Trek - Go Green Taiwan— Coagulating Power of Environmental Action by Trekking around Taiwan to Reduce Plastic Waste

Plastics is a petroleum side-product that does not break down for a thousand years, so it must be used with care and recovered for disposal. American scientists estimated that in 2010, coastal countries dumped 8 million tons of plastic waste into the oceans. This figure may increase to 16 million tons a year within the next 10 years. Another international research team found that there are more than 5 trillion pieces of plastic waste floating in the ocean. These have a total weight of around 269,000 tons. The trash poses a threat to human health as well. When the plastic trash turns into small fragments and are swallowed by marine organisms, the toxic ingredients in the plastic gradually accumulate inside the organisms' bodies. Hundreds of millions of plastics pellets are washed into the sea every year. Marcus Eriken, the director of Algalita Marine Research and Education described

how plastic trash "absorbed man-made chemical toxins like hydrocarbons and DDT like sponges" before entering animal bodies. Eventually, they end up on people's dining tables to impact on our health and the health of our next generation.

■ Our footsteps - Trekking around the island

In 2015, a group of Earth lovers at GIGABYTE decided to express their love for the land through action. The Sustainable Development Office launched the "Thousand Mile Trek - Go Green Taiwan" to walk on foot around Taiwan in sections over 4 to 5 years. The trekkers would pick up plastic rubbish along the way. Do not underestimate the power of these small changes in our daily life because we have the power to change the future right here in our hands. As long as we are ready to take action and make the sacrifice, then no matter how tiny our effort is, if everyone goes the extra mile then all kinds of possibilities open up.

■ Expressing love of the land through action

In 2015, the "Thousand Mile Trek - Go Green Taiwan" carried out three environmental services at "Qingshui Temple in Sanxia", "Caoling Historic Trail" and "Hexing Railway Station." A total of 134 people participated, picking up 95 kg of plastic waste and walking 2849.8 km. ◦



5.5.2 Corporate Volunteers - Partnering with the Environment and Community to Create Value

The GIGABYTE Go Green Club, founded in 2013, focuses on volunteering for the environment. The organization of the group allowed the planning of training courses and seminars in a systematic, in-depth and strategic manner. Employees are encouraged to step beyond the office building and participate directly in environmental services. A progressive process of guidance, cultivation and practice also increased the scope and breadth of club members' exploration of environmental issues. The club members started with weekend environmental experiences and then infused their environmental awareness into their positions, creating influences that continually inlay into their lives and affect their families. We believe that everyone is a seed and also has the ability to sow even more seeds. Even one person can eventually influence enough people to build up a force for changing the environment. The GIGABYTE Go Green Club is an employee initiative. Members all have their own specialties and the club is organized into activities, administration, training, liaison and general administration teams. Regular meetings are held to plan annual themes and action plans. The club also actively liaises with external organizations to concentrate its resources for supporting club members and communities.



Environmental Service Themes over the Years

Year	Theme	Partner
2013	I am a happy corporate volunteer	The Society of Wilderness
	Working Holiday - Re-creating the Centennial Glamour of Terraced Fields	Shihmen Gaoshan Community Development Association
2014	Working Holiday - An Encounter with Mangroves Precious Coral Reef - Take me on a Night Tour The Beauty and Sorrow of Guanxin Algal Reef	Taoyuan Yonxing Community Development Association, Taoyuan Union
	Hands on Sensation – Hand Built Trail	Taiwan Thousand Miles Trail Association
	Working Holiday! Habit Maintenance Workshop	Environmental Ethics Foundation Taiwan
2015	Sea Walkers ~ Documentary of Round-Island Trek to Protect Taiwan	Taiwan Association for Marine Environmental Education
	1000-km Trek by the Sea to Open the Heart	The Society of Wilderness

5.6 Sustainable City - Building an Exclusive Eco-rooftop

Increased public attention on climate change issues means governments, industries and private citizens are all studying and experimenting with mitigation and adaptation strategies. Taiwan is no exception. The Greater Taipei metropolitan area has the highest population and density in Taiwan. Urban development and population growth mean the amount of green space is on the decrease. Global warming has increased the severity of the urban heat island effect and greatly reduced the residential quality of life.

In 2012, GIGABYTE planned to solve the problem of rooftop leaks at its Xindian company headquarters. Vice President Ming-Hsiung Liu proposed the idea of "planting trees for Earth" by greening the building roof. This would not only solve the waterproofing problem, achieve symbiosis with nature, but also provide a response to an important global issue. The innovative idea led to the G-HOME eco-rooftop, a first for Taiwan, that not only fulfilled GIGABYTE's responsibility as a citizen of Earth, but also took care of employees as well. Unlike conventional rooftop gardens, the G-HOME emphasized "ecological sustainability", "energy

sustainability" and "zero waste" in integrating a range of different innovative applications such as: rehabilitation of native vegetations, ecological non-interference zones, friendly garden farms, energy monitoring, and water resources. It catered to both the relaxation needs of employees and environmental education for the masses. We strive to encourage our employees and the general public to take the following issues seriously:

- Urban heat island effect
- Global climate change, greenhouse gas emission has reached new heights
- Food safety problem
- Taiwan's food self-sufficiency ratio and agricultural safety
- Loss of biodiversity
- Restoration of native species in Taiwan

Plant trees for the Earth

- Return the urban jungle to nature
- Become an oasis in the concrete desert

Foster employee health

- Natural, toxin-free and healthy plantation
- LOHAS, sharing respect, spiritual experience, green space

Environmental education venue

- Fusion of technology, culture and nature
- In pursuit of symbiosis between people and the natural environment



● Ecological sustainability

The global rate of ecological extinction is far faster than we can imagine, and the rich diversity of native flora and fauna in Taiwan is rarely understood and properly protected. We implemented this concept in G-Home with an emphasis on "learning from nature." Native vegetation was extensively used to create three "Ecological Non-Interference Zones" that carefully imitate the multi-layered structure of natural forests. By preventing people from walking through at will, the abstract concept of respect for nature was converted through spatial layout techniques into actual action. Space was set aside for animal habitats in this region. Plants were allowed to grow wild, forming a dynamic, self-sustaining and balancing space. Aquatic space was also installed for rehabilitation for native fish species. GIGABYTE employees can observe the ecology and seasonal changes of nature at G-HOME to restore their mental and physical balance.

Agriculture is another issue that GIGABYTE has long taken an interest in. It is also a part of the caring aspect in "Upgrade Your Life." Apart from routinely promoting friendly agriculture and direct purchase of agricultural products from small farmers, the spirit of friendly agriculture was also practiced in G-HOME. A total of 15 garden patches were made available for adoption by employees on a department-basis. In partnership with community college, experts with years of practical experience were invited to direct and help employees overcome difficulties, cultivate their patience and attention to detail, and eventually, feel the joy of a successful harvest and sharing. By encouraging employees to take direct action, this strengthened their appreciation and experience of "production, ecology and life."

● Energy and resource sustainability

Conventional gardens have very high maintenance and manpower costs. The design of G-HOME took maintenance and management into account from the very beginning. Mimicking nature successfully realized the goal of low-maintenance requirements. Total maintenance costs for the year is less than NT\$10,000. The resources of nature are also exploited to create different kinds of added value including:

- ◆ Water retention panels and rainwater tanks were installed to capture rainwater and letting it settle before being supplied to G-HOME.
- ◆ Wind and solar power were combined to create a complementary power-generation system.
- ◆ Pedal-powered generators enabled employees to learn about energy-saving concepts while exercising.
- ◆ Seedlings of native vegetation were cultivated and distributed to employees to help purify indoor air.

● Zero waste

We believe that "all resources have value and there is no such thing as waste in nature." In G-HOME, we make use of all waste resources, including turning dead leaves and weeds into compost for the gardens, using trimmings from the forest to form the base material for the nursery, and leftover construction materials were stacked on the rooftop structure to provide holes for animal habitats. Creativity helped inspire new ideas in sustainability.

5.6.1 Rooftop Education

Green rooftops have been promoted in the West for thirty years and recently began attracting attention in Taiwan. There has been no application and experimentation with native Taiwanese vegetation. GIGABYTE imbued G-HOME with multiple values. Apart from publishing the construction process and technologies for the eco-rooftop to serve as a demonstrate site for urban building greening and environmental education, a range of innovative experiments were also introduced. GIGABYTE partnered with universities and national research institutions to set up vertical green walls, self-cleaning nano photo-catalysts, and temperature comparison monitoring experiments. The experimental results were compiled into the "Rooftop Greening Come True" technical e-book and progressively published on the sustainable development website for public reference and to provide a reference on applying eco-rooftops in Taiwan.

G-HOME Sustainable Eco-rooftop Experiment

Experiment name	Partner unit
Temperature monitoring	National Taipei University of Technology
Vertical wall greening and planting experiment	Department of Horticulture, National Taiwan University
Monitoring of native plants used in rooftop greening	Endemic Species Research Institute
Nano photo-catalyst	Internal GIGABYTE experiment
Performance of hybrid wind and solar system	Internal GIGABYTE experiment
Experiment with different types of vertical green walls	Internal GIGABYTE experiment

5.6.2 Connecting Urban Green Corridors

Many studies have produced data proving that the building of green rooftops in cities holds multiple benefits for environmental protection and lifestyle balance. In Taiwan, however, the general perception of excessive setup and maintenance costs as well as challenges with waterproofing and weight-bearing technology has made adoption on a mass-scale impractical. GIGABYTE overcame each of these obstacles one by one during the construction of G-HOME. Eco-design was used to realize low maintenance costs while improved building materials and waterproofing techniques solved the structural problems. These experiences can therefore be applied to Taiwanese buildings and offer an important solution for mitigating and adapting to climate change in cities. During visits, we arrange for an introduction to the G-HOME philosophy and incorporate current topics in the natural ecological environment and agriculture to give people a better understanding of the background. This encourages people to think about such issues and take action. When visitors tour the eco-rooftop, a guide is also on hand to provide

an opportunity for exchanging opinions and sharing experiences. This is used to explain and promote to all stakeholders the concept behind sustainability and environmental education.

As the environment is shared by all mankind, we shared our eco-rooftop experience with industry and government; by the end of 2015, nearly 200 groups have visited the G-HOME including reporters, industry, government agencies, research units, universities, communities and associations. Among these, 55 units expressed their interest in building eco-rooftops that will bring the ideal of connected urban green corridors closer to realization.

■ Promotion results

- Eco-rooftop experiences shared with more than 1000 people from nearly 200 visiting groups.
- 55 groups expressed their interest in building their own eco-rooftop.
- Proposed rooftop greening in schools and communities to the Taipei City Government with G-HOME as one of the demonstration sites.
- G-HOME became a platform for communication on sustainability issues, with in-depth discussions conducted with local/overseas industries, government agencies, schools and research units.



5.7 Green Promotion

5.7.1 Strengthening Sustainability and Environmental Education

■ Sustainability Forum to build consensus on responding to opportunities and challenges

Climate change is having an increasing impact on the environment and the economy. The internal value chain, risks and opportunities of businesses will expand to cover the global supply chain and end consumers as well. How to combine core competencies, boost corporate competitiveness, strengthen corporate governance and risk management, and realize sustainable management and development amidst globalized competition has now become

a critical issue. The "Sustainability Forum" hosted by GIGABYTE in July, 2015, invited BSI Assistant Manager Ms. Hsueh-Chuan Huang to speak on "From CSR fulfillment to sustainable development", Deputy Section Chief Mr. Chung-Yu Chiu from Quality Department to talk about "Carbon reduction efforts at GIGABYTE", and Section Chief Mr. Fu-Cheng Chu from the Sustainable Development Office to speak on "Vitality of sustainability - Our opportunities and challenges." Purchasing managers, professionals and sales from each BU and subsidiary were also invited to participate in the forum to learn about international trends in sustainable development so they can identify risks and opportunities in the corporate value chain as early as possible and then create new value for the company.



2015 Sustainability Forum Agenda

Agenda	Speaker
From CSR fulfillment to sustainable development	Ms. Hsueh-chuan Huang, Assistant Manager, BSI
Carbon reduction efforts at GIGABYTE	Mr. Chung-Yu Chiu, Deputy Director, Quality Section
Vitality of sustainability - Our opportunities and challenges	Mr. Fu-Cheng Chu, Director, Sustainable Development Office

■ Sustainability and risk education for new recruits

All new recruits at GIGABYTE must undergo 1 to 2 hours of sustainability and risk education. In addition to basic training on quality and environmental regulations, a series of courses of increasingly difficulty are also provided based on the roles of each personnel to enhance their understanding of sustainability and risk awareness. The course content includes quality policy, environment and safety policy, the establishment and promotion of environmental quality assurance systems, introduction to international environmental laws, introduction to restrictions on use of hazardous substances at GIGABYTE, introduction to declaration of non-use for hazardous substances, as well as methods of searching environmental policy documents and consultation windows.

■ Group's green course

The "Stockholm Declaration on the Human Environment" passed in 1972, the Our Common Future report issued by the United Nations World Commission on Environmental Development in 1992, and the Stockholm Convention banning the use of 9 persistent organic pollutants in 2001 all triggered new controls on substances harmful to the environment. The EU introduced the WEEE/RoHS/REACH directives and regulations in 2005 and other regions around the world have also gradually passed laws regulating the environmental specifications of electronics products. These mean that the electronics products supply chain is now subject to increasingly strict regulations and changes. We hope this series of courses will help our employees understand their duty and responsibility under local green legislations, regulations and directives. They must not only conform to the training and management requirements for hazardous substances, but also boost their environmental awareness and strengthen their green competitiveness. This will all contribute to our products meeting world-class standards and move towards sustainable development.

5.7.2 Establish a Green Supply Chain

GIGABYTE has established the Sustainable Supplier Award for our material suppliers to urge our partners to protect the environment, improve safety and health and value human rights in order to fulfill our CSR, implement risk management and our sustainable development plan.

5.7.3 Working Holidays-Gathering with Communities to Protect Ecology

To give employees the chance to become involved in environmental issues build up rapport among club members and fulfill the spirit of service, GIGABYTE organizes working holidays to provide employees with an alternative holiday experience. The activities also supports and promotes corresponding environmental issues to enhance employees' sensitivity and engagement with social activism.

■ Working holidays-Discovering the countryside through the Natural Valley Environmental Trust

"Environmental trust" is where private funds are used to entrust the environment or assets to a "trusted person or organization" for management on a non-profit basis. The two parties sign a contract under the "trust system" to ensure that the principal' goals of ecological protection and preservation of cultural assets are realized. Social education is also used to encourage public awareness and participation.

Working holidays are a new form of leisure and a new way of volunteering. Simply put, it is about relaxing by volunteering during work or school holidays.

In April, 2015, GIGABYTE employees visited the first successful example of a non-profit environmental protection trust in Taiwan - the "Natural Valley Environmental Education Base" where they learned about how Natural Valley became an environmental trust base. Today, Natural Valley not only offers environmental education, but also provides its expertise to local communities and elementary schools on using ecological engineering for community building. Led by the professional teachers at Natural Valley, GIGABYTE employees visited the nearby Hualong Village, participated in a working holiday to help with the community's river rehabilitation efforts, and learned about the features of the river ecology. Everyone helped with removing overgrown invasive species to restore the water flow and bring back the river's rich ecology.

5.8 Nature Conservation

The Company has operating and production sites in Xindian District, New Taipei City, Pingzhen in Taoyuan as well as Dongguan and Ningbo in China. Our operation headquarters in Xindian District, New Taipei City is located inside a residential/business area. However, our operation office building does not involve any production process and therefore we do not create problems such as noise or ecological conservation. Our remaining plants are situated inside industrial parks established by the local municipalities, and all natural conservation related evaluations have been conducted by the government during the development of the industrial park. All GIGABYTE plants abide by the local emission regulations, and we have not incurred any violations thus far. We uphold the principle of maintaining a harmonious relationship with the local communities and neighbors. We have adopted local streets, greenbelts and bridges, and form business operation plans which are striving to achieve the highest benefits for the company and society in the future.





GIGABYTE upholds the philosophy of "Upgrade Your Life", where we abide by the government's Labor Standards Act and internationally recognized human rights (including the UN Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work). We value employee communication and development, therefore we have established an employee message board and employee opinion email, where dedicated personnel will respond to any suggestion or opinion given by our colleagues. GIGABYTE is committed to providing comprehensive and diverse work-life balance measures by creating a friendly, safe and harmonious workplace environment. In 2013, we constructed the G-HOME Sustainable Eco-Rooftop to provide our employees, retired employees and their families with a great venue to unwind and stretch their bodies, in turn creating a GIGABYTE green-living lifestyle that balances work, life and recreation.

In social participation, GIGABYTE channels company resources and employees' social compassion through the Sustainable Development Office, GIGABYTE Education Foundation and GIGABYTE Go Green Club (Volunteers Club) to look after disadvantaged groups, protect our home planet, build a sustainable society and also promote education as a way of bridging the urban-rural divide.

6.1 Global Talents

In the fierce battle over human resources, it is imperative for every company to choose and employ the right people from the start to maximize their benefits. "Human resource management" has therefore become an increasingly important issue for GIGABYTE. Apart from aggressively searching for outside talents, GIGABYTE also strive to identify, cultivate and retain talented individuals within the company as well.

GIGABYTE is committed to providing employees with an incentive salary scheme, a broad range of benefits and a training and development system centered around core competencies. A strong emphasis is also placed on the cultivation of management skills, and educational and cultural workshops at held at different times to help employees expand their horizons as well as find a balance between work and leisure.



At the end of 2015, GIGABYTE and its subsidiaries employed 8,220 people with 38.70% in professional positions and 61.30% in technical positions. The gender distribution of professional personnel was 55.4% women and 44.6% men. At our main locations of operation, the distribution of professions was 23.9% R&D, 21.3% marketing and sales, 14.2% administration and management, 6.8% customer service and 33.8% technical.

Professional Employees Composition by Gender

Gender/year	2011	2012	2013	2014	2015
Men	47.8%	47.9%	46.9%	43.3%	44.6%
Women	52.2%	52.1%	53.1%	56.7%	55.5%

6.1.1 Steady and Sound Human Resources Structure

For the distribution of GIGABYTE employees by employment type, 40.7% were male full-time employees and 54.6% were female full-time employees; 2.7% were male expatriate workers and 0.5% female expatriate workers; 0.5% were male R&D alternative servicemen; 0.7% were male part-time workers and 0.3% were female part-time workers. GIGABYTE applied for national defense servicemen between 2004 and 2015. Since national defense service was changed to R&D alternative service, around 5 to 21 personnel have been allocated each year.

In terms of academic background, the majority of GIGABYTE employees (70.2%) hold a college degree. Due to the popularity of the in-service education, the proportion of employees with a master's degree or higher has increased every year. The average age of employees is 36.4 years and average years of service is 7.3 years. As the production lines employ a higher proportion of female workers, there are more female employees than male employees at GIGABYTE.

Distribution of Education Level Among GIGABYTE Employees

Education /Year	2009	2010	2011	2012	2013	2014	2015
Ph.D	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Master	10.3%	11.2%	11.7%	12.9%	13.5%	13.2%	13.0%
Undergraduate	66.8%	67.1%	67.5%	67.1%	67.2%	69.0%	70.2%
Senior high school and below	22.7%	21.5%	20.6%	19.8%	19.1%	17.6%	16.6%

Table of Average Age and Years of Service for GIGABYTE Employees

Item /Year	2009	2010	2011	2012	2013	2014	2015
Average Age	34.1	32.5	35.1	35.4	35.7	35.9	36.4
Average Years of Service	5.94	4.66	6.89	7.13	7.40	7.70	7.30

6.1.2 Employee Retention

In 2015, GIGABYTE employed 604 new employees, with 43.7% men and 56.3% women reported for duty respectively. In the same year, 680 employees left the company, of which 43.2% were men and 56.8% were women. Most of the new employees in 2015 consisted of women. GIGABYTE encourages our employees to seek a balance between work and life; besides flexible work hours to allow our employees to take care of matters at home, we also provide them with parental leave without pay in accordance with the law and help them to apply for relevant grants in order to foster employee retention. The employee reinstatement rate after parental leave without pay over the last two years was 75%.

Gender Ratio Between New Employees and Employees Who Have Left the Company

Item	Men	Ratio	Women	Ratio	Total
New employees	264	47.3%	340	56.3%	604
Employees who have left the company	294	43.2%	386	56.8%	680

Unpaid Parental Leave and Returning Employee for the Last 2 Years

Item	Total
(1) No. of applications for unpaid parental leave=39 people	Men: 5 people, women: 34 people
(2) No. of employees expected to return from unpaid parental leave	32
(3) No. of employees that returned from unpaid parental leave	24
(4) No. of employees that stayed for at least 1 year in 2015 after returning from unpaid parental leave	10
Return rate=((3)/(2))= 75%	

6.1.3 Employee Retirement

In 2015, 8 employees retired from GIGABYTE. The average length of service was 18.07 years and the longest was 21.25 years. GIGABYTE hosted a send-off party and retirement ceremony for employees that reached retirement age. President Yeh presented the employees with a commemorative plaque and a gift to thank them for their contribution over the years. The retiring personnel also gave speeches thanking the company for providing great benefits and a wonderful working environment, as well as their managers and colleagues for their support. The retirement ceremony ended on a very heart-warming note.



Retired employee testimonial

Retirement testimonial: XXX-Yu, Chiu

I am XXX-Yu Chiu from No.2 Connection Section. My colleagues call me Xiaoyu. I joined GIGABYTE on February 20, 1997, so I have been with the GIGABYTE family for 18 years. Much can change in 18 years. I went through many ups and downs during this time and learned many valuable experiences in life. After much thought, I finally decided to retire.

Though I have retired, I will remember how my colleagues and I worked overtime, ate and had fun together. Even though I am retired, I must thank the Company for giving me this job opportunity, my supervisors for taking care of me and for providing a safe, and stable working environment. I think my colleagues for their help because they gave me breathing space despite my hectic work. I would also like to thank my colleagues for their help and understanding when I was away on sick leave. Thank you all very much.

All good things must come to an end and it's time for Xiaoyu to take a bow from the GIGABYTE family today.

Finally, I wish good health and success to all managers and colleagues. Thank you!

6.1.4 Recruitment

GIGABYTE focuses on employee ability and core competencies during recruitment. We do not discriminate on age, gender, race, religion, nationality, political party, place of birth, sexual preference, marital status, appearance or physical/mental handicaps. A variety of different channels are used to recruit talented personnel from around the world.

In order to look after the underprivileged community, GIGABYTE exceeded the employment quota for handicapped persons, middle aged/old persons and unemployed persons. In 2015, the company hired 28 handicapped persons, which exceeded the 1% employment ratio stipulated by the "People with Disabilities Rights Protection Act".

Throughout our operating locations worldwide, we always abide by the local government regulations and employ pragmatic approaches that are coherent with the local folk customs. Moreover, we strive to provide our employees with a comfortable office environment, outstanding employee benefits and open communication channels in order to inspire our employees to increase their productivity and creativity.

6.1.5 Prohibition on Child Labor

In accordance with the Labor Standards Act, GIGABYTE does not employ children under the age of 15. Child labor between the age of 15 and 16 is not employed in heavy, repetitive or dangerous labor.



6.1.6 Performance Management and Development

GIGABYTE encourages managers to interact and communicate with employees as part of the performance management process each year. Each unit distributes performance bonuses based on their business performance and each employee's actual contribution. In addition to the fixed monthly salary and annual bonuses, a variety of employee incentives such as patent bonuses, sales bonuses, performance bonuses and employee dividends are provided.

6.1.7 Human Rights

As GIGABYTE believes that every employee should be treated fairly and with respect, and we strive to conform to all international conventions on human rights banning discrimination, mistreatment and illegal employment. We also promise to follow high ethical standards in complying with local laws and the EICC (Electronics Industry Code of Conduct). At the same time, we expect all suppliers in our supply chain to conform to the standards of environmental protection, safety and health, workers' human rights and working conditions. These include the conflict metal free policy, respect for employees, fair treatment of employees and taking responsibility for production processes and environments.

The company promotes various codes of practice to all new colleagues; we also introduced the available employee benefits and rights to them. The training ratio of our new colleagues is 100%. The total security training time amounted to 1,558 hours, and nearly 50% of the courses are human rights related. There were no matters relating to human rights that required investigation in 2015.

6.1.8 Nondiscrimination

Every employee should treat all other employees equally and not discriminate on the basis of race, gender, color, sexual preference, language, religion, political affiliation, place of origin, nationality, physical or mental handicaps or marital status. There must be no bias in the recruitment, testing, hiring, assignment, placement, performance evaluation or promotion of employees unless it is due to the nature of the work and a proper reason can be offered. There should be no discrimination based on gender or sexual preference. Employees may not engage in any discriminating or harassing behavior (including sexual harassment as defined in the Gender Equality in Employment Act) during the performance of their duties.



6.2 Employee Growth Engine

Employee learning and development is very important at GIGABYTE. The upper management takes an active role in all management and competency courses by making introductory remarks and conclusions after courses in order to provide maximum encouragement and support to employees. The GIGABYTE vision is "Upgrade Your Life." We not only cultivate employee innovation and professional skills, but also take an interest in enhancing employees' living

aesthetics and cultural sophistication. These efforts have played a crucial role in helping GIGABYTE maintain its market leadership. At the end of 2015, GIGABYTE conducted a total of 19,068 hours of training. Education and training courses are tailored to each position. Management received 4,907 hours of training while professionals received 14,161 hours of training. Men accounted for 51.7% of train hours while women accounted for 48.3%.

GIGABYTE Education and Training Hours – by Job Function

Job function	Headquarters			Nanping plant			Total hours (A+B)
	Men	Women	Hours(A)	Men	Women	Hours(B)	
Professional	2,133	623	2,756	1,377	774	2,151	4,907
Management	2,205	1,652	3,857	4,139	6,165	10,304	14,161
Total	4,338	2,275	6,613	5,516	6,939	12,455	19,068

6.2.1 GIGABYTE's Diverse and Abundant Learning Resources

GIGABYTE provides employees with courses on management skills, core competencies, professional skills and general knowledge skills based on the needs of their position. These are supplemented by subsidies for optional external training and language classes to ensure that employees receive full company support in self-development. In particular, the mandatory courses of our colleagues are "Quality Awareness", "Brand and CI", "Supply Chain Safety Policy", "Information Safety Management Policy" and "Labor Health and Safety Education and Training". As a major world-class manufacturer, GIGABYTE asks each employee to fully understand GIGABYTE's quality awareness, brand recognition, risk control and safety.

GIGABYTE Training and Development Plan



GIGABYTE Training & Development Plan

- New employee orientation:** Help new employees become a part of the GIGABYTE family as soon as possible
- Apart from completing one day of orientation training, Headquarters also arranges a half-day tour at the Nanping plant and attend a presentation in order to help them under the company's operations and practices better. Every new employee is also assigned a personal mentor before arrival to help them settle in at the company as well as learn about their surroundings and corporate culture.
- Management skills training:** A series of courses designed for each level of management to strengthen management skills
- Our management skills training includes annual executive bonding conference, middle and upper management training, divisional manager workshop and new manager training. The course subjects are tailored to each position and the company's overall development strategy. All training, teaching materials and extended activities are carefully reviewed and planned to help managers improve their management ability.
- Core competency training:** Cultivate prerequisite general skills and consensus
- Our core competency training focuses on two core themes: "Enhancing quality consciousness" and "Problem solving and analysis". GIGABYTE follows a philosophy of "Continuous Cultivation" in the comprehensive and continuous promotion of these two competencies. Starting from 2009, the quality assurance course has been promoted throughout China. Currently, 74 classes have been conducted to train 3,873 persons. 10 classes are expected to be opened this year to train 500 persons.
- Professional training:** Strengthen technical expertise and product-related skills and knowledge
- Our professional training includes the product knowledge and professional skills needed by each unit. These include courses on equipment engineering, product support, legal affairs and IP, and financial accounting.
- General knowledge:** Sharing of information on issues such as lifestyle and careers with all employees.
- Our general knowledge training covers employee lifestyle and career, aesthetics and culture and practical skills. The "Upgrade Your Life" Workshop is hosted every month and invites leaders of society through the GIGABYTE Education Foundation to share their personal experiences with GIGABYTE employees and expand employees' horizons.
- Language training:** Subsidize language training courses to improve internationalization capability
- As a transnational enterprise and international brand, GIGABYTE encourages employees to expand their international horizons. In addition to general knowledge and management instruction, subsidies for personal language studies are also available to encourage employees to learn foreign languages.
- External training:** Subsidies for external training courses to acquire the latest industry information and technologies
- For specialized or unusual new topics or technologies where no suitable resources are available within the company, employees may opt to attend a suitable external training organization at the company's expense. The employees can then share what they learned within the company.
- E-Learning:** Select any course without time or space constraints.
- Courses taped with permission as well as online courses recorded by internal instructors are available through the "E-Learning Center". This provides GIGABYTE employee channels with more diverse channels for learning as employees can choose whatever subjects they are interested in and go through them at a convenient time.

6.2.2 Learning Effectiveness Evaluation

In addition to providing diversified training programs, GIGABYTE has also invested considerable time and effort in assessing the effectiveness of training. We perceive great importance on whether the students have altered their existing behavior in order to use it as a reference for further training. To this end, we have designed several forms to help us increase training efficiency. Firstly, we let the students preview the course in advance through pre-class assignments or readings so that they can absorb the training content more easily. After the class, the students must provide their feedback and their direct superiors are asked to conduct after class behavior observation and monitoring. If the students do not exhibit a noticeable change, they will be asked to retake the course next year. Furthermore, we organize annual quality extension activities, update the elevator theme articles every month and the human resources theme column every week in order to reinforce the learners' training effectiveness via different methods and channels.

Human Resources - Career Booster Station



6.3 Outstanding Remuneration and Benefits

6.3.1 Remuneration Management

To ensure a sound compensation scheme for company directors, supervisors and executives, at the end of 2011 GIGABYTE established the "Remuneration Committee" in accordance with Article 14, Paragraph 6 of the Securities and Exchange Act and the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on Stock Exchange or Traded over the Counter". The Committee has a membership of three and is appointed by the Board. One member serves as the convener and the term of appointment is the same as the Board of Directors. The role of the Committee is to evaluate and provide recommendations on the remuneration policy and system of company directors, supervisors and executives from a professional and objective perspective. This is to ensure that the company's remuneration complies with the relevant laws and is sufficient to attract talented personnel. The Committee also advises the Board on related decisions. The Remuneration Committee is convened at least twice a year, but extraordinary meetings may be called when necessary.

The remuneration standard of GIGABYTE is based on regulatory requirements, conditions, job market and company finances. This is not affected by the gender and age. With the same position and level, the male-female ratio of the starting salary is 1:1.

■ Minimum notice period for operational changes

According to the law in Taiwan, when company's operation experiences major transformations that can potentially affect labor

rights, the following standards should be applied to determine the notice period:

- Employees who have served for more than three months and less than one year: at least 10 days in advance.
- Employees who have served for more than one year and less than three years: at least 20 days in advance.
- Employees who have served for more than three years: at least 30 days in advance.



6.3.2 Employee Care

In keeping with our philosophy of a "Happy Career and Upgrade Your Life", GIGABYTE observes labor laws passed by the government and provides employees with a message board and suggestion box. Dedicated personnel are assigned to answer employee suggestions, ensuring smooth lines of internal communications. The Employee Welfare Committee also hosts a variety of promotions at different times while employees can freely take part in their favorite clubs and activities. These activities help with employees' wellbeing and provide a healthy, safe workplace that balances work and leisure.



GIGABYTE Employee Care Measures	
Comprehensive insurance	GIGABYTE provides employees with the best possible care and protection. Employees are not only entitled to labor and national health insurance as required, but also provided with comprehensive group insurance. This provides employees with additional life insurance, accidental insurance, medical insurance and cancer insurance coverage.
Flexible attendance scheme	GIGABYTE offers sick leave, accident leave, marriage leave, childbirth leave, menstruation leave, paternity leave, funeral leave, national public holidays, special leave, family leave and indigenous ritual leave. The company's national public holiday leave is flexibly implemented to facilitate the convenience of the employees.
Statutory pension scheme	GIGABYTE has defined regulations governing employee retirement in accordance with the "Labor Standards Act" and "Labor Pension Fund Act". The company contributes to the employee pension fund as required by the law. When an employee retires, a retirement ceremony is also held to thank the employee for their contribution.
Employee welfare	The employee welfare fund is funded by company and employee contributions. Regular welfares include the annual festivals and birthdays. Other welfares include subsidies for marriage, childbirth, funeral, emergency, club, computer and children's scholarship.
Product promotions	Employee discounts are offered on purchases of GIGABYTE products. The Employee Welfare Committee and external vendors co-organize group buys that offer employees discounted prices.
Club activities	Employees are encouraged to organize interest-based clubs outside of work to achieve a balance between work and leisure. The Employee Welfare Committee organizes annual events every year such as family days, sports carnivals, end of year banquets, travel and movie screenings to enrich employees' lives.
Company facilities	Employees have access to the fitness center, aerobics classroom and nursing room.
Art & cultural activities	Hosting of celebrity, music, art and health workshops as well as the art and culture gallery.

6.3.3 Employee Welfare Committee

GIGABYTE has established the "GIGABYTE Employee Welfare Committee" in accordance with the "Employee Welfare Fund Act". The Committee provides employee benefits such as Dragon boat Festival/Mid-Autumn/Birthday/Annual shopping coupons, subsidies for employee marriages/births/children's education/clubs/travel and also organizes large-scale events such as celebrity lectures, sports carnivals, annual banquets and end-of-year lottery draws. Group buys for all kinds of recreational and entertainment tickets were organized as well. In 2015, 10 clubs were formed.

The Employee Welfare Committee currently has 38 members and includes representatives from both Taiwan and China sites. Apart from the five honorary members, all Committee members are elected for one-year terms. A chairman is elected by popular vote among Board members and one director is appointed for each region to help organize employee welfare affairs.

Freedom of association

The Employee Welfare Committee has defined rules for club organization. Funds are allocated to encourage employees to form and join clubs. Employees therefore enjoy freedom of association. GIGABYTE has established 10 clubs at its main operating sites. Xindian is home to the Badminton Club, Baby Love Club, Go Green Club (Volunteering Club), Boxercise Club, Triathlon Club, Body Sculpting Aerobics Exercise Club,

Softball Club, and Basketball Club. Nanping is home to the Badminton Club and Crafts Club. Clubs formed by employees at the Dongguan and Ningbo plants in China currently include the Cycling Club, Basketball Club and Soccer Club. These provide employees with more diverse hobbies to cultivate. The clubs also form teams to take part in outside competitions. Please refer to the Employee Welfare Committee webpage for related regulations and club information.

Employee Welfare Committee Website



6.4 Employee Assistance Programs Integrate Virtual and Physical Services

Employees are a company's greatest asset. GIGABYTE cares about the physical and mental well-being of every employee and strives to balance the working and living environments. "Employee Assistance Programs" (EAPs) were introduced in 2015 as part of a comprehensive integration strategy in partnership with experienced external consultants to provide psychological counseling, legal affairs, financial planning and taxation, and health services. EAPs help employees deal with personal, lifestyle and workplace issues. The GIGABYTE "Employee Assistance Platform" provides integrated virtual and physical services that employees can place their complete faith in. Apart from the sharing

of lifestyle articles, question and answers and stress indicator tests, employees with lifestyle questions can call the hotline at any time for confidential one-to-one consultations. The service has been extended to include family members as well. When the platform was first introduced information seminars were held to give employees a full introduction to the platform and services. Every employee was also issued an employee assistance card with the "GIGABYTE Employee Assistance Platform" website and hotline to ensure that everyone can use these resources to receive assistance. Through the EAPs, GIGABYTE creates a convenient, confidential and protected lifestyle assistance service for employees. All employees can therefore concentrate their work without fear. For businesses facing highly competitive external environments, a warm, stable and supportive working environment is crucial for realizing steady growth.

6.5 Employee Participation

A positive and cohesive workplace does not appear out of thin air. GIGABYTE uses a variety of channels to provide employees with opportunities for participation, communication and applying their talents. Particular emphasis is given to two-way communication. Efforts are made to strengthen open and transparent channels for communication between manager and employees as well as between employees and their peers. A positive feedback cycle is used to achieve high productivity and performance.

6.5.1 Boost Loyalty and Cohesiveness

Employees should identify with the vision and values of their company. To enhance employee identification with GIGABYTE, we organize various events every year to increase their sense of participation, create opportunities for employees to network with each other at work, and to cultivate the spirit of cooperation. At the same time, employees are encouraged to bring their families so they can identify with the Company as well and become our employees' greatest source of support.

The 2015 "Wild Fun at GIGABYTE" sports carnival provided a chance for employees from different departments to compete together. Family challenges were included to strengthen family bonds and offer a rare opportunity for interacting with other families. As employees at the Nanping plant have less chance to visit headquarters, a tour of the G-HOME eco-rooftop was also arranged. Foreign employees were invited to take part as well.

In keeping with the philosophy of Upgrade Your Life, the overseas factories strive to cultivate good workplace relations among plant employees as well. These included outstanding cadre tours, family days, road runs and ball sports at Dongguan plant, as well as the fun and relaxing "Skill Competition" at Ningbo plant, which includes leader rankings to enhance the sense of achievement and honor among employees. Holiday celebrations such as the Lunar New Year Dinner, Mid-Autumn Banquet and Spring Banquet were all hosted to promote friendships and interactions between employees.

Ningbo Mid-Autumn Martial Arts Meet



Dongguan Family Day



"Wild Fun at GIGABYTE" Sports Carnival



6.5.2 Smooth Communication Channels Fosters Harmonious Capital-Labor Relations

GIGABYTE values bilateral communication, therefore we are committed to establishing an open, transparent communication channel between management and colleagues as well as among our employees. Bilateral and instantaneous communication is the key point emphasized by GIGABYTE, and it has been instrumental in fostering a harmonious capital-labor relation in the company. The diverse communication channels fostering a win-win situation between the company and the employees include:

- Regular capital-labor meetings
- Employee satisfaction survey
- Internal employee web portal "GEIP" offers real time communication with the Chairman, important internal messages and recent event promotions etc.
- Publish employee internal e-publication "GIGA-HI" to introduce outstanding groups and individuals, as well as reports on various company events.

- The human resources website publishes inspiring articles every week.
- Employee message board and feedback center.

We have established different communication channels and encouraged our employees to make use of them. Protected by the country's "Labor Standards Act", we also abide by international regulations to convene quarterly capital-labor meetings. The meeting is attended by 50% labor and capital representatives respectively to carry out communication with our employees and to listen and respond to their opinions or problems. Over the years, we have maintained a harmonious capital-labor relationship. Since the company's inception, no colleagues have formed a union. Furthermore, GIGABYTE has complied with the law to stipulate and promote the Act of Gender Equality in Employment. We also implemented anti-sexual harassment related policies and measures in order to foster a gender-equal workplace environment. In 2015, there were no cases of sexual harassment or discrimination, and no human rights complaints were filed.



6.5.3 Affirm Our Employees' Contributions

GIGABYTE utilizes various internal incentive solutions to commend outstanding teams and employees for their extraordinary contributions in different fields. In doing so, we encourage our colleagues to constantly innovate and grow in order to improve the competitiveness of our employees and the company.

- The Chairman personally presents the senior employee service and retirement gifts every year to express gratitude to the senior employees for their long-term contributions to the company.
- The Chairman personally presents the patent award to thank the colleagues for proposing unique, innovative and feasible solutions.
- The company awards bonuses every year to commend those who have contributed to the creation of dazzling products, innovative R&D values and the coordination of product selection.



6.6 Work-life Balance

The employees are one of the most important stakeholders of GIGABYTE, therefore besides the steady growth and profitability of the company, we also provide our employees with comprehensive remuneration and benefits. In addition, we are dedicated to offering a high quality, safe work environment and diverse services in an effort to increase the productivity and morale of our colleagues, thereby maintaining the quality of life for their families and facilitate work-life balance.

6.6.1 Diverse Services and Convenient Living

■ Catering Service

GIGABYTE has established an employee restaurant to provide our colleagues with a wide selection of dining choices and a comfortable, bright dining environment. Besides conveying food safety and health concepts to our colleagues via the intranet and EDM, we have also organized activities such as "Secrets to Brain Nourishment" and "Health Begins with 'Fat' " in order to promote the new concept of healthy eating. Through these activities, we aim to create a healthy workplace and encourage our colleagues to value their health. In 2015, GIGABYTE's employee restaurants received 80% of satisfaction; the company will continue to make adjustments based on the satisfaction level to improve dining service quality.

Ningbo Employee Restaurant



■ Convenient service

We provide facilities such as fitness equipment, library, convenient store, juice bar, bakery, employ clinic as well as telecommunication store, bank and post/parcel delivery service in order to cater to the living needs of our employees.

■ Dormitory service

Considering the short-term business travel needs of GIGABYTE's employees and the safety and convenience of accommodation for our employees who reside far from the workplace, we provide dormitory service for our colleagues to have a home away from home.

Nanping Plant Library



Dongguan Employee Dormitory



6.6.2 Employee Physical and Mental Health

Maintaining the physical and mental health of employees is a key element in work-life balance. It is also crucial in maintaining productivity. GIGABYTE is continuing to create a healthy and happy workplace through various health care services, health promoting activities and EAPs.

■ Health care

Healthy employees are the key to a happy enterprise. Health exams protect the rights of both the employer and employee. Health exams are also used to determine if an employee is suffering from occupational or infectious diseases, making it crucial in maintaining employee health. One of the key factors in a sustainable enterprise is retaining quality employees. How can GIGABYTE successfully attract more outstanding employees? In addition to the company's development potential, we also provide an outstanding, healthy work environment. In 2015, GIGABYTE collaborated with the Cardinal Tien Hospital to conduct an annual employee health examination in November. Rigorous

health examinations that surpass the minimum statutory requirements were carried out for employees based on their age group. In our main operating locations, employees working on hazardous operations specified in the "Labor Health Protection Regulation" underwent special health examinations. Furthermore, arrangements were made for colleagues diagnosed with abnormalities to receive re-examination at the hospital, and the health management system was employed to conduct regular follow-ups on employees.

A fatigue scale and cardiac scale were issued for the first time in 2015 in accordance the overwork prevention clause in the Occupational Safety Act of the Ministry of Labor Affairs. These will be used for future health promotion planning in accordance with trends in workplace health.

In 2015, the annual health examination covered 832 people from company headquarters, 774 people from the Nanping plant, 525 people from the Dongguan plant, and 620 people from the Ningbo plant. The total examination coverage was 87.52%.

Annual Physical Examination at Dongguan



■ Health Promotion

To promote health education, employee health and proper health concepts, GIGABYTE not only invites health experts to give internal health seminars and educate employees correct health concepts. We routinely publish health awareness information to remind employees to pay attention to health in their everyday lives. We also cooperate with nearby hospitals and clinics to organize different kinds of cancer screening events. Apart from making it convenient for employees, this also helps employees pay attention to their health early.

In 2015, company headquarters and Nanping plant hosted a total of 12 health seminars, 12 health promoting activities, and 27 regular health knowledge articles, which benefited 34,062 people. The overseas plants also provided occupational health knowledge training, women's health knowledge seminars, and stress management training events to look after the physical and mental well-being of employees.

2015 Health Promotion Activities List

Health seminar	Health promoting activity
Staying healthy and safe over the New Year	HPV Vaccination
329 Youths for health	Women's health screening
Cancer screening for health	2015 Dances with health
Exercising for health	Internal first-aid training
Chinese medicine tips for summer	Physical fitness activity
Healthy dads are the best	Vaccination at headquarters
Neck and shoulder stress-relieving massage class	Colon cancer screening
Preventing hypertension through a healthy diet	Company massage experience
Basic first-aid seminar	Pap smear
Follow me for weight control	Mammography
Seminar on preventing diseases triggered by abnormal workloads and protecting the health of mothers in the workplace	Bone density and body fat measurement
Health education	Flu vaccination at Nanping

● 2nd Health Challenge Camp-Winning back a healthy life

Obesity is a civilization disease and a cause of high blood pressure, high blood fat, diabetes, cardiovascular disease, gout, and degenerative knee arthritis. It may also lead to a state of "non-productive attendance." The seriousness of obesity is well known and every GIGABYTE employee is the pillar of their family and society. They must stay healthy to enjoy a healthy life. There are many weight-loss techniques available, but weight loss is easier said than done. That's why the GIGABYTE clinic hosted the health-oriented "2nd Health Challenge Camp" in 2015 to provide a "supportive environment" for employees looking to lose weight and regain a healthy life. The course was divided into two parts, "Fitness Exercise" and "Theory Class." The "Fitness Exercise" course focused on body sculpting and core muscle training. Posters were also put up in the stairwells to encourage employees to climb the stairs more often for fitness. "Theory Class" covered cycling and mountain treks, weight loss

app, as well as Western and Chinese medicine's perspectives on exercise and nutrition. Incentives were also provided to reward employees who make progress. The excellent results led to the 2015 GIGABYTE Health Challenge Camp winning "2nd place in the 2015 New Taipei City Xindian District Health and Weight Management Service Competition."

● Expanding connections to inspire creativity

Although employees are individuals, they are also part of a social network. GIGABYTE employees are able to receive community support from their work environment, which in turn generates a positive influence. GIGABYTE's Employee Welfare Committee offers a platform for our colleagues to create and participate in clubs; we encourage them to develop hobbies and expand their interpersonal relationships. GIGABYTE Group's Joint Employee Welfare Committee allocates funds for employee clubs that promote interaction and communication

between employees. GIGABYTE has established 10 clubs at its main operating sites. Xindian is home to the Badminton Club, Baby Love Club, Go Green Club (Volunteering Club), Boxercise Club, Triathlon Club, Body Sculpting Aerobics Exercise Club, Softball Club, and Basketball Club. Nanping is home to the Badminton Club and Crafts Club. Clubs formed by employees at the Dongguan and Ningbo plants in China currently include the Cycling Club, Basketball Club and Soccer Club. These provide employees with more diverse hobbies to cultivate. The clubs also form teams to take part in outside competitions.

● Cultivate an ambiance of culture

Art has the ability to cultivate people's hearts, therefore we have transformed the building's interior space into art galleries that feature different art exhibitions regularly. In addition, we also organize a variety of celebrity, music, arts and health lectures to beautify the body, heart and soul of our employees. Furthermore, we also host various art and cultural activities to enhance the aesthetic cultivation of the general public and foster a cultural ambiance in the society.

Ningbo plant - Soccer Passing Competition



Craft Club Activity



Dongguan Basketball Club Won 3rd Place in the Corporate Category of the Huajiang Township Hua-Ao Cup



GIGABYTE supports diverse art and cultural events, where events such as beautify your life gallery, art appreciation, beautify your life lectures as well as art and cultural recreational activities are held, and our employees are encouraged to support the art performance troupes by purchasing tickets to appreciate their performance. In return, the recreational diversity and quality of our colleagues can be improved, thereby fostering their cultural cultivation and enable GIGABYTE to sculpt a corporate culture that values humanity and civilization.

● Special lectures

We invite famous people from various fields or performing arts groups at different times for sharing and lectures. The sharing and communication provide different life stories and values that enhance the beauty of life.

List of Special Lectures

Theme	Speaker
Taiwan Tree King - One Thousand years Promise- Giving a piece of green land back to the planet	Mr. Pei-Yuan Lai
Our Story	Prof. Chih-Jung Chien
Century Contemporary Dance Company Limbs Workshop	Century Contemporary Dance Company
"Single Shot Macchiato" The Musical	Yu-Chen Liao, CEO of Perfect Match Theatre Cheng-Che Tu, TV Scriptwriting Genius
Long March: My Journey through the Badlands and the Sky	Te-Hao Lo, Product Manager, GIGABYTE
"Let Us Say Goodbye"	Open Theater Group
Are the fruits you eat good or bad for health?	Cao-Fu Shen, CEO of Fong Shuo Agricultural Produce
Meeting Rice	Ms. Ju-Chen Lin
Traffic accident prevention and handling	Yun-Chi Chiang, Committee Member, Taipei City Traffic Accident Investigation Committee

6.7 Healthy and Safe Work Environment

All company production processes conform to labor safety and health regulations, have passed OHSAS 18001 occupational health and safety management system certification, and employ the statutory number of OSH managers. An "Occupational Safety and Health Committee" have also been established in accordance with the "Occupational Safety and Health Act" to draw up the OSH policy and convene regularly to review, coordinate and make recommendations on OSH affairs. OSH initiatives at GIGABYTE include employee health exams, safety & health training and emergency response drills. We have also set up an accident reporting system and the OSH working rules to protect the physical and mental of our employees as well as their occupational safety.

■ Emergency Response

GIGABYTE has adopted a proactive approach on measures and responses for industrial safety and health incident prevention, emergencies and fire safety. These are intended to prevent man-made or natural emergencies, protect personal safety, as well as prevent or reduce their impact. Emergency response measures include: emergency response procedures for fires, chemical spills, quarantine, food poisoning and earthquakes. In 2015, 8,048 persons attended the health and safety education.

In fire safety, monthly inspections of firefighting equipment are conducted while fire safety reports and improvements are carried out once a year in accordance with the firefighting equipment management procedure. Public safety inspections for buildings and replacement of expired fire extinguishers are also conducted annually. Occupational safety and health training, emergency response and firefighting training were also hosted in accordance with the occupational disaster prevention and management procedure. In 2015, 9,128 persons attended the fire drill education and training.

- **Firefighting Exercise:** Each plant site conducts a firefighting exercise every 6 months. The local firefighting and disaster prevention education center as well as fire bureau are invited to participate in the exercise.
- **Solvent Spill Emergency Response Exercise:** Each plant site hosts a solvent spill emergency response exercise each year. The emergency response team and environmental safety team are mobilized for the exercise.
- **Solder Furnace Emergency Response Exercise:** Each plant site hosts a solder furnace emergency response training session each year.

List of Occupational Health and Safety Education and Training in 2015

Management technical category	Professional technical category
Security mechanism	Chemical protection drill
Contractor management	Firefighting theory and emergency response training
Safety supervisor training	Firefighting emergency response training
Building (structure) firefighters	Building (structure) firefighters Occupational health knowledge training
Safe production training	

■ Occupational Injury Statistics and Analysis

GIGABYTE has chosen disabling injury frequency rate (DIFR – the number of disabling injuries per million employee hours) and disabling injury severity rate (DISR – the number of days lost per million employee hours worked) defined by the Ministry of Labor's occupational disaster statistical indicator guidelines as the primary analysis results. In 2015, the occupational accident statistics across GIGABYTE's four plant areas are tabulated below:

Occupational Injury Rates at the Four GIGABYTE plants in 2015

Plant	Occupational Injury Rates
Xindian	FR:0.00 / SR:0.00
Nanping	FR:0.72 / SR:3.00
Dongguan	FR:0.00 / SR:0.00
Ningbo	FR:1.60/ SR:36.06

Note: Disabling Frequency Rate (FR): Number of disabling injuries x 1,000,000/total work hours
Disabling Severity Rate (SR): Number of days lost due to injury x 1,000,000/total work hours

GIGABYTE has stressed the importance of long-term occupational health and safety management, we have also conducted risk assessments and stipulated the risk response management protocol in order to effectively minimize occupational accidents. The ratio of workers from various plants participating in the

"Health and Safety Committee" is determined by the Occupational Health and Safety Organizational Management and Automatic Inspection Regulation, which states that the labor representatives should at least constitute 1/3 of the Health and Safety Committee.

Dongguan Plant Fire Drill



Ningbo plant first-aid training



6.8 Social Participation

"Care about society and sustainable development" define GIGABYTE's interactions with society. The three themes of "Talent cultivation", "bridging the digital divide" and "enhancing innovation" define our long-term direction and goals. In 2002, we formed the GIGABYTE Education Foundation to promote technology education, arts and culture, aesthetics and create a harmonious and advanced society. In conjunction with GIGABYTE's core competences and corporate influence, we focus on four major themes to promote the welfare of people, including technology education, innovation, arts, culture and caring for the underprivileged people. In addition, we also encourage employees to be a part of the community through charity and social service. By making a difference with limited resources and giving back to society through tangible and sustained initiatives, GIGABYTE employees can make our surrounding communities a better place.

6.8.1 Enhancing Innovation

To foster upgrades in the 3C products industry and our independent R&D capability, GIGABYTE continues to organize design competitions to search for innovative and extraordinary product design and concepts. We want to recruit active designers with potential and let their creativity inject new ideas and life into product design. The ultimate goal is to solve social issues through the design of 3C products.



■ 13 years of industry-university cooperation for cultivating new designers

The Great Design Competition is based on the GIGABYTE core philosophy of "Upgrade Your Life." Every year, themes are set for the "Innovative Technology" and "Better Life" categories. Designers are encouraged to apply observation skills to explore designs that cater to the needs of people and the environment. The goal is friendly, thoughtful designs "from the heart" that everyone can use. The 13th theme of the innovative technology category was "Contact" with students asked to use Internet-of-Things in an innovative way to make life more convenient; the better life category focused on education and learning motivation of the "Unmotivated Generation." Young designers were invited to come up with toys that encourage children to explore and experiment based on the theme of "Multi-thinking." The process of playing is used to stimulate children's proactive learning skills and allow them to experience the fun of free thinking. This will boost their interest in learning and self-confidence.

■ Integrating technology for greater convenience and inspiration of multi-thinking

The G-Design Competition received 730 submissions in 2015 and 8 finalists were each selected from the innovative technology and better life categories. The submissions were very practical and had a wide variety of themes. The innovative technology category exploited IoT to solve longstanding social and environmental issues that had not yet been identified. After a rigorous selection process, the chosen winners encompassed entertainment, medicine and transport. This showed the young designers' skills in thinking outside of the box and their tremendous potential. The better life category looked at stimulating children's potential. Children were encouraged to use reflecting rays, tabletop games and geometric solids as toys to boost their observation skills, problem-solving ability and imagination.

G-Design Competition Outcomes

Outcomes and Features	Benefits
<ul style="list-style-type: none"> ◆ The competition has been held for 13 consecutive years and is now one of the first competitions that industrial and product design teachers in Taiwan recommend to their students. ◆ The design theme resonates with current affairs and trends ◆ Three rounds of selection were required to evaluate all 1,530 submissions. ◆ A new "Creative Marketing Award" was added in 2014 to encourage integration of resources across different fields to bring the product closer to the market. ◆ Each of the shortlisted teams receives a mock-up design subsidy of NT\$20,000 and can participate in the "GIGABYTE Practical Product Design Workshop" to make their concept come true. 	<ul style="list-style-type: none"> ◆ Guidance based on industry experience is provided to industrial and product design students during the competition on how to implement their design. ◆ Winners of G-Design go on to international design competitions such as iF and Red Dot in Germany. The themes and standards of G-Design are therefore consistent with international practice. ◆ Cultivate emerging students to care about the society with innovative thinking. ◆ The cultivation of local design expertise and soft power makes it one of the most important industrial and commercial design competitions in Taiwan.

■ Cultivating world-class designers through succeeding, sharing and learning together

The G-Design Competition added the "Creative Marketing Award" in 2014. Marketing concepts were also incorporated into the existing "Practical Design Workshop" to set up the "Practical Marketing and Design Workshop." Experienced industry experts were invited to share marketing concepts with the students because industrial design courses tend to overlook practical marketing concepts and techniques. This helped the students with thinking about product development from a market feasibility perspective when they start working on design and innovation. Product design can then balance both consumer requirements and aesthetic innovation. The combination of design, marketing and interdisciplinary cooperation within the "G-Design Competition" broke down barriers between different categories. During the group discussions, teams were assigned to give practical suggestions to other teams in order to flesh out their ideas. This created a positive ambiance of succeeding, sharing and learning together. Such a platform of enthusiasm and creativity will continue to cultivate more outstanding designers and marketing professionals so that the design talents of Taiwanese youths can blossom on the world stage.

6.8.2 Talent Development

"People are Taiwan's greatest asset". GIGABYTE's talent development efforts focus on different areas depending on the actual level. At the elementary level, the factory tour, the Secret to Learning Computers and PC-DIY Technology-on-campus events introduce the true face of computers. Binary logic games are used to introduce the computational logic, interest students in the field of IT and educate them on its basic concepts. Information and techniques related to technology and innovation are also put on display. Participation in the events encourages the sharing of technology and innovation experience.

■ Learning of Computer Secrets-The Enlightenment of Technology Education

To teach students about the insides of computers, the core components of a motherboard and how they work, GIGABYTE began hosting the Learning of Computer Secrets activity in 2002 to help children learn about core components of a computer and the function of the motherboard and also to know what the

parts on the motherboard are needed for a computer to run properly. The activity has since attracted 20,576 participants. The instructors teach students about computer architecture and to reinforce the learning experience by allowing students to assemble their own motherboards. Factory tours are also offered so students can learn how computers work from an early age and explore the mysteries of computer hardware. ◦

■ Technology on Campus and PC DIY – Rooting technology education

GIGABYTE offers the "Technology at School" and "PC-DIY" courses to introduce students to IT technology and basic concepts. These activities have attracted a total of 26,290 participants so far. The introduction to basic computer components show students how they all fit together. Binary logic games are also used to teach about the logic of computing. Lastly, the students were able to become more practiced with computers through activities such as computer assembly and troubleshooting, in turn rooting technology education.

■ Factory visit – Industry experience sharing for people far and near

The Taiwanese motherboard industry owns the lion's share of the global market and has long been one of Taiwan's best performers. GIGABYTE is more than willing to share this honor by inviting clubs, organizations and schools to tour our factories, learn about the motherboard production process and see our rigorous management for themselves. The tours help visitors appreciate the technology industry's commitment to "High Quality Production" and invites students to think seriously about their future career. Since factory tours were launched in 2005, the number of visitors has continued to grow each year. Visitors come from many different fields so everyone is very interested in knowing more about this industry in which Taiwan is number one. The tours have become increasingly internationalized and the service has become more refined and customized as well. Many Japanese, Mexican and Thai international schools now include a tour of GIGABYTE in their regular curriculum for international excursions.

Thank you card sent by students from the Kitakyushu College of the National Institute of Technology after their visit



6.8.3 Bridging the Digital Divide Between Urban and Rural Areas

With rapid changes in the domestic society, the educational resource divide between rural and urban areas is constantly expanding. GIGABYTE hopes to exert the strength of enterprises to bridge the urban-rural divide by supporting afterschool counseling and funding for the teachers of Chinese chamber orchestra in remoted areas. so that the children will be given more resources. We expect to continue reducing the urban-rural divide through these programs.

Eliminating the digital divide between urban and rural areas

Taiwan is known as the "High-Tech Island." Nearly 90% of all families have a computer and up to 80% have an Internet connection. The rapid pace of information development has however also led to the "digital divide." The government is now investing heavily in digital education in rural areas. While resources are pouring into rural areas, in urban areas that seem to have highly developed information infrastructure to there are still middle-aged/older people (senior citizens) and women who have been marginalized due to a lack of access, becoming the "Informationally underprivileged urban minority". In the age of advanced information technology, computer illiteracy is akin to illiteracy, causing not only communication problems across different generations, but also affecting people's lives and employment.

Bridging the digital divide

■ Mentoring of rural children

In 2008 the GIGABYTE Education Foundation collaborated with the Dahu Elementary School in Hsinchu and converted scholarships for disadvantaged students and single-parent families into after-school care funding. Wandering teachers were also employed as after-school teachers. The after-school care program helped disadvantaged and single-parent children with their learning while wandering teachers gained job opportunities and hands-on experience. The program benefits 20 students every year and so far 160 students have received assistance.



■ Support the development of schools with arts and cultural characteristics

Zhongliao Township in Nantou County is one of the poorest plain townships in Taiwan; 60% of the students in Shuangwen Junior High School come from underprivileged families. After the 921 Earthquake disaster, the plight of the local community was deepened with a shortage of funds and resources and a lack of self-esteem among students. A decade ago, in order to reverse this situation and turn the tables on education, the school not only focused on student-oriented learning, but also hired external afterschool teachers to tutor the students. Without any skilled teachers, they proactively sought for external resources to assist them. Eventually, the Shuangwen Taiwan Music Chamber Orchestra was formed to encourage the students to learn how to overcome obstacles, so that they can appreciate the magnificence of self-improvement and transformation during the music learning process, in turn inspiring their enthusiasm to learn and turn their life around.

Starting from 2011, GIGABYTE Education Foundation offered funding for the school to hire external resident orchestra teachers. The program benefits approximately 80 grade 7-9 orchestra students annually by providing them

with outstanding group practice opportunities, in turn allowing GIGABYTE to contribute our efforts in developing schools with cultural characteristics in remote townships.

■ Digital love – Expand the senior citizens' perspectives through information technology

The GIGABYTE Education Foundation has organized digital love computer courses to encourage senior citizens and women who are interested in learning computers but are too afraid to do so. They were invited to join the fundamental class to equip them with information technology related skills. The course not only enriches the lives of the senior citizens, but also fosters lifelong learning and social engagement (such as becoming volunteer teaching assistants in computer classes), thereby transforming the "digital divide" into "digital opportunity" and materialize the philosophy of "Upgrade Your Life" by rooting "digital care". During the night of every week, several grey-haired senior citizens could be seen sitting in the 1F conference room of the GIGABYTE building enthusiastically and eagerly learning how to use the computer. The scene of genial ambiance in the GIGABYTE building



is taken from the "Digital love" computer class. Since GIGABYTE's "Digital love computer class" was first launched in 2006, 209 classes have been conducted, benefiting a total of 22,688 persons. Furthermore, we have developed a reproducible model, therefore the project not only enriches the lives of the elderly by helping them to achieve the goal of lifelong learning, and social engagement from our colleagues was also encouraged.

■ Mobile computer classroom – Community digital learning

With GIGABYTE's digital love computer class as the starting point, we established the "mobile computer classroom" in 2011, focusing on the promotion of computer lessons in the community to introduce digital learning directly. The program offers convenient services for communities that are interested in learning computer skills but do not have the budget to create computer classrooms by themselves. Through reservation in advance, the mobile computer classroom will open classes at various fixed locations, where we are able to serve the largest number of senior citizens and new immigrants with minimal human resources, thereby generating the greatest benefit.

6.8.4 GIGABYTE Benevolence

GIGABYTE Benevolence is a bridge that connects our employees with society. It gives back to society by delivering needed resources to every corner. °

■ Hardship grants for students - A helping hand in education

In society, many students from disadvantaged families who must overcome economic stress to complete their schooling. The "GIGABYTE Benevolence-Hardship grant for students" is a long-running GIGABYTE program that invites employees to make fixed monthly or annual donations to children in disadvantaged families in order to reduce their economic stress. A total of 581 students and families experiencing hardship have received assistance since 2003. The student grant is more than just money. It is a bridge of support that helps students from disadvantaged families continue with their studies and give them hope of making their way through society in the future. During the assistance period, students are encouraged to volunteer as well in order to learn how to both give and receive.

Lin began receiving the grant in 2013. He faced his family's hardships with determination and repeatedly won geoscience awards at Jianguo Junior High School. Outside of class, he also volunteered with his fellow students at the airport. In 2015, Lin was accepted into the National Taiwan University and is now preparing for the next exam in order to expand his choice of departments. During the assistance period, students also write heart-warming letters about happenings in their lives.



■ Assemble Computers for Charity- Bridging the digital divide through caring technology

The GIGABYTE Education Foundation noticed many years ago that there are disadvantaged families throughout Taiwan that can't afford a computer for their children. Since 2010, the Foundation has participated in the Taipei City Department of Social Welfare's Bridging the Digital Divide program by donating notebooks to students in disadvantaged families. 450 students had their dreams come true over the four years.

In 2015, the GIGABYTE Foundation launched the "Assemble Computers for Charity" event with companies such as Be Quiet!, Chenbro, Geil, and Western Digital invited to form a strategic alliance for supplying computer products. Under the program, the alliance helped charities on spinal injuries, juvenile delinquency, and rural digital divide with upgrading their computers so they can use the convenience offered by information technology to improve their services. The effort transformed businesses and charities into computer goodwill ambassadors. 113

computers were given away in 2015. GIGABYTE also drew on its core competency to provide unlimited warranty service.

■ Winter Angel

In 2015, GIGABYTE Foundation CEO Ming-Hsiung Liu organized the first "Lunar New Year Red Packet for Scavengers" to thank scavengers for their self-sufficiency and helping the environment through recycling. GIGABYTE employees, Foundation's partners and four recycling depots in Xindian responded enthusiastically to the appeal for "GIGABYTE Angels of Compassion". At the end of the year, they delivered care and well-wishes to scavengers including: elders living alone, and handicapped people. If everyone could be a little more generous and compassionate, we can make society a warmer and better place.

■ Direct selling of agricultural products and small farmer partnership

GIGABYTE began promoting group buys of agricultural products direct from the producers in 2002. This not only helped employees buy cheaper, safe and fresh fruits, vegetables and related produce, but also gave farmers another channel free from exploitation for a win-win outcome.

The direct group buy model increased the exposure of agricultural products' added value, reduced the risk to farmers' livelihoods and supported young farmers who returned to their hometowns. At the same time, it provided farmers with the resources for reconstruction after natural disasters, reduced losses from harvesting agricultural produce early before typhoons, and helped balance seasonal supply and demand. The transparent and direct selling model for charitable consumption brought office workers in urban Taipei closer together with farmers. Every sale is now to their mutual benefit.



The GIGABYTE Education Foundation launches the "Love at GIGABYTE" end of year fundraiser every year. Employees, their dependents, children and friends are invited to make "one-time" (12 months' donation deducted in one go), "regular fixed amount" (fixed amount deducted from salary each month) and "voluntary" (employees specify the amount to deduct from their salary) donations. The donations mainly go towards the following causes:

- (1) Bereavement grant for students.
- (2) Children's Hearing Foundation for treatment of hearing-impaired children from disadvantaged families
- (3) Donations to long-term care and single-parent families.

GIGABYTE organizes a blood donation drive every 6 months to encourage employees from GIGABYTE and other companies in Xindian to give blood and save lives. The gifts provided as a reward to employees who answer the call are better than those for normal blood donations. Since 2003, 5,346 persons have participated in the program, donating 7,986 bags of blood (250ml per bag).

The "Double Charity" blood donation drive was organized by GIGABYTE to encourage employees to donate blood. Employees received Zhuangziyao adzuki beans and peaches for donating. This not only provides encouragement to employees, but also helped farmers as well. Double charity increased the reach of charity while also creating a warm, New Year ambience. Nearby merchants and friendly businesses also "checked in" on time every year as well, leading to the chief nurse of the blood donation bus praising the people of GIGABYTE Park as being No.1 in compassion.

Since 2003, the GIGABYTE Education Foundation has joined forces with the Xindian District Office on the eve of the Lunar New Year each year to give GIGABYTE Charity red packets and supplies to the families that have young adults as primary wage earners. The number of single-parent households has increased in recent years. Some of these households do not match the criteria for low-income household subsidies, which means the social resources they would receive are very limited. The red packets and King Rice donated by GIGABYTE enable assisted families to feel the warmth and compassion of society, and can enjoy a happy new year.

GIGABYTE has previously donated an intensive care ambulance to the medical center in 2003. The ambulance reached the end of its service life so another was donated in February, 2014, to Wanfang Hospital in order to look after seriously ill or injured patients. In the wake of the 2015 Kaohsiung gas explosion incident, GIGABYTE learned through the Kaohsiung City Fire Department that its Daliao branch that it was short on ambulances, and its existing ambulances were worn-out as well. The decision was taken to donate one ambulance.

End of Year Charity Fundraiser

Double Charity Blood Donation Drive

Charity Winter Aid

Ambulance Donation

6.8.5 Social Welfare

■ Creating unlimited possibilities through the power of one

GIGABYTE hopes to extend the ideals of "Caring for society and sustainable development" throughout the whole society. By combining the power of many individuals, we can amplify them to become a force for progress in society and give those in need hope for the future.

■ Values driving cohesion and demonstration of service energy

A company's brand and image can be demonstrated through various operating and marketing channels. More in-depth aspects such as corporate values, culture and mission must however be closely linked to community and environmental developments. A business is, after all an organization with great influence and cannot exist independent of society. The systematic, strategic and targeted recruitment of "corporate volunteers" made up of passionate employees who share a common purpose allows the core competencies, culture and culture of the company to interact with society on a deeper

level and lead to two-way feedback. In addition to applying the company's power, employees learn new knowledge and skills through their direct participation. Volunteering also expands their horizons, increase their appreciation of the environment and humanities. The corporate culture is further strengthened in return. Volunteering provides employees with another possibility in their lifelong commitment outside of their professional career.

● Volunteer resources and development

The "GIGABYTE Go Green Club" was founded in 2013 by a group of employees who care about the environment. GIGABYTE headquarters encourages employees to organize their own clubs so the club receives annual subsidies. The Go Green Club leveraged limited resources to recruit external resources and host environmental training seminars tailored to the knowledge and skills of its members. Continuing education was provided through a combination of video recordings and online courses. Going outdoors and lending a hand is the most important step in learning about the environment. We used working

holidays as the format for community service and support the activities of important environmental events every year. The club also has a regular roster for maintaining the G-HOME sustainable eco-rooftop.

- 100% commitment to reducing plastic waste
- GIGABYTE Go Club members come from different backgrounds and departments. Every

time setting forth to labor in nature not only brought the members closer to nature, but also gave them a deeper appreciation of working together as a team. This helped build a strong sense of camaraderie.

We are now monitoring the issue of plastics. There are increasing media reports on how plastics and waste are seriously threatening the ecology and human health so the Go Green Club is doing what it can as well. In 2015, it drew up a 5-year round-island trek program to reduce plastic waste. Every portion of enthusiasm is being summoned to heal

the scars in the land through love one-step at a time. The club will also serve as a seed for inspiring more people to take an interest in the issue of plastics and waste.



Round-Island Trek to Reduce Plastic Waste - Caoling Historic Trail

GIGABYTE Go Green Club - Training Courses and Environmental Themes

Theme	Name
Volunteer training & Consensus building	I'm a happy corporate volunteer
	You, me, he/she and eco-roof
	Fixed-location guided tour techniques - with eco-roof as an example
	General members meeting of GIGABYTE Go Green Club "Go Green with You - Me - and the Eco-Roof"
G-HOME & Food safety	Building an ecological oasis amid the concrete desert lecture
	G-HOME organic farming LOHAS lecture
	Nutrition education for urban farmers
	Friendly farming and pleasurable life
Agricultural compassion	"Re-creating the centennial glamour of terraced fields" working holiday
	Algal reef conservation
Algal reef conservation	Beauty and sorrow of algal reef
	"Encounter with mangroves" working holiday
Habitat management	Habitat management
	Hands on sensation – Hand built trail working holiday
Round-Island Trek	Working Holiday! Habitat maintenance experience
	Sea Walkers ~ Round-Island Trek to Protect Taiwan
Thousand Mile Trek - Go Green Taiwan	"A Trek by the Sea - Chao-Wei Kuo" Open the Heart for Thousand-Mile Dream
	Thousand Mile Trek - Go Green Taiwan: Qingshui Temple Launch Ceremony
	Thousand Mile Trek - Go Green Taiwan: Caoling Historic Trail
	Thousand Mile Trek - Go Green Taiwan: Hexing Railway Station

Restoring trees to the Earth - The 30-year tree planting story of Lai-san

Mr. Ming-Hsiung Liu, the vice president of GIGABYTE and the CEO of GIGABYTE Education Foundation has always believed in "restoring trees to the Earth." When he heard about the story of Lai-san, he was deeply moved and made a personal visit to the forest plantation. He also encouraged Lai-san to write down his tree-planting story so that more people can know about it. The GIGABYTE Education Foundation provided the resources and cooperated with the Global Views magazine to bring the story to print. In January 2015, the book "Taiwan Tree King - One Thousand Years Promise" was officially released. We also hope that by putting words to paper we can introduce more people to the Lai-san's commitment. This would then encourage more people to roll up their sleeves, fulfill their dreams and care about the environment.

"Taiwan Tree King - One Thousand Years Promise" (Preface - extract) Giving a piece of green land back to the planet - By Ming-Hsiung Liu, Vice President of GIGABYTE

In 2013, I came across the story of "the man planting trees" on Facebook. When I clicked on it, I realized to my surprise that the concept of "returning trees to the planet" that I came up with ten years ago had already been put into practice by "Lai-san" 28 years ago.

He is very direct and some of his sayings are quite thought-provoking. For example, he said that planting trees is "limit up every day".

It is also "has no labor insurance, no strikes and no severance pay." These were all insights he learned from nature. He constantly repeated these sayings to the visitors to his mountain like a missionary spreading the gospel. Thousands of years ago, the flood works of Dayu told us that channeling works while blocking will not. So why don't we change tacks and give a piece of green land back to the planet to see if it changes anything?

The GIGABYTE vision is "Upgrade Your Life." "Upgrade" refers to the for-profit side while "Life" is about the non-profit side. Both must remain in balance with none more important than the other. Focusing only on economic development will sacrifice the ecological environment; insisting on environmental protection will prevent the business from growing properly. While I was still defining the dream of for-profit and non-profit, Lai-san had already made his dream come true. That was why I encouraged Lai-san to publish a book so that our descendants in a hundred or thousand years' time will know of his story.



"Fly, Kite, Fly" Documentary- Cinema Hire

The documentary "Fly, Kite, Fly" that holds a mirror up to changes in the ecological environment of Taiwan was released to cinemas in 2015. Shot over a period of 23 years, it broke the record in Taiwanese cinema history for the longest shooting period. By climbing over mountain after mountain, the director finally solved the mystery of Taiwan's disappearing black kite birds; though it appeared to be the decline of one species at first, it was actually closely linked to human agriculture and food safety. Mr. Ming-Hsiung Liu, CEO of the GIGABYTE Education Foundation, was keenly aware of how important ecological and environmental issues were. To encourage employees to learn about the importance of environmental protection, he booked three cinema sessions and invited GIGABYTE employees to bring their families along to watch a high-quality documentary focusing on ecological protection, so that more people can join in caring about the environment and its protection.



Appendix

Appendix 1: GRI/G4 Content Index

“GIGABYTE 2015 Sustainable Report” was written in accordance with the G4 Sustainability Reporting Guidelines (GRI/G4 Guidelines), the various indicators and corresponding chapters are shown below.

General standard disclosures	Description	Chapter
Strategy and Analysis		
G4-1	Provide a statement about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	Message from the Chairman
G4-2	Provide a description of key impacts, risks, and opportunities. Message from the Chairman	Message from the Chairman
Organizational Profile		
G4-3	Organizational profile	4.1.1 Company Introduction
G4-4	Primary brands, products, and services.	4.1.1 Company Introduction
G4-5	Location of the organizations headquarters	4.1.1 Company Introduction
G4-6	Number and names of countries where the organization operates	4.1.1 Company Introduction
G4-7	Nature of ownership and legal form	4.1.1 Company Introduction
G4-8	Markets served and market characteristics	4.1.1 Company Introduction
G4-9	Scale of the organization	4.1.1 Company Introduction 3. Corporate Governance
G4-10	Total number of employees by employment type, contract, region and gender	6.1 Global Talents
G4-11	Percentage of total employees covered by collective bargaining agreements	6.4 Employee Participation
G4-12	Describe the organizations supply chain	4.2 Customer Service and Supplier Management
G4-13	Any significant changes during the reporting period regarding the organizations size, structure, ownership, or its supply chain	3.4 Corporate Governance

G4-14	Whether and how the precautionary approach or principle is addressed by the organization	The company's operation and products are managed in accordance with the precautionary spirit of Rio principle article 15
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	4.2.7 Supply Chain Labor Rights and Ethical Requirements
G4-16	Memberships of associations and national or international advocacy organizations in which the organization	4.1.7 Association Membership and Internation Involvement
Identified material aspects and boundaries		
G4-17	Organizational structure of the company' s operations	Reporting period 3. Corporate Governance
G4-18	The process for defining the report content and the aspect boundaries	2. Stakeholder Engagement
G4-19	List all the material aspects identified in the process for defining report content	2. Stakeholder Engagement
G4-20	For each material aspect, report the aspect boundary within the organization and report whether the aspect is material within the organization	2. Stakeholder Engagement
G4-21	For each material aspect, report the aspect boundary outside the organization and report whether the aspect is material outside of the organization	2. Stakeholder Engagement
G4-22	Explain the reasons for any restatements of information provided in previous reports	No errors were corrected this time
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries	Under GRI G4, the disclosure scope is equivalent to the material aspects and the sum of the organization's internal and external boundaries.

Stakeholder engagement		
G4-24	Provide a list of stakeholder groups engaged by the organization	2. Stakeholder Engagement
G4-25	Report the basis for identification and selection of stakeholders with whom to engage	2. Stakeholder Engagement
G4-26	Report the organization' s approach to stakeholder engagement	2. Stakeholder Engagement
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. Report the stakeholder groups that raised each of the key topics and concerns	2. Stakeholder Engagement
Report profile		
G4-28	Reporting period	Introduction
G4-29	Date of most recent previous report	Introduction
G4-30	Reporting cycle	Introduction
G4-31	Provide the contact point for questions regarding the report or its contents	Introduction
G4-32	Report the GRI Content Index for the chosen option	Introduction Appendix 1: GRI/G4 Content Index
G4-33	Report the organization' s policy and current practice with regard to seeking external assurance for the report	Introduction
Governance		
G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	3.1 Corporate Governance Organization

G4-35	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	3.1 Corporate Governance Organization
G4-36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	3.1 Corporate Governance Organization
G4-37	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	3.1.6 Green Sustainable Development Committee 2. Stakeholder Engagement 3.1 Corporate Governance 6.5 Employee Participation
G4-38	The composition of the highest governance body and its committees	3.1.1 Board of Directors
G4-39	Whether the Chair of the highest governance body is also an executive officer	3.1.1 Board of Directors
G4-40	The nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	3. Corporate Governanc
G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders	3.1.3 Remuneration Management 3.2 Corporate Code of Conduct 3.3 Ethics & Integrity
G4-42	The highest governance bodies and senior executives roles in the development, approval, and updating of the organizations purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts	3. Corporate Governance
G4-43	Measures taken to develop and enhance the highest governance bodies collective knowledge of economic, environmental and social topics	3. Corporate Governance

G4-44	The processes for evaluation of the highest governance bodies' performance with respect to governance of economic, environmental and social topics. Report its frequency, whether such evaluation is a self-assessment and the actions taken in response to the evaluation.	3. Corporate Governance
G4-45	The highest governance bodies role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance bodies' role in the implementation of due diligence processes. Report whether stakeholder consultation is used.	Message from the Chairman 3.1.6 Green Sustainable Development Committee 3. Corporate Governance
G4-46	The highest governance bodies role in reviewing the effectiveness of the organizations risk management processes for economic, environmental and social topics	3.4 Risk Management 3. Corporate Governance
G4-47	The frequency of the highest governance bodies review of economic, environmental and social impacts, risks, and opportunities	3.4 Risk Management 3. Corporate Governance
G4-48	The highest committee or position that formally reviews and approves the organizations sustainability report and ensures that all material aspects are covered	3.1.6 Green Sustainable Development Committee
G4-49	The process for communicating critical concerns to the highest governance body	3.1.6 Green Sustainable Development Committee
G4-50	The nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	2.3 Topic Identification, Communication and Discussion
G4-51	The remuneration policies for the highest governance body and senior executives	3.1.3 Remuneration Management Committee
G4-52	The process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships that the remuneration consultants have with the organization.	3.1.3 Remuneration Management Committee

G4-53	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	3.1.3 Remuneration Management Committee
G4-54	The ratio of the annual total compensation for the organizations highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country	3.1.3 Remuneration Management Committee
G4-55	The ratio of percentage increase in annual total compensation for the organizations highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country	3.1.3 Remuneration Management Committee
Ethics and integrity		
G4-56	The organizations values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	1. 2 CSR Commitments 3.2 Corporate Code of Conduct 3.3 Practice Integrity
G4-57	The internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helpfulness or advice lines	3.3 Practice Integrity
G4-58	The internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistle-blowing mechanisms or hotlines	3.3 Practice Integrity

Specific standard disclosures – Economic

Aspect	DMA and indicator	Description	Chapter
Economic performance	Management policy		4. Economic Aspect 3. Corporate Governance
	G4-EC1	Direct economic generated and distributed	4. Economic Aspect 4.1.9 Financial Performance 3.1.3 Remuneration Management Committee
	G4-EC2	Financial implications and other risks and opportunities for the organizations activities due to climate change	Message from the Chairman 5.2 Climate Change Mitigation and Adaptation Strategy
	G4-EC3	Coverage of the organizations defined benefit plan obligations	6.3 Outstanding Remuneration and Benefits
	G4-EC4	Financial assistance received from government	3.7 Government Financial Aid
	Market presence	Management policy	
G4-EC5		Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	6.3 Outstanding Remuneration and Benefits
G4-EC6		Proportion of senior management hired from the local community at significant locations of operation	6.1 Global Talents
G4-EC7		Development and impact of infrastructure investments and services supported	Non-core option
Indirect economic impacts	Management policy		Non-core option
	G4-EC8	Significant indirect economic impacts, including the extent of impacts	Non-core option
Non-core option	Management policy		4.2 Customer Service and Supplier Management
	G4-EC9	Proportion of spending on local suppliers at significant locations of operation	4.2.4 Supplier Risk Management

Specific standard disclosures – Environmental

Aspect	DMA and indicator	Description	Chapter
Materials	Management policy		5.4 Green Product
	G4-EN1	Materials used by weight or volume	5.4.2 Materials That Minimize Environmental Burden 5.4.4 Management and Reduction of Product Packing Materials
	G4-EN2	Percentage of materials used that are recycled input materials	The percentage of materials used that are recycled input materials has not been calculated yet, it will be implemented in the future.
Energy	Management policy		5.1.1 Green Management 5.2 Climate Change Mitigation and Adaptation Strategy
	G4-EN3	Energy consumption within the organization	5.1.5 Conservation of Energy Resources
	G4-EN4	Energy consumption outside of the organization	Energy consumption outside of the organization has not been calculated yet, it will be implemented in the future.
	G4-EN5	Energy intensity	5.1.5 Conservation of Energy Resources
	G4-EN6	Reduction of energy consumption	5.1.5 Conservation of Energy Resources 5.2.3 Climate Change Mitigation
	G4-EN7	Reductions in energy requirements of products and services	5.4 Green Product
	Water	Management policy	
G4-EN8		Total water withdrawal by source	5.1.3 Cherish The Water Resources
G4-EN9		Water sources significantly affected by withdrawal of water	No significant impact
G4-EN10		Percentage and total volume of water recycled and reused	5.1.3 Cherish The Water Resources
Biodiversity	Management policy		Non-core option
	G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Non-core option
	G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	Non-core option
	G4-EN13	Habitats protected or restored	Non-core option
	G4-EN14	Total number of IUCN red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	Non-core option

Aspect	DMA Indicator	Description	Chapter
Emissions	Management policy		5.2 Climate Change Mitigation and Adaptation Strategy
	G4-EN15	Direct greenhouse gas (GHG) emissions (scope 1)	5.2.3 Climate Change Mitigation
	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2)	5.2.3 Climate Change Mitigation
	G4-EN17	Other indirect greenhouse gas (GHG) emissions (scope 3)	5.2.3 Climate Change Mitigation
	G4-EN18	Greenhouse gas (GHG) emissions intensity	5.2.3 Climate Change Mitigation
	G4-EN19	Reduction of greenhouse gas (GHG) emissions	5.2.3 Climate Change Mitigation
	G4-EN20	Emissions of ozone-depleting substances (ODS)	GIGABYTE' s production process and products do not involve the use of ODS
	G4-EN21	NOX, SOX, and other significant air emissions	GIGABYTE does not produce significant air emissions
Effluents and waste	Management policy		5.1.1 Green Management
	G4-EN22	Total water discharge by quality and destination	5.1.3 Cherish The Water Resources
	G4-EN23	Total weight of waste by type and disposal method	5.1.4 Waste Reduction
	G4-EN24	Total number and volume of significant spills	There were no significant chemical spills in 2015
	G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	5.1.4 Waste Reduction
	G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organizations discharges of water and runoff	5.1.3 Cherish The Water Resources
Products and services	Management policy		5.1.1 Green Management 5.4 Green Product
	G4-EN27	Extent of impact mitigation of environmental impacts of products and services	5.4 Green Product
	G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	5.4.4 Management and Reduction of Product Packing Materials

Aspect	DMA Indicator	Description	Chapter
Compliance	Management policy		3.5 Legal Compliance 5.1.1 Green Management 5.2.2 Response Strategies to Climate Change
	G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	2015 GIGABYTE did not receive any punishment for non-compliance with environmental laws and regulations
Transport	Management policy		Non-core option
	G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organizations operations, and transporting members of the workforce	Non-core option
Overall	Management policy		Non-core option
	G4-EN31	Total environmental protection expenditures and investments by type	Non-core option
Supplier environmental assessment	Management policy		4.2.4 Supplier Risk Management
	G4-EN32	Percentage of new suppliers that were screened using environmental criteria	4.2.4 Supplier Risk Management
	G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	4.2.6 Supplier Audit
Environmental grievance mechanisms	Management policy		2.6 Stakeholder Communications 5.1.1 Stakeholder Communications
	G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	In 2015, there were no grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms.

Specific standard disclosures –Labor practices and decent work

Aspect	DMA and indicator	Description	Chapter
Employment	Management policy		6.1 Global Talents
	G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	6.1 Global Talents
	G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	6.3 Outstanding Remuneration and Benefits
	G4-LA3	Return to work and retention rates after parental leave, by gender	6.1.2 Employee Retention
Labor/ management relations	Management policy		6.5 Employee Participation
	G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	6.3.1 Remuneration System
Occupational Health and Safety	Management policy		6.7 Safe and Healthy Workplace
	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	6.7 Safe and Healthy Workplace
	G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	6.7 Safe and Healthy Workplace
	G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	6.6.2 Employee Physical and Mental Health
	G4-LA8	Health and safety topics covered in formal agreements with trade unions	6.5.2 Smooth Communication Channel Fosters a Harmonious Capital-Labor Relation 6.6 Work-Life Balance
	Management policy		6.2 Employee Growth Engine
Training and education	G4-LA9	Average hours of training per year per employee by gender, and by employee category	6.2 Employee Growth Engine
	G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	6.2 Employee Growth Engine
	G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	6.2 Employee Growth Engine

Aspect	DMA and indicator	Description	Chapter
Diversity and equal opportunity	Management policy		6.1 Global Talents
	G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	6.1 Global Talents
Equal remuneration for women and men	Management policy		6.3 Outstanding Remuneration and Benefits
	G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	6.3 Outstanding Remuneration and Benefits
Supplier assessment for labor practices	Management policy		4.2.4 Supplier Risk Management
	G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	4.2.6 Supplier Management
	G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	4.2.6 Supplier Management
Labor practices grievance mechanisms	Management policy		6.5 Employee Participation
	G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	6.5.2 Smooth Communication Channel Fosters a Harmonious Capital-Labor Relation

Specific standard disclosures – Human rights

Aspect	DMA and indicator	Description	Chapter
Investment	Management policy		6.1.7 Human Rights 4.2.7 Supply Chain Labor Rights and Ethical Requirements
	G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	GIGABYTE abides by EICC and has incorporated its spirit into our operations. The OGS Europe BV, Green Share and QSAN investment proposals in 2015 were reviewed and determined to pose no holding risk.
	G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	6.1.7 Human Rights
Non-discrimination	Management policy		6.1 Global Talents
	G4-HR3	Total number of incidents of discrimination and corrective actions taken	6.1.8 Non-Discrimination
Freedom of association and collective bargaining	Management policy		6.3.3 Employee Welfare Committee 4.2.4 Supplier Risk Management
	G4-HR4	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 rights	6.3.3 Employee Welfare Committee 4.2.7 Supply Chain Labor Rights and Ethical Requirements
Child labor	Management policy		6.1.5 Prohibition on Child Labor 4.2.4 Supplier Risk Management
	G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	6.1.5 Prohibition on Child Labor 4.2.7 Supply Chain Labor Rights and Ethical Requirements

Aspect	DMA and indicator	Description	Chapter
Forced or compulsory labor	Management policy		6.1.7 Human Rights 4.2.7 Supply Chain Labor Rights and Ethical Requirements
	G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	6.1.7 Human Rights 4.2.7 Supply Chain Labor Rights and Ethical Requirements
Management policy	Management policy		6.1.7 Human Rights
	G4-HR7	Percentage of security personnel trained in the organizations human rights policies or procedures that are relevant to operations	6.1.7 Human Rights
Indigenous rights	Management policy		Non-core option
	G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	Non-core option
Assessment	Management policy		6.1.7 Human Rights
	G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	6.1.7 Human Rights
Supplier human rights assessment	Management policy		4.2.4 Supplier Risk Management
	G4-HR10	Percentage of new suppliers that were screened using human rights criteria	4.2.6 Supplier Management
	G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	Currently there are no significant negative impacts
Human rights grievance mechanisms	Management policy		6.5 Employee Participation
	G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	6.5.2 Smooth Communication Channel Fosters a Harmonious Capital-Labor Relation

Specific standard disclosures – Society

Aspect	DMA and indicator	Description	Chapter
Local communities	Management policy		Non-core option
	G4-SO1	Operations with significant actual and potential negative impacts on local communities	Non-core option
	G4-SO2	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	Non-core option
Anti-corruption	Management policy		3.3 Ethics & Integrity
	G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	3.3.3 Anti-Corruption and Anti-Bribery
	G4-SO4	Communication and training on anti-corruption policies and procedures	3.3.3 Anti-Corruption and Anti-Bribery
	G4-SO5	Confirmed incidents of corruption and actions taken	In 2015, there were no confirmed incidents of corruption
	Public policy	Management policy	
Anti-competitive behavior	G4-SO6	Total value of political contributions by country and recipient/beneficiary	3.6 Political Contribution 3.7 Government Financial Aid
	Management policy		3.5 Legal Compliance
Compliance	G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	3.5 Legal Compliance
	Management policy		3.5 Legal Compliance
	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	3.5 Legal Compliance

Aspect	DMA and indicator	Description	Chapter
Supplier assessment for impacts on society	Management policy		Non-core option
	G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	Non-core option
	G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	Non-core option
Grievance mechanisms for impacts on society	Management policy		6. Social Aspect 6.8 Social Participation
	G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	In 2015, there were no complaints about impacts on society

Specific standard disclosures – Product responsibility

Aspect	DMA and indicator	Description	Chapter
Customer health and safety	Management policy		5.1.1 Green Management 4.2 Customer Service and Supplier Management
	G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	5.4 Green Product All GIGABYTE Products Passed Health and Safety Impact Assessment
	G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	In 2015 GIGABYTE did not have any incident of non-compliance with health and safety related regulations
Product and service labeling	Management policy		5.1.1 Green Management 4.2 Customer Service and Supplier Management
	G4-PR3	Type of product and service information required by the organizations procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	5.4 Green Product All GIGABYTE products comply with related information and labeling regulations
	G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	In 2015, GIGABYTE did not violate any product and service labeling regulations
	G4-PR5	Results of surveys measuring customer satisfaction	5.1.2 Customer Satisfaction

Aspect	DMA and indicator	Description	Chapter
Marketing communications	Management policy		4.2 Customer Service and Supplier Management
	G4-PR6	Sale of banned or disputed products	In 2015, no GIGABYTE products were banned, nor did we produce any disputed product.
	G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	In 2015, GIGABYTE did not violate any marketing related laws
Customer privacy	Management policy		4.2 Customer Service and Supplier Management
	G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	4.2.2 Customer Satisfaction
Compliance	Management policy		3.5 Legal Compliance
	G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	In 2015, GIGABYTE did not receive any fine for non-compliance with laws and regulations

Appendix 2: ISO26000 Comparison Table

Core subject	ISO 26000	Sustainable Development Report
Organizational governance	The system by which an organization makes and implements decisions in pursuit of its objectives	2 Stakeholder Engagement 3. Corporate Governance
Human rights	Compliance with the law to avoid the risk of human rights auditing	6.1.7 Human Rights
	Human rights risk situations	6.1.7 Human Rights
	Avoidance of complicity: direct, beneficial or silent	3.3 Ethics & Integrity
	Resolving grievances	6.5.2 Smooth Communication Channel Fosters a Harmonious Capital-Labor Relation
	Discrimination and vulnerable groups	6.1.8 Non-Discrimination
	Civil and political rights	3.6 Political Contribution 6.5.2 Smooth Communication Channel Fosters a Harmonious Capital-Labor Relation
	Economic, social and cultural rights	6.6 Work-Life Balance
Labor practices	Fundamental principles and rights at work	6.3 Outstanding Remuneration and Benefits
	Conditions of work and social protection	6.1 Global Talents 6.5 Employee Participation 6.6 Work-Life Balance
	Conditions of work and social protection	2.6 Stakeholder Communications
	Social dialogue	6.7 Safe and Healthy Workplace
	Health and safety at work	6.7 Safe and Healthy Workplace
	Human development and training in the workplace	6.7 Safe and Healthy Workplace

Core subject	ISO 26000	Sustainable Development Report
The environment	Prevention of pollution	5.1.2 Air Pollution Prevention
	Sustainable resource use	5.1.3 Cherish the Water Resources
	Climate change mitigation and adaptation	5.2 Climate Change Mitigation and Adaptation Strategy
	Protection of the environment, biodiversity and restoration of natural habitats	5.5 Green Guardian 5.7 Green Promotion
Fair operating practices	Anti-corruption	3.3.3 Anti-Corruption and Anti-Bribery
	Responsible political involvement	3.6 Political Contribution
	Fair competition	3.3.2 Employee Code of Ethics
	Promoting social responsibility in the value chain	4.2 Customer Service and Supplier Management
Consumer issues	Respect for property rights	Consumer issues
	Fair marketing, factual and unbiased information and fair contractual practices	3.3 Ethics & Integrity
	Protecting consumers' health and safety	5.4 Green Product
	Sustainable consumption	4.2 Customer Service and Supplier Management
	Consumer service, support, and complaint and dispute resolution	4.2.1 Customer Service 4.2.2 Customer Satisfaction
	Consumer data protection and privacy	4.2.3 Customer Personal Information Protection
	Access to essential services	4.2.1 Customer Service
Education and awareness	4.2.1 Customer Service	

Appendix 3: UN Global Compact Comparison Table

Core subject	ISO 26000	Sustainable Development Report
Community involvement and development	Community involvement	6.8 Social Participation
	Education and culture	6.8 Social Participation
	Employment creation and skills	6.1.4 Recruitment
	Technology development and access	6.2 Employee Growth Engine
	Wealth and income creation	4.1.9 Financial Performance 3. Corporate Governance
	Health	6.7 Safe and Healthy Workplace
	Social investment	GIGABYTE has not related investments

Category	Ten principles	Relevant chapter in the sustainability report
Human rights	Businesses should support and respect the protection of internationally proclaimed human rights	GIGABYTE abides by the law and respect the rights of each employee
	Make sure that they are not complicit in human rights abuses	3.3.2 Employee Code of Ethics 4.2.7 Supplier Management
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	6.5.2 Smooth Communication Channel Fosters a Harmonious Capital-Labor Relation 6.3.3 Employee Welfare Committee
	The elimination of all forms of forced and compulsory labor	6.5.2 Smooth Communication Channel Fosters a Harmonious Capital-Labor Relation
	The effective abolition of child labor	6.1.7 Human Rights
	The elimination of discrimination in respect of employment and occupation	6.1.8 Non-Discrimination
Environment	Businesses should support a precautionary approach to environmental challenges	5. Environmental Aspect
	Undertake initiatives to promote greater environmental responsibility;	5. Environmental Aspect
	Encourage the development and diffusion of environmentally friendly technologies	5.4 Green Product
Anti-corruption	Businesses should work against corruption in all its forms, including extortion and bribery	3.3 Ethics & Integrity

