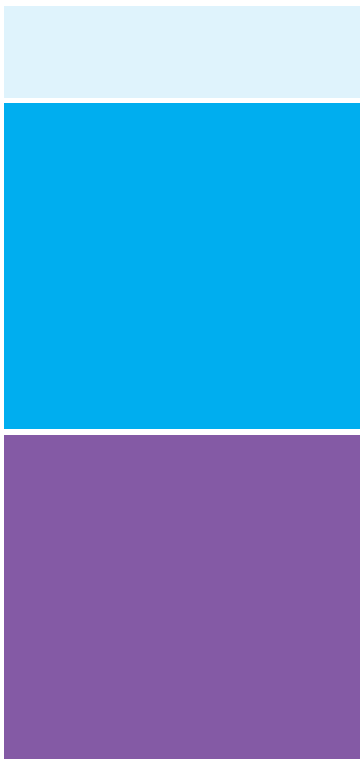


FOXCONN®



Foxconn Technology CO., LTD.

2015 Corporate Social Responsibility Report



Address:No. 66-1 Zhongshan Road, Tucheng Industrial Park

Tucheng District, New Taipei City, Taiwan

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PREFACE

Foxconn Technology Co., Ltd. (“Foxconn Technology”) publishes its first CSR Report in 2015 that covered the period from January 1, 2014 to December 31, 2014. Since then, the Company has received approbation and positive feedback from the stakeholders. The Report provided the stakeholders with a clear picture of Foxconn Technology’ s focus and efforts in sustainability. Its purpose was to deliver with pointed logic to allow the public to fully understand how the Company dealt with the impacts from the environment, society, and economy. The Report also reflected, not only did the Company fully commit to the success of its business, but it also placed great emphasis in the areas of social justice, environmental protection, and employee development. The Company did and will continue to enforce these values and to live up to the expectations of stakeholders.

This is the second CSR Report published by Foxconn Technology. It covers the period from January 1, 2015 to December 31, 2015. The Company anticipates an annual publication of topics on corporate social and responsibility. The Report is structured to comply with the Global Reporting Initiative (GRI) framework and the Sustainability Reporting Guidelines G4 and the industry’ s Core standards by which corporate and social efforts are measured.

This Report contains information relating to the site in Taipei, Taiwan and the primary sites in mainland China, including Yantai, Taiyuan, Shenzhen, and Kunshan, among which the one at the Hebe was newly constructed and of a smaller scale and as such that site is not included in this Report. For indicators of other sites not mentioned herein, they will be separately noted. The financial data for the sites have been reviewed by the accounting firm of PwC. The Company has adopted in its operations ISO14001, OHSAS18001, and ISO9001, all of which have been certified by a qualified third party. Foxconn Technology welcomes comments and feedback from constituents. The contact information is as follows:

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Assurance

Upon Foxconn Technology’ s completion of the Report by its CSR Committee, the Report was independently verified by the Longan Law Firm to ensure proper disclosure in accordance with the GRI G4 standards.

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MESSAGE FROM THE CHAIRMAN

For Taiwan, year 2015 was a tough year. Exports declined, GDP went sour, unemployment rose, and other depressing news hit the economy hard. For the rest of the world except the United States and a few others, most countries' economies ended up disappointing. The future does not look any better. In such a state of global distress, Foxconn Technology has maintained a positive growth in revenue and profit and that is a major accomplishment in its business operations. The accomplishment is the result of hard work from employees, support from investors, communities, government, suppliers, and stakeholders. For that reason, Foxconn Technology owes its success to all of them.

What are most notable about the Company's success are two-fold -- its focus of business objectives in the economy and the environment and its determination to overcome obstacles from the society as a whole. Not only has the Company been mindful of the stakeholder's interests, but it has also set priorities in promoting employee safety, employee welfare, community environment, community development, stockholder benefits, supplier practice, ecological diversity, and environmental protection. The Company also has made in year past substantial efforts in undertaking social responsibilities. The stakeholders witnessed these efforts in complacency and the authorities honored the Company with awards and accolades.

For the past year, the Company had numerous achievements in social responsibility, as evidenced in the following areas:

1. Formation of CSR team that aims to bolster activities, collect data, and sharing information.
2. Publication of CSR activities in a transparent and public manner, upon completion of the CSR Report.
3. Establishment of a "Stakeholder Only" icon on the webpage to allow stakeholders the channel to communicate their concerns and recommendations so that these issues may be addressed by the Company in a timely manner.
4. Set up of the Company's "Social Responsibility Practice Guidelines".

Speaking of the environment, global warming and climate change is one topic that garners a great deal of attention. With the typhoons on the northwest side of the Pacific Ocean, extreme warm weather in the fall, we are much alarmed by the increase of global warming as a result of severe environmental disruption and industrialization. While scientists are actively researching the harm to our well-being and the arguments regarding the cause of global warming, the effect of global warming has a direct impact to human health. This impact continues to exist in our environment and is an adverse effect to our lives and a definite risk to entrepreneurs. In dealing with this very issue, Foxconn Technology, as a responsible citizen, insists on its belief to be "conscientious about the earth, protective of the environment". To practice what it preaches, the Company brings this belief to live as a campaign within its campuses and extends it as far as the community and its suppliers, one place at a time as part of its efforts to make the earth a better place to live.

Acknowledging the fact that global warming has become a universal issue as scientists go on to send alarms of the gravity, an international summit was organized in Paris, France in December 2015 to discuss on that very subject. During the summit, representatives from 195 countries voted to proceed with the Paris Treaty (otherwise known as the "Global Climate Treaty"), and is for the first time in history a doctrine from so many nations that embodies the principles to reduce emission as a means to protect the environment and to save the earth. We are now beginning to see the light at the end of the tunnel where people are taking this matter seriously. The Company has always placed great emphasis in issues concerning the

environment, ecological diversity, emission reduction, climate change, and sustainability by setting up the Foxconn Technology CSR Committee. The CSR Committee works hard to see that the terms in the Paris Treaty are carried out in letter and in spirit in its daily operations.

Since the inception of the CSR Committee, the Company has short-term, mid-term, and long-term goals. For short-term goals, the Committee set the following objectives:

1. Set up a CSR Committee at each campus for the purpose of organizing related work assignments.
2. Plan manpower to facilitate communication in a systematic way.
3. Strengthen the CSR concept using GRI G4 as a guide and be internationalized.

We credit work by our colleagues and the efforts are paying off as the initial milestones are being met. While the short-term goals will be completed this year, we intend to improve the organization and systemize the process before we move towards the next level.

In addition, to take one step further towards social responsibility and balance between economical stability and sustainability so that there is a coalition among the subsidiaries and their employees within Foxconn Technology, the Company has published its own version of “Corporate Social Responsibility Guidelines” and that is the cornerstone for its organization:

1. Promote and practice corporate governance.
2. Develop an environment for sustainability.
3. Protect social benefits.
4. Strengthen social responsibility transparency.

In addition to abide by the applicable rules and regulations in the Company’s daily operations and activities, it is imperative that the following be complied with to ensure fair competition:

1. Avoid conducting in an unfair manner in competition.
2. Undertake tax liability.
3. Prohibit corruption.
4. Stay true to business principles and commercial integrity.

After efforts from last year, Foxconn Technology has made major accomplishments in the implementation of social responsibility principles and has built up a good foundation from which to excel. Yet, the Company is still a long way from the general satisfaction of achievement, there are undoubtedly roadblocks along the way and the path will not be easy. Where there is a will, there is a way. The Company will continue to remind its employees of the importance of social responsibility with the inspiration to addict themselves for the common good of society and mankind. That is the only way that the Company can totally and completely hold itself out as a responsible citizen. Foxconn Technology is committed to be an active member in building the world a better place to live, however hard it must work and how long it may take – the Company is there every step of the way.

Chairman



1.About Foxconn Technology Co., Ltd.



1.1 Overview

Histry

Foxconn Technology Co., Ltd. was originally established in March 1990 as a research and development center of high resolution monitors by formerly Shamrock Technology Co., Ltd. (“Shamrock”) with an investment of NTD 25 million. Shamrock Technology was acquired by Foxconn Technology in 2004 and the name was subsequently changed to what it is today. In March of the following year, Shamrock took over the ODM business from Teco Information Systems Co., Ltd. and before long, it became Taiwan’ s first to develop the 20” automated scanning non-interlaced color monitor with a multi-frequency double focus. By 1992, the Company increased its capital to NTD 100,000,000 and around that time, Burrard Investment Pte Ltd., Singapore also partook in the investment.

In 1994, Shamrock acquired a factory at the Tucheng Industrial Park, New Taipei City in response to its rapid expansion. In the same year, it received approval from the Department of Finance to issue shares for trade and by 1996, it proceeded to its initial public offering. Three year later in 1999, Shamrock commenced research of desktop computer and received a purchase order from Compaq. By 2000, it went into the business of analog board, down converter board, and video board, and from there on, it proceeded to enter the market of PCBA assembly for iMAC computers.

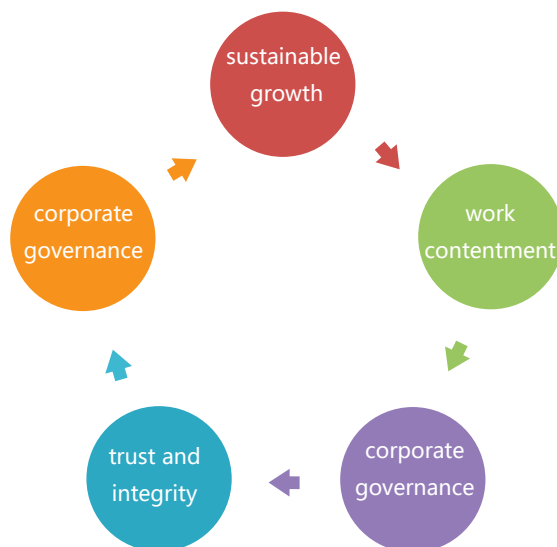
Albeit the success in the assembly business, competition was fierce and profit margin went soar. Since there were players galore in that battlefield, it was difficult to stand out from the crowd and be profitable. Shamrock eventually sold its shares to Foxconn Technology in 2004 that has continued its operations to date. Foxconn Technology realized at an early stage that it had to switch gear to develop components and spare parts. After years of restructuring and re-organizing, the Company has been able to take the two items - the cooling module and the metal chassis to the next generation of sophistication. Since then, the Company has been profitable in that line of business but maintain its traditional source of income from the assembly business.

Through the years, Foxconn Technology has been engaging in the business of major components and spare parts and assembly and is financially stable. Today, with more than 10,000 workers and a host of electronics companies as its customers, the Company can explore into new arenas with attainable growth.

Current Status

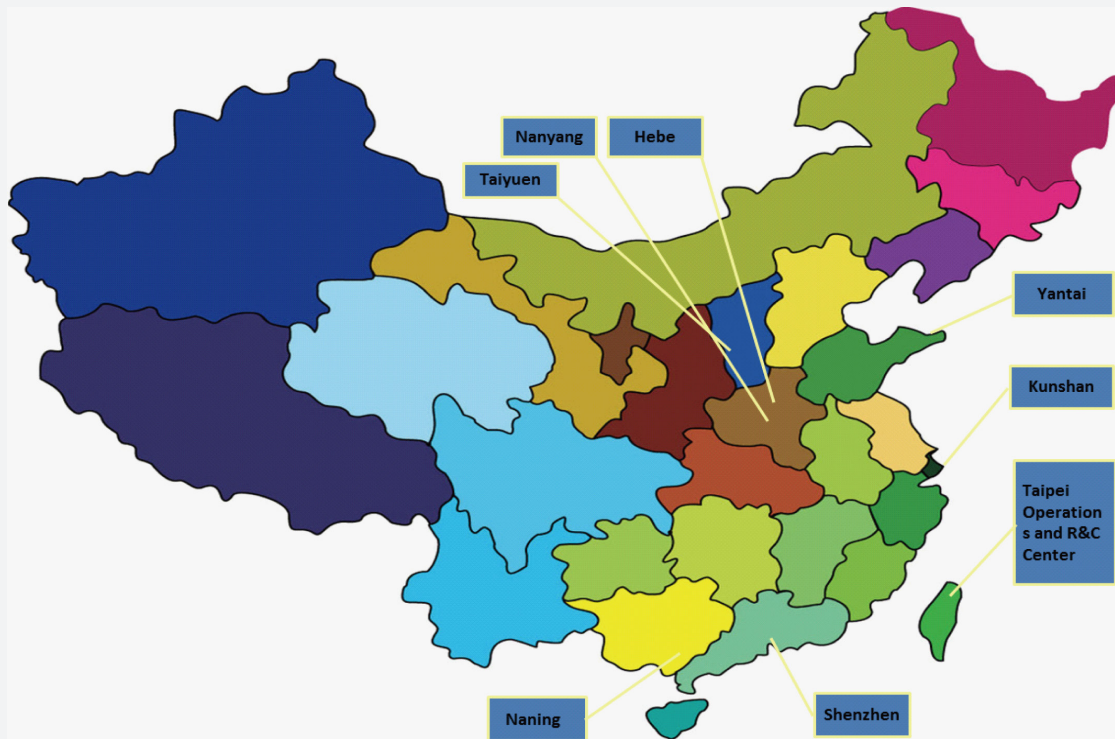
Company Name	Foxconn Technology Co., Ltd.
Population	approx. 20,000 at main campus
Operating Capital	NTD 13.95 billion
Inception Date	April 26, 1990
IPO Date	October 9, 1996
Primary Products and Technology	metal frame, thermal modules, and game consoles
Chairman	Lin, Dongliang
General Manager	Lee, Hanming
Headquarters	No. 66/1, Zhongshan Road, Tucheng District, New Taipei City, Taiwan 23680
Headquarters Telephone	02-2268-0970
Company Website	http://www.foxconntech.com.tw/
Company Website Stakeholder Page	http://www.foxconntech.com.tw/invest6-6.aspx
Territories	Taiwan, mainland China

Corporate Vision

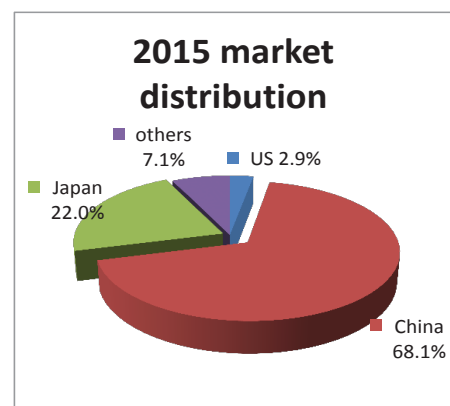
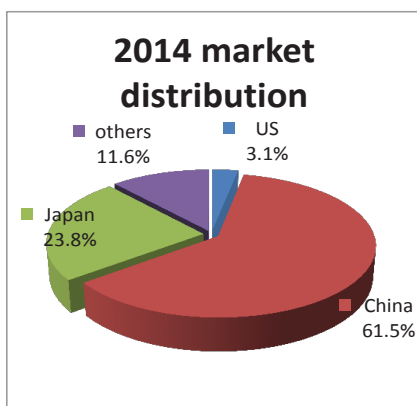


Foxconn Technology’s mission is to operate its business with employees at its core value. Its goals are set based on the premises of “sustainable development” and to provide the investors with full transparency to its operations, such that its partners may promote the mission of “trust and integrity” and employees feel contented at work. All of these efforts aim at bringing social improvement.

Global Sites



Servicing Markets



Metal Casings – Past and Future

3C products, whether they are smart phones, notebooks, tablets, wearable electronics, or other consumer electronics products, are always preferred to be “light and thin”, and is the current trend. Traditionally, the chassis of these products was chiefly made of metal. Foxconn Technology saw that trend and successfully captured that concept and did well in the market. However, for the past several years, this was no longer the trend as 3C products are pretty much matured and new technology for this arena has slowed down. As far as the other products are concerned, high-tech smart phones excepting, production has begun to slow down and has come to a decline. Because Foxconn Technology was able to pick up during the rise of smart phones, it has maintained a healthy financial status that exceeds many other electronics manufacturers. However, as smart phones begin to saturate and the economy continues to be unstable and uncertain, year 2016 will be a challenging year for businesses in this industry. Nonetheless, Foxconn Technology has prepared itself to step outside of the 3C business to enter into other markets. Thus, the impact by the economy does not pose a threat and the Company is strong enough to overcome obstacles that come along the way. The outlook of the Company continues to be enthusiastic.

Thermal Modules – Past and Future

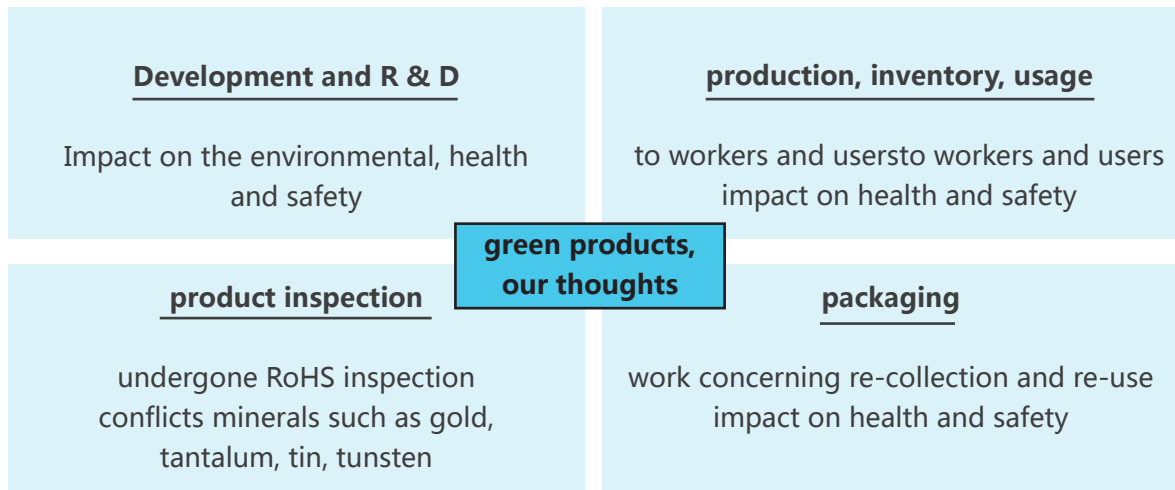
Foxconn Technology is a major manufacturer of thermal modules by having its own research capabilities, coupled with the development within its subsidiaries. The Company specializes and has made significant achievements in thermal modules for products such as desktop computers, notebooks, servers, and game consoles. These achievements were the result of the many years of integration from within while adjusting its capabilities to market demand. It is obvious that the industry has matured to the extent that it lacks the ability to flourish. As for now, the Company places great emphasis in high-tech smart phones, set-top boxes, and other areas where there is still room for growth to ensure sustainability. In addition, thermal modules formerly required major components of fans, heat pipes, and heat sink; however, this may now change because there can be the addition of new material such as grapheme, to increase the flexibility of the heat pipes. Foxconn Technology saw this trend and proceeded with the research, integrating the features of the metal chassis and the internal cooling modules. The Company believes that this is the new trend and therefore a new wave of technology, which no doubt will open up new opportunities for the Company to adapt to the ever-changing environment with its suppliers.

Green Design and the Whole Process

Foxconn Technology’s green concept is not simply for the products themselves; but rather that concept takes into account all aspects from the raw material, purchasing, manufacturing, delivery, and end-user. The process involves taking measures at the moment the products are drawn and designed and the engineers and developers have conscientiously factored the impacts from society, economy, environment, health, and safety before production begins. In addition to compliance with applicable regulatory requirements, the Company spends a substantial amount of resources in ensuring that employee health and safety will be negatively affected during the manufacturing cycle to storage to transportation to usage by consumers. Each step of the process is carefully evaluated and monitored so that the products that exit the Company meet the green concept.

Of note is the compliance with the customer’s requirements in environmental protection. In addition to the above factors and industrial practices, some of the major considerations include:

1. Origin of the raw material and its element, for purposes of tracking.
2. Products subject to RoHS inspection, for purposes of ensuring that they do not contain such harmful substances as BP, Cod, Cr6+, PBB, and PBDE.
3. Demand of suppliers that they comply with documentation of material origin and elements, for purposes of tracking and RoHS inspection.
4. Demand of suppliers that they put in place a policy and inspection process for conflicts mineral that they do not use minerals such as Au, Ta, Son, and W in countries where conflicts exist or those countries that indirectly support the Republic of Congo and neighboring countries that violate human rights. The Company promotes upstream Conflict Free Smelter (CFS).



1.2 Operations

Communication Channels

Foxconn Technology is a Class A listed company on the stock exchange. Its operations and financial standing have always been transparent to the public, including “qualitative” and “quantitative” information. Investors and stakeholders alike may access the information from the following websites:

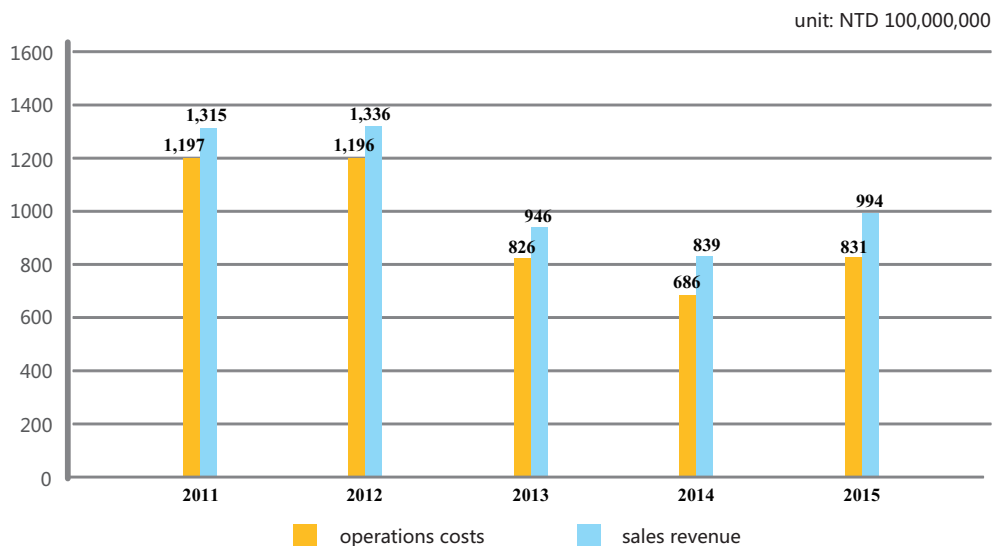
1. Taiwan Stock Exchange at <http://mops.twse.com.tw>. Foxconn Technology publishes information in accordance with regulatory requirements.
2. Foxconn Technology’s website at <http://www.foxconn.com.tw>. Foxconn Technology’s related information may be found on this website.
3. Investors’ e-mail box at c.k.liu@foxconn.com. Foxconn Technology has a department that handles inquiries and provides services to investors.
4. Stockholders’ Meetings. Meetings are held annual. Stockholders are invited to attend and voice their opinions.
5. Stakeholders’ e-mail box at <http://www.foxconn.com.tw/invest6-6.aspx>.

This year, Foxconn Technology set up a new “stakeholders’ area” reserved for various types of stakeholders to allow them to communicate with the Company directly.

All the efforts above were made to heighten transparency of the Company’s business operations, to maintain a positive image in the market, and to allow investors a better understanding of what the Company does and its long-term policy.

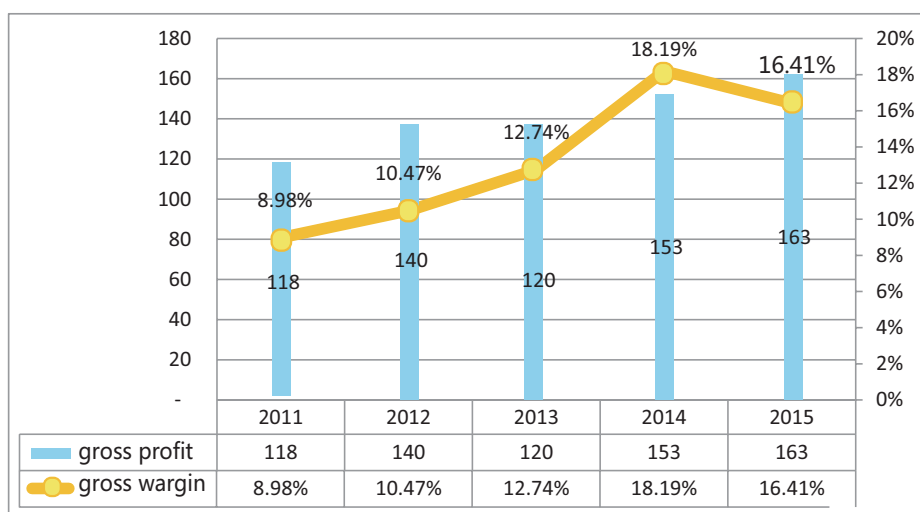


Foxconn Technology's Income Chart



Note: Since 2013, Taiwan has adopted the international accounting principles approved by the Financial Supervisory Commission. Thus, as of 2013, all financial reports are prepared in accordance with the new guidelines.

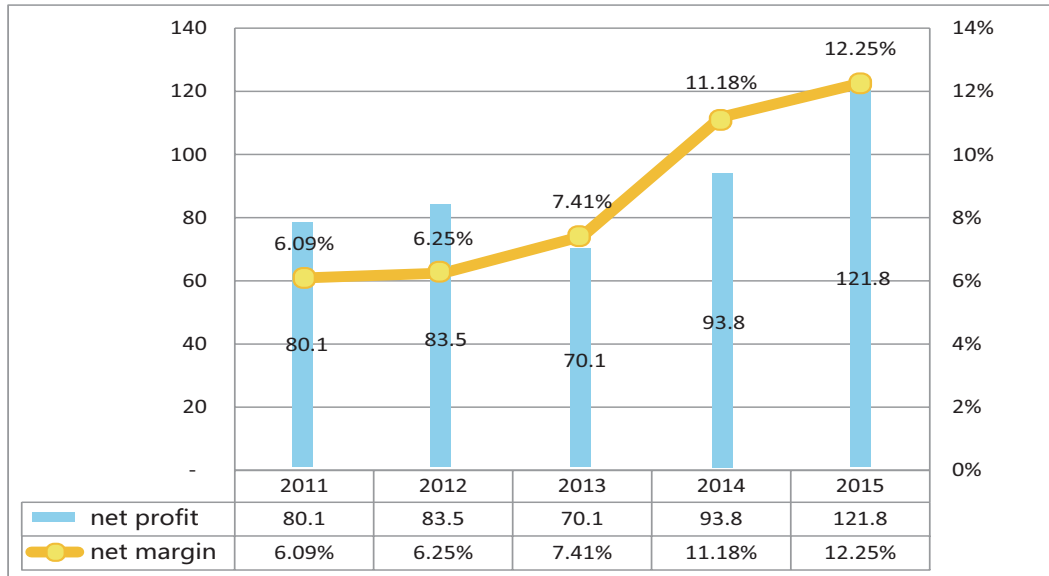
Foxconn Technology's Gross Margin Chart



Note: Since 2013, Taiwan has adopted the international accounting principles approved by the Financial Supervisory Commission. Thus, as of 2013, all financial reports are prepared in accordance with the new guidelines.

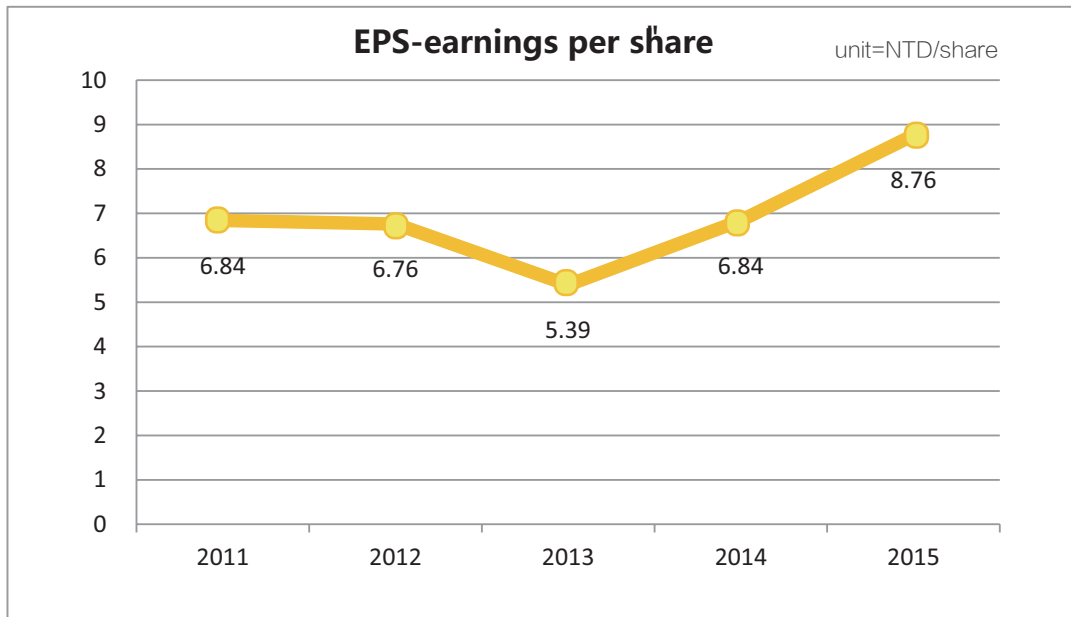
Foxconn Technology's Net Income Chart

unit: NTD 100,000,000



Note: Since 2013, Taiwan has adopted the international accounting principles approved by the Financial Supervisory Commission. Thus, as of 2013, all financial reports are prepared in accordance with the new guidelines.

Foxconn Technology's EPS Chart



Note: Since 2013, Taiwan has adopted the international accounting principles approved by the Financial Supervisory Commission. Thus, as of 2013, all financial reports are prepared in accordance with the new guidelines.

1.3 Professional Affiliations

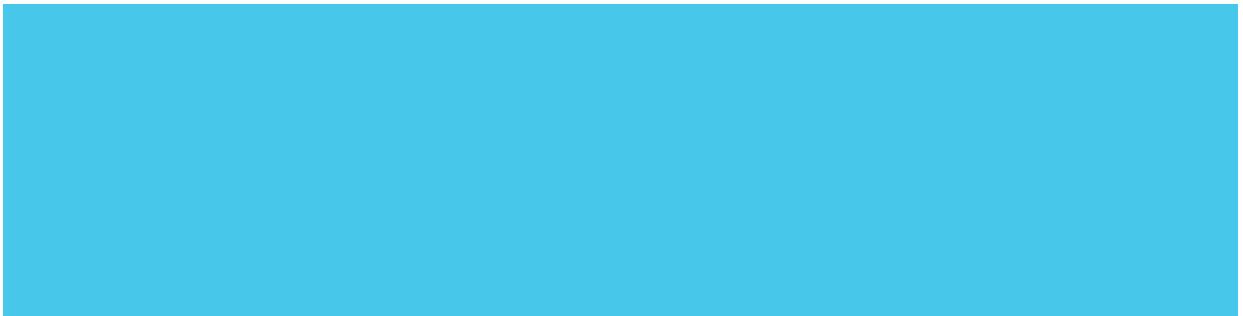
In order to continue its operations as a responsible citizen and excel in its business, Foxconn Technology has increased its community activities by actively participates in the various public associations. The Company is a member of:

- 1.The Taiwan Light Metals Association (TWLMA);
- 2.The Taiwan Electrical and Electronics Manufacturers’ Association (TEEMA);
- 3.The Taiwan Thermal Management Association (TTMA);
- 4.The Manufacturers’ United General Association of Industrial Park of R.O.C. (MUGA); and
- 5.The New Taipei City Industrial Association (NTCIA).

1.4 Activities and Awards

After a series of rigorous auditing, this year Foxconn Technology was once again named a member of the “Taiwan High Compensation 100 Index” and was also named honorable benchmark enterprise by the Taiwan Stock Exchange. This is the result of the hard work by all of the Company’ s employees and that hard work has not gone unrecognized from the private and public sectors. It is now paying off.

Since the inception of the Company, it has and will always live by its motto “work contentment, social well-being, trust and integrity, corporate governance, and sustainability” . The Company will continue to bolster social responsibility and is evidenced by the awards and accolades accorded it. The employees have also participated and won in various activities for their mental and physical health. The numerous awards are listed below.

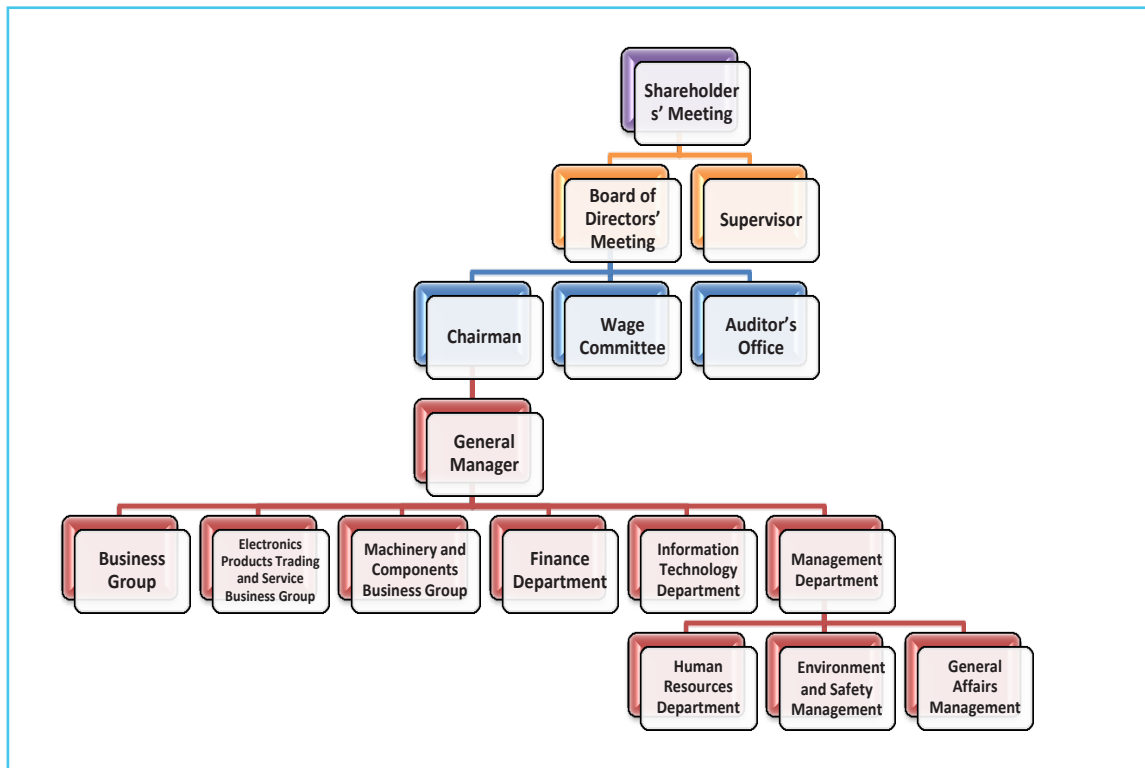


No.	Campus	Awards	Remarks
1	Taipei	Honorable Benchmark Enterprise for Employee Compensation	Accorded to Foxconn Technology by the Taiwan Stock Exchange
2	Taiyuen	Outstanding Organization Award	Accorded to Hon Fuchsine by the Taiyuen City Economy and Technology Development Commission
3	Taiyuen	Charity Honors Award	Accorded to Hon Fuchsine by the Taiyuan Disaster Relief Management Center
4	Taiyuen	May 1 Labor Award	Accorded to Hon Fuchsine by the Shanxi Province Labor Commission
5	Taiyuen	Annual Model Enterprise Award	Accorded to Hon Fuchsine by the Customs Headquarters
6	Taiyuen	Shanxi Class A Tax Payment Company	Accorded to Hon Fuchsine by the Shanxi Tax Service
7	Shenzhen	Winner of the Intellectual Competition for Harmonious Labor Relations	
8	Shenzhen	Chanchiang District Safety and Cultural Development Model Enterprise Award	Fushun Chanchiang District Safety Department
9	Shenzhen	Model Enterprise with Leading Export Indicators	Accorded by the Customs Headquarters
10	Shenzhen	Premier Certified Enterprise	Accorded by the Guangzhou Customs
11	Shenzhen	2015 Advanced Enterprise Award	Accorded by the Fushun Industrial Park Labor Union
12	Shenzhen	2015 Safety Competition	
13	Shenzhen	2015 Female Sports	
14	Shenzhen	2015 Dengue Prevention Award	
15	Shenzhen	2015 Basketball Award	Third Place for the competition in Fushun
16	Shenzhen	2015 Tennis Award	Third Place for Female Tennis Competition
17	Shenzhen	Model Enterprise with Leading Export Indicators	Accorded by Customs Headquarters
18	Yantai	Yantai Labor Union Forerunner Award	Accorded by the Yantai City Labor Union
19	Yantai	Yantai Labor Union Legal Services Model Award	Accorded by the Yantai Economics and Technology Development District

2. Corporate Governance

2.1 Corporate Structure

Organizational Chart



Department Duties

Department	Duties
General Manager	Set company operations goals, supervise implementation of goals throughout company, and direct all departments' operations.
Auditing Office	Examine performance against company bylaws and make recommendations
Compensation Committee	Set and evaluate policy, system, standards, and structure governing compensation for directors and managers.
Business Groups	Execute operations plan and marketing strategies for products. Ensure goals are reached, markets are developed, and sales channels are set up. Deliver products to customers at a reasonable price to the right place at the right time and set up after-sales service centers. Act as a liaison between customers and service centers in solving technical related matters. Introduce the market' s demand and new technology and assist customers in their inquiries on products.

Electronics Products Trade and Services Business Division	Responsible for trade and services regarding 3C communications products.
Parts and Components Business Division	Responsible for production of parts and components for communications products.
Research Center	Ensure customer satisfaction and the public's expectation for new communications products, Foxconn Technology's Research Center merges advanced scientific theories into existing technologies. Depending on each product's uniqueness, the Center develops products of excellent quality and services at affordable prices.
Finance Department	Responsible for the Company's accounting affairs, cost analyses, budget planning and cost control, and cash management and disbursements.
Management Department	Responsible for performance evaluation, recycle, and general affairs.
Systems Communications Department	Responsible for the Company's information strategies, information planning and maintenance, internet communications planning and maintenance.

Board of Directors

Title	Name	Gender	Credentials	Current Appointment at Foxconn Technology and other Appointments
Chairman	Lin, Dongliang	Male	MBA/EMBA National Cheng Kung University, Mechanical Engineering	TMJ Technology Co., Ltd. Board Member Hon Hay Precision Industry Co., Ltd., Special Assistant and Director of Quality Foxconn (Shenyang) Precision Industry Co., Ltd., Chairman of the Board UER Technology Corporation
Board Member	Hung, Chih-Chien	Male	National Central University Hon Hay Precision Industry Co., Ltd., Senior Director	Fusing International Inc. Pte. Ltd., Board Member
Board Member	Lee, Xue-Kun	Male	National Taipei University of Technology	
Independent Member	Tsai, Pei-Xun	Male		
Independent Member	Chen, Yao-Qing	Male		
Supervisor	Lee, Kuo-Yu	Female		
Supervisor	Yu, Tzehung	Male	American University, LLM Hon Hai Precision Industry Co., Ltd., Senior Legal Advisor	

Foxconn Technology has a set of bylaws governing Board of Directors to establish and strengthen corporate governance and to supervise corporate management. The bylaws also cover the Board’s functions, vote, record, meeting process, and retention of files.

Currently, Foxconn Technology’s Board convenes at least once every quarter. In the event of an emergency, the Board may call an emergency meeting. In 2015, the Board met four times and the quorums were as follows.

Title	Name	Times of Attendance	Number of Proxy	Actual Attendance
Chairman	Lin, Dongliang	4	0	100%
Board Member	Hung, Chih-Chien	3	1	75%
Board Member	Lee, Xue-Kun	3	0	75%
Independent Member	Tsai, Pei-Xun	4	0	100%
Independent Member	Chen, Yao-Qing	4	0	100%
Supervisor	Lee, Kuo-Yu	4	0	100%
Supervisor	Yu, Tzehung	3	1	75%

Avoidance of Conflict of Interest

To avoid conflict of interest, Foxconn Technology has set out the following guidelines:

- 1.Avoidance of conflict of interest is explicit In the Company’s bylaws in dealing with Board matters. If a Board member has a personal interest or a conflict with the entities that may result in a negative impact on the Company, then he or she is permitted to present comments or response but may not vote on Board matters, nor is he or she allowed to represent the other Board members.
- 2.The Board consists of professionals acting independent members who act objectively and render opinions based on their experiences and professional capacities, in the best interests of the Company. During Board meetings, the independent members are expected to render opinions that are duly recorded in the meeting minutes. This is a safeguard measure to ensure that these members are unbiased and impartial.
- 3.On the Company’s website for stakeholders, there is a page on reserved Board matters. Information on the Board members such as names, telephone numbers, and e-mail addresses are listed to facilitate communications between the stakeholders and the Board.
- 4.In addition, Board members may not be shareholders of the Company’s major suppliers.

Compensation Committee's Organization, Duties, and Operations

The Company’s first Compensation Committee (“Committee”) was established in September 2011. The Committee is comprised of three members that are academically renowned and have specialized knowledge in the industry. Their primary duties are to examine on a regular basis the policies and the standards for assessing performance and setting wages. This year, the Committee welcomed its second year. Since its inception, the Committee has been operating smoothly. It conducts regular

meetings. In 2015, it held two meetings and the attendance status is as follows:

Title	Name	Name of Attendance	Number of Proxy	Actual Attendance
Chairman	Tsai, Pei-Xun	2	0	100%
Member	Chen, Yao-Qing	2	0	100%
Member	Yu, Hsian-nun	2	0	100%

Compensation Payable to Directors and Supervisors and Employee Profit Sharing

1. According to the Company’ s bylaws, Board members receive no compensation for serving on the Board, excepting bonuses that they may receive as employees.
2. During the past two years, the Company has paid the General Manager and Deputy General Manager their base salaries, bonuses, and profit sharing. The salaries and bonuses are disbursed in accordance with the Company’ s bylaws for said benefits.
3. The amount of profit sharing is determined by the Board of Directors based on the Company’ s financial status and approved by the Board of Shareholders. The actual amount for each individual is based on his or her performance.
4. As far as compensation is concerned, it is determined based on the individual’ s performance and the position that he or she holds to ensure adequate compensation.

2.2 Risk Management

Risk management is an essential part of corporate management. How to properly manage risk can be challenging due to the various types of risk involved (such as static risk and dynamic risk) and the preventive measures required to avoid risk. Nonetheless, it is an area that must be taken into account seriously. If the risks are properly managed, then one may turn crisis into opportunity. On the other hand, if risks are not properly managed, crisis may very well turn into disasters.

Upper Management Level

No.	Potential Risk	Strategy
1	Environment law risk - as China and the rest of the world place greater emphasis in environmental protection, the corresponding regulations will be tightened.	Promote power efficiency, water recycle, sound reduction management and waste recycle. Apply proper measures in accordance with laws and increase scrutiny of environmental analysis of suppliers.
2	Increased economic turmoil - due to the U.S.’ s rate increase, the decrease in raw material, and China’ s economic slowdown, the economic instability in 2016 is in the rise.	Explore new customers, invent new products, heighten analysis of customer financial status and ability to pay, and monitor closely procurement status and inventory.

3	Industry risk - innovation of 3C products are drastically slowed down and as a result, the whole industry tumbles.	Explore new customers of non-3C products, explore the scope of application for products other than 3C.
4	Competitors' risk	Strengthen R&D, maintain technological leadership and promote product differentiation.
5	Policy and regulatory risk - nations are undergoing policy and regulatory change resulting in certain impact to the Company's operations	In addition to legal compliance, the Company keeps a close eye on policy and regulatory changes so as to react accordingly.

Auditing Department

No.	Potential Risk	Strategy
1	Diversity risk - in light of the Company's growth, the expansion to various campuses may result in the inability to audit the corresponding risks thoroughly.	Increase auditor shortage, conduct random inspection.
2	Lack of sufficient knowledge risk - in light of regulatory change and industrial trend, an auditor may not detect corresponding risks for lack of sufficient knowledge.	Increase auditor's hours of continuing education.

Business Group Management Level

No.	Potential Risk	Strategy
1	IP risk - patents galore in high-tech industry and infringements are frequently seen and are risks to operations	In addition to educating employees on IP protection, appoint experts to deal with IP related matters.
2	Technological risk - high-tech industry is IP intensive industry, incapable of being state-of-the-art is a big risk	Continue to invest in R&D, conduct analysis in competitors and obtain newest technology through collaboration with technology institutions.
3	Product risk - customers hold annual press conferences on new products, new products must embed new technologies, the lack of which is definitely a risk	Maintain a close relationship with customers to master the technologies for the newest products.
4	Production risk - delay in the process from procurement, raw material, logistics, and on-time delivery can be a risk	Computerized work process and strengthen logistics capabilities.
5	Supplier services - suppliers have not fully complied with laws on environmental pollution and employment issues and that is indeed a risk	Utilize the services from local suppliers and conduct regular visits and audits, and if necessary include these requirements in the agreements with suppliers.
6	Customer confidentiality and privacy - leakage of customer confidentiality is a major risk and is damaging to the Company's reputation and trustworthiness	Start with employee education and training in stages to ensure each level of the workforce is well aware of the importance of confidentiality, and if necessary require that employees sign the non-disclosure agreements.

Finance Department Management Level

No.	Potential Risk	Strategy
1	Currency exchange risk - because each country has its own quantitative easing monetary policy, the fluctuation in currency can be significant and thus the unpredictable change in currency exchange	Currency exchange operations - avoid unnecessary currency exchange operations and monitor the trading status closely.
2	Inventory risk - in light of the trend in reducing inventory, the increase in inventory will definitely be a risk	Increase inventory analysis and analytical capabilities, and remind all departments of the potential risks.
3	Accounts receivable risk - in light of the slow economy and the potential rise in capital cost, certain customers may run into financial difficulties resulting in inability to pay on time or delinquency	Increase receivable analysis and strengthen credit check, and remind all departments of the potential risks.
4	Asset loss risk - whether the loss is the result of natural disaster or accidental damage, it may put fixed assets and equipment at risk	Record fixed assets and acquire proper insurance to reduce risk to a minimum.
5	Tax risk - due to financial standings of certain nations, the tax law may change and is definitely one significant risk	Comply with tax laws of local authorities, keep abreast of new developments in this area and in close contact with the accountants so that steps may be taken if necessary.

Human Resources Management Level

No.	Issue	Strategy
1	Labor equality – maintain an equal opportunity employee with no labor violations	1. Company policy is clear in non-discrimination towards gender, age, academic background, and race. Every employee is just as important and receives equal and fair treatment. 2. There is a labor union at each campus to ensure employee protection.
2	Labor discrimination and child labor issues	Labor discrimination and child labor are prohibited at the Company.
3	Human rights and freedom	Company policy is clear in protecting human rights and does not prohibit free association.
4	Compensation and promotion	Company policy treats male and females the same in the line of work that they do; promotion is based on the individual's performance.
5	Work health, safety, and fire prevention	There are within the Company professional staff in environmental protection and workplace safety and who are available to handle related issues.

Remark: The Company publishes employee handbook so that employees may understand their rights. It has regular review and audit of the policy to ensure full compliance of the legal mandates concerning this aspect.

2.3 Legal Compliance

Strategy

In its daily operations, the Company's most important practice is legal compliance, because it is an international company in electronics manufacturing and a member of professional associations and the strategies determined at the Company surround the principle of fair competition at heart. All the activities must be set forth in accordance with the following:

- 1.The requirements by the associations in which the Company is a member and the international organizations.
- 2.The legal requirements by the local authorities where the operations of the Company are located.
- 3.The requirements that place the Company as leader in the industry.

Operation

- 1.In addition to compliance with such local laws as business operations, human rights, labor matters, product safety and services, tax laws, environmental protection, and fair competition, the Company maintains a good relationship with local agencies by having effective communications and cooperation to ensure that the operations are run in accordance with legal mandates.
- 2.Orientation is provided to new employees.
- 3.Professional training is provided to staff members in the presence of new law or amendment.
- 4.All staff is encouraged to attend external seminars and to attend internal workshops held by professionals and experts.
- 5.In dealing with situations where there may be potential violations of law, the Company has set up many communication channels to facilitate reporting of unlawful conduct.
- 6.In dealing with situations where there is clearly a violation, the Company will actively report it to the customers and ways to improve and avoid re-occurrence. This has enabled the parties to cooperate seamlessly.

Audit

Foxconn Technology has established an internal auditing system. The auditors are required to perform the requisite audits and report the results to the Board of Directors and the upper management. The Company examines and evaluates past and present results of the audits to reduce the risks of the defects from happening again.

Upon auditing, if Foxconn Technology discovers conduct that are in any way in violation of legal mandates, company policy, or the Company's social responsibility, then the Company has a mechanism to reward or discipline. For those who comply, they are rewarded; for offenders, they are prosecuted to the maximum extent permitted by law depending on the degree of overt act.

The Company conducts regular audits at all times. Upon inspection of the records, Foxconn Technology was found to have no violations in 2015.

2.4 Trust and Business Integrity

Trust

Foxconn Technology has and will always affirm trust as the cornerstone of its existence and that concept has been enforced within the Company and the entities with which it does business. The Company demands that its employees full comply with corporation law, trading law, accounting principles, listing rules, and other related regulatory requirements. This is because compliance is the basis for being a business of trust-worthiness.

In commercial dealings, the Company always first evaluates the parties with whom it trades to ensure legality and integrity. If there is a report of a sign of violation, the Company normally would not allow itself to be subject to potential risks. In addition, the Company has its own risk management policy that provides early detection and communications for purposes of protecting those who duly report. This is one of the many steps that the Company has undertaken to maintain sustainability.

Business Integrity

Business integrity is another one of the fundamental principles that all employees at the Company abides by. The Company prohibits all types of corruption, bribery, deceit, blackmail, or commingling. Other illegal acts include collusion, transfer of benefits at the expense of the Company, unlawful trade, and tax evasion. If the Company should detect activities and there is sufficient supporting evidence to prove the same, the Company will immediately employment relationship and report the activities to the authorities.

The culture of business integrity is one that must be enforced at all levels within the Company. Foxconn Technology is committed to doing business with integrity and has at all times demand and instruct employees to conduct themselves in accordance with corporate guidelines for code of conduct, through training, education, workshops, and alerts in order to promote awareness in this regard and to ensure that the operations are run in full compliance with regulatory requirements.

For those who act to the contrary, the Company has a mechanism by which employees may report illegal activities. To encourage disclosure of unlawful conduct, those who report will be given maximum protection of the information and their identities.

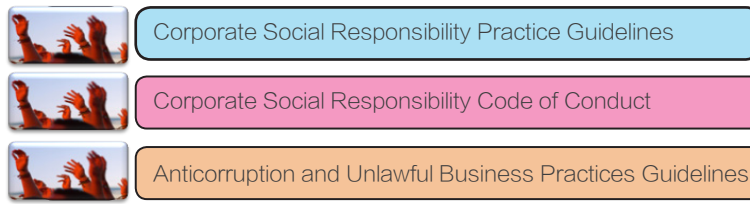
2.5 Anticorruption

Purpose

The purpose of including anticorruption within the Company is to sustain growth and maintain corporate values. It is imperative to uphold these values so as to conduct business as a responsible citizen and to provide employees with a safe and good working environment.

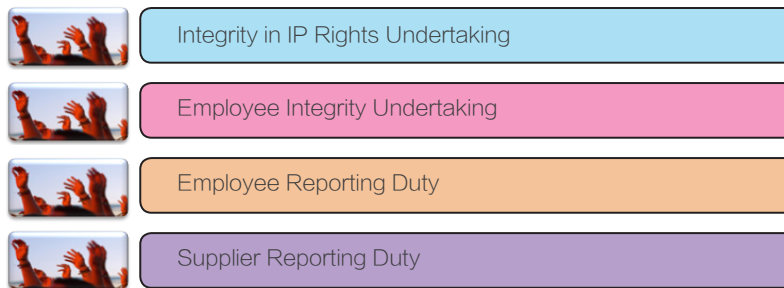
Strategy

To strictly enforce the fundamental business principles, the Company has published a policy with specific guidelines that govern business behavior as follows:



Execution

To effectively carry out the policy of anticorruption and business integrity, the Company has made clear the following principles:



These principles contain the following rules:

1. Prohibit employees from unlawful gain.
2. Prohibit employees from taking advantage of the Company resources or misuse of customers' confidential information and IP rights for personal gain.
3. Prohibit employees from illegal conduct or with acts or omissions that are contrary to customs or against public policy.
4. Prohibit employees from acts that violate the principles of trust and business integrity.

The above principles are applicable not only to all employees, but also to their families and relatives. The Company also adopts the same policy to suppliers and has demanded full compliance of the same.

Dissemination and Channels for Reporting Misconduct

The Company has held regular workshops on anticorruption and published various types of announcements on the subject by way of posters and e-mail communications. In addition, the Company has worked closely with the investigations units of the government to actively promote anticorruption and bribery. Furthermore, in 2015, the Company added text messages to “WeChat” to communications of this sort, as follows:



Reward Policy

In order to encourage reporting of illegal conduct, the Company has set up a rewarding policy that aims at promoting employees to come forward with information of incidents that lead to overt acts. Once the incidents are found to be true, the reporter is given the following:

- 1.If the corruption amount is more than RMB 301 but less than RMB 10,000,000, the reporter may be entitled to RMB 10,000,000.
- 2.If the corruption amount exceeds RMB 10,000,000, the reporter may be entitled to three times that amount.
- 3.In order to ensure that policy for numerous rules work effectively, the Company requests input from all employees for ways to improve. Those who provide the methods or suggestions to the same may be entitled to NTD 50,000,000.

Result

In 2015, reports were received for potential illegal activities; however, upon investigation of the same, they were stories that were either incomplete or lack of additional evidence and therefore unresolved. The reports that were in fact found to be true

were only two that could be categorized as minor violations - one referred to a violation of internal rules, the other pertained to violation of the code of conduct. In the future, the Company intends to perfect internal auditing process and reporting policy to defer illegal activities. Foxconn Technology is determined to operate its business with trust and integrity so as to protect the benefits and interests of the stakeholders.

The Head of the CSR Committee is the General Manager of Foxconn Technology. His job is to direct the policy and direction of CSR and reports directly to the Chairman of the Company. Below him is the Deputy who is charged with projects related to CSR. The Directorate-General is responsible for execution of the projects, aligning the efforts from human resources, finance, labor union, purchasing, and safety. Each campus has a sub-committee of the same function and responsibilities. Those assigned the responsibilities of execution conduct random audits of the sites and collect feedback from stakeholders which are subsequently submitted to the upper management for evaluation. After the inception of the CSR Committee in 2014, the Committee has made major accomplishments within the twelve months thereafter. In addition to preparing the CSR Report, the Committee has published the “Enterprise Social Responsibility Practice Guidelines” .

Stakeholders’ Webpage

Stakeholder	Contact Information
employee	Name: Gigi Yeh
	Telephone:02-2268-0970(extension-3000)/ facsimile:02-2268-7176
	Email:anita.hc.yeh@foxconn.com
customer	Name: Tracy Liu
	Telephone:02-2268-0970(extension-3207)/ facsimile:02-2268-7176
	Email:tracyliou@foxconn.com
government/labor associations/NGOs	Name: Junhao Zhang
	Telephone:02-2268-0970(extension-3205)/ facsimile:02-2268-7176
	Email:chun-hao.chang@foxconn.com
supplier	Name: Lu Hsutung
	Telephone:02-2268-0970(extension-3208)/ facsimile:02-2268-7176
	Email:hsu-tung.lu@foxconn.com
community	Name: Louis Lu
	Telephone:02-2268-0970(extension-3168)/ facsimile:02-2268-7176
	Email:louis-kh.lu@foxconn.com
media/investor	Name: CK Liu
	Telephone:02-2268-0970(extension-3211)/ facsimile:02-2268-7176
	Email:c.k.liu@foxconn.com

Foxconn Technology strongly believes that corporate governance is one of the basic principles for successful leadership in a listed company. In order to strength governance and improve social responsibility, in 2015, the Company’ s Board of Directors passed resolution to publish the “Enterprise Social Responsibility Practice Guidelines” . In organizing activities for the Company, employees are required to have activities set up in compliance with the applicable rules in the Guidelines.

The Guidelines mentioned above clearly state, while executing its duty in social responsibility, the Company must take into account fully the interests of the stakeholders, and in pursuing sustainability, it is crucial that the Company places great emphasis in the environment and society as they relate to corporate governance. That is what makes the Company competitive in the playing field.

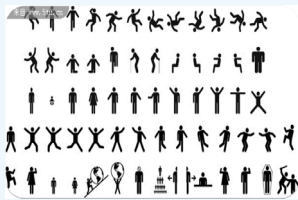
Foxconn Technology is fully aware of the highly alarming issues relating to natural resources and climate change. Thus, the Guidelines contain rules governing water usage. The Company has set up a system to recycle waste water as appropriate. As far as operations are concerned, Foxconn Technology should avoid pollution to the environment, taken into consideration the feasibility of which to adopt the most practical ways to prevent pollution and the strategy for control technology to reduce the impact of pollution on human health and the environment. Regarding climate change, the Company has attended to the influence of climate change to its operations and thus modifies its operations strategy accordingly.

In sum, the implementation of the “Enterprise Social Responsibility Practice Guidelines” is indicative of the Company’ s determination to be a responsible citizen, placing great emphasis on social responsibility in its corporate governance so as to set the standards in the Company’ s daily operations and the employees’ activities.



3. Communications with Stakeholders and Material Issue Management and Analysis

3.1 Communications with Stakeholders



Stakeholders

An entity or person who is affected by Foxconn Technology's activities, products, and services and its behavior may well have an impact on whether the Company can implement its strategy and its organizations goals

Foxconn Technology's progression in sustainability goes hand-in-hand with the economy, environment, and community because it is the stakeholders' expectation of the Company in its short-term and short-term strategies. Therefore, communications with the stakeholders is one of great importance. It is imperative that the Company maintains an open and effective line of communication with the stakeholders to ensure that their voice is heard and their demands implemented in a timely manner. In communicating with the stakeholders, the Company shares its business plan, its strategies in social responsibility, its global vision, and its green products.

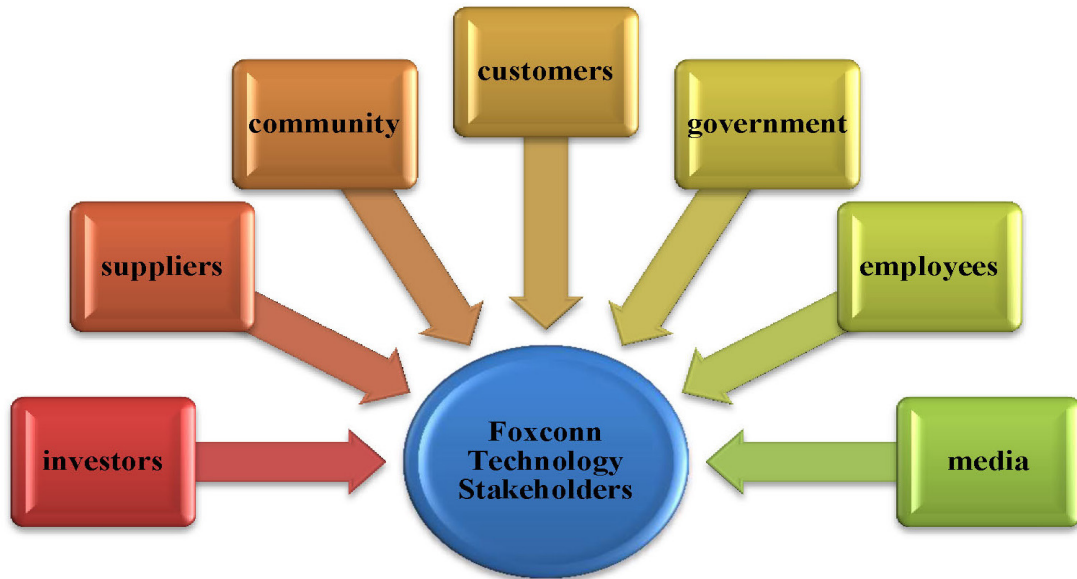
Communication Channels with Stakeholders

In order to respond to the stakeholders' queries in a more professional perspective, Foxconn Technology has made available the various contact windows corresponding to the individual's needs so that they may be handled promptly and professionally. The Company has also listed the contact information for stakeholder communication on its CSR Report and its stakeholders' webpage at <http://www.foxconntech.com.tw/invest6-6.aspx>. It is the Company's hope that the stakeholders may good use of these channels in submitting their suggestions and comments.

Stakeholders Identification

Foxconn Technology has the following definition for stakeholders: "Any person who is affected by Foxconn Technology's activities, products, or services and whose conduct can also influence Foxconn Technology's operational strategies in order to accomplish its goals." Therefore, in identifying the stakeholders, the Company invites its members in departments such as human resources, investors' relations, public relations, environment and safety, and operations to partake in the definition of stakeholder based on their daily work and their experience. Upon appraisal of the standards to identify stakeholder, the members came up with the following:

Foxconn Technology Stakeholders



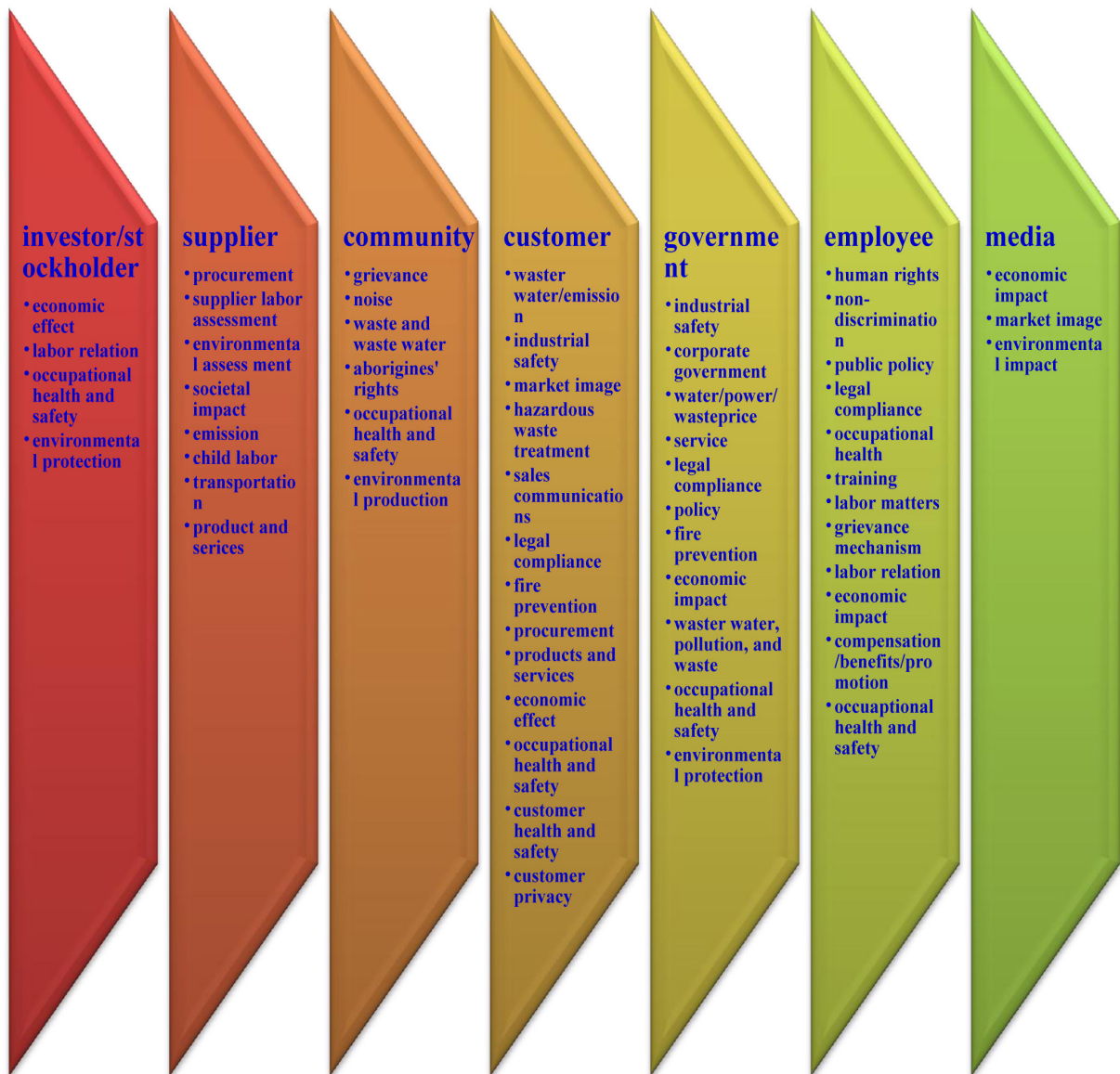
*Regarding the mechanism that is set out for topics that stakeholders are of interest, please refer to the respective chapters for further details.

Stakeholder Communications Mechanism

investor/stockholder	investor/stockholder	investor/stockholder	investor/stockholder	investor/stockholder	investor/stockholder	investor/stockholder
<ul style="list-style-type: none"> ● face-to-face meeting ● phone communications ● email news release ● major announcement 	<ul style="list-style-type: none"> ● face-to-face meeting ● phone communications ● email correspondence ● audit ● undertaking purchase order 	<ul style="list-style-type: none"> ● face-to-face meeting ● phone communications ● audit ● labor union ● third-party inspection ● communications with authorities ● government-waste regulations 	<ul style="list-style-type: none"> ● face-to-face meeting ● phone communications ● email ● correspondence ● audit ● routine monitoring ● order/contract ● training ● platform ● NDA 	<ul style="list-style-type: none"> ● phone communications ● email ● correspondence ● audit ● routine inspection ● feedback system 	<ul style="list-style-type: none"> ● face-to-face meeting ● phone communications ● email ● audit ● labor union ● care center ● recruitment/training ● compensation training ● publicity labor relation 	<ul style="list-style-type: none"> ● face-to-face meeting ● phone communications ● email ● news release ● major announcement

*Because the communications with stakeholders are frequently conducted, besides contacting the Company on a regular basis, most of the stakeholders also choose to contact randomly at their discretion.

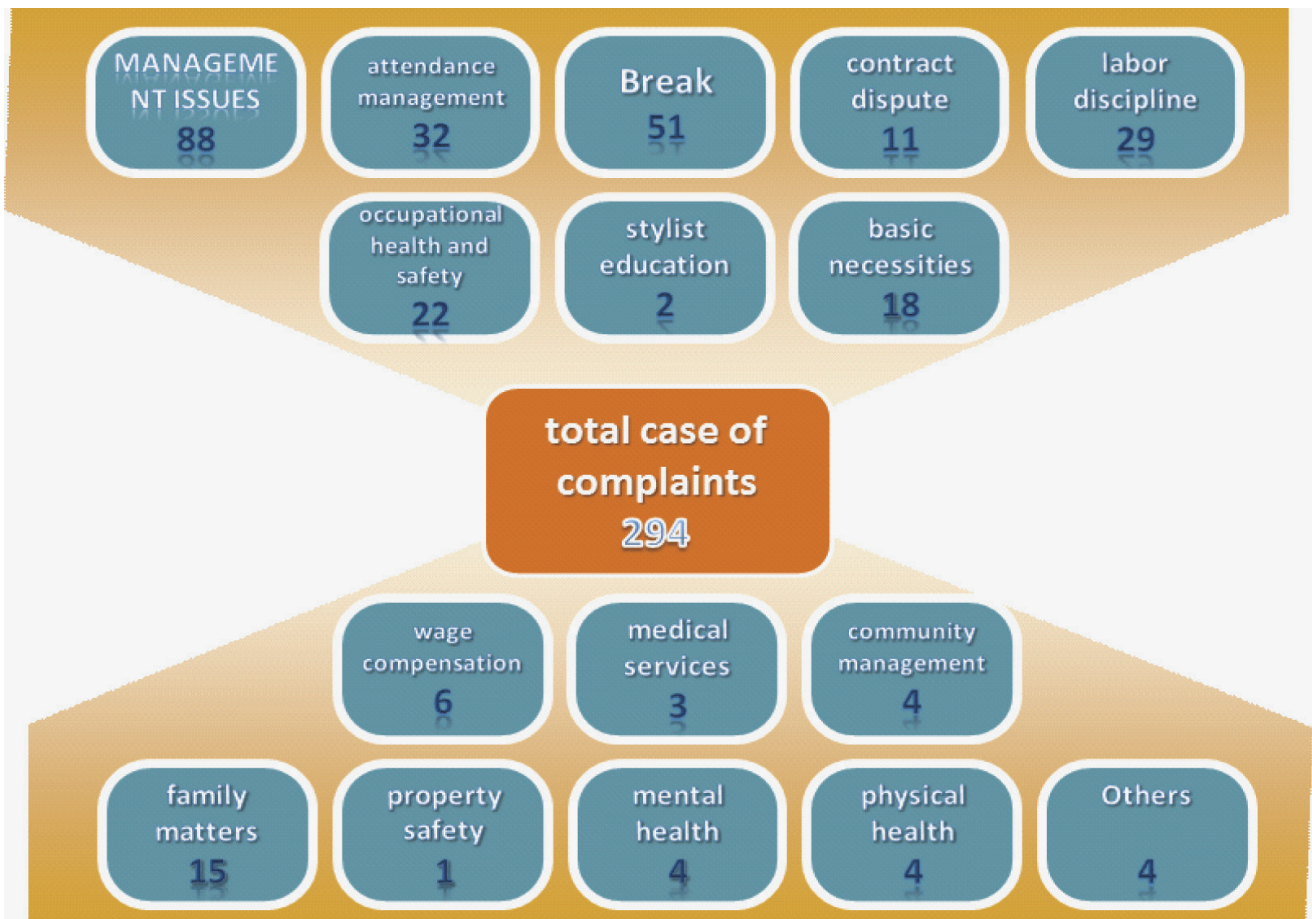
Topics that are of Interest to Stakeholders



Statistics Showing Communications with Stakeholders

Stakeholders come forward through various means of communication methods to provide their comments or to state their expectations of the Company. Upon receipt of such comments and statements, Foxconn Technology always provides spontaneous response. These comments and statements vary and contain numerous subject matters and they are sorted by categories and are tallied. In 2015, the Company received the following number of comments – 294 complaints and they were subsequently improved and responded.

Diagram of Complaint Statistics



3.2 Material Issue Management Methodology



After the standards are set for material issue management, the Company adopts a four-way loop mode management “plan, do, check, and act” as follows:

Our Goals

When it comes to governance, there must be goals. Although goals are not often straight lines, without them, the chances of them being forgotten or ignored are very high. Once the goals for the organization is set, then the mode of operation and methods can be determined and the responsibility imposed on each individual is even clearer. This will pave the way to better evaluate the results. As far as the stakeholders' issue management is concerned, the Company has established the following goals:

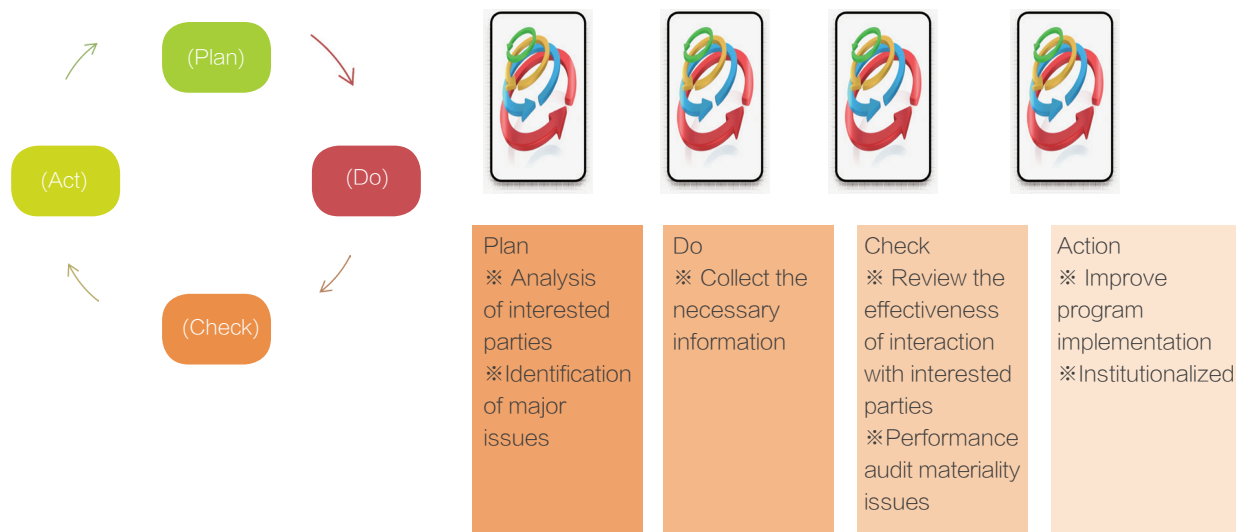
- 1.The Company responds to stakeholder's suggestions, expectations, and grievances in an efficient manner and takes appropriate measures in order to gain the trust and respect from the stakeholders.
- 2.The Company is diligent in carrying out its social responsibilities and continues to pay high regard to The issues that are of importance to stakeholders as a means to establish its corporate image and integrity.

Attention to Issue Management Modes

- 1.Plan: data collection method. Identify the stakeholders, analyze their points of interest in order to respond to their requests and expectations.
- 1.Do: systematic collection of qualitative and quantitative data. Sort out “effective communications from the analyses and draft methods of implementation and management.
- 2.Check: regular and random inspection of implementation. Examine the points of interests through auditing to ensure that these points are properly carried out.
- 3.Act:After audits are conducted, compare the results of implementation and draft ways of improvement or contact the applicable departments for correction.

For points of interest, the Company adopts the above methods to resolve and manage issues. For outstanding issues, the Company uses the loop mode management method until the issues are resolved and settled.

Management Methods in Resolving Stakeholders' Points of Interest



Material Issue Identification

Foxconn Technology defines material issues as: “any important issues that properly reflect the impact of Foxconn Technology’ s business operations as to the economy, environment, and community or to the stakeholders’ evaluation, assessment, and decision” . In accordance with this definition, Foxconn Technology in identifying material issues adopts the following four steps “identify, prioritize, confirm, and inspect” . These material issues are set apart from the Company’ s major business issues and are reserved as a focus of the Company’ s direction.

Identify: Adopt GRI Sustainability Reporting Guidelines, Version 4.0, the Company takes into consideration the factors in the GRI Guidelines in the various categories (including economy, environment, and society) versus the mandatory disclosure standards, and place them into questionnaires and statistical analyses. The factors are evaluated based on the points of view from the Company and the stakeholders to determine whether the impact arises from within the Company, from outside the Company, or both.

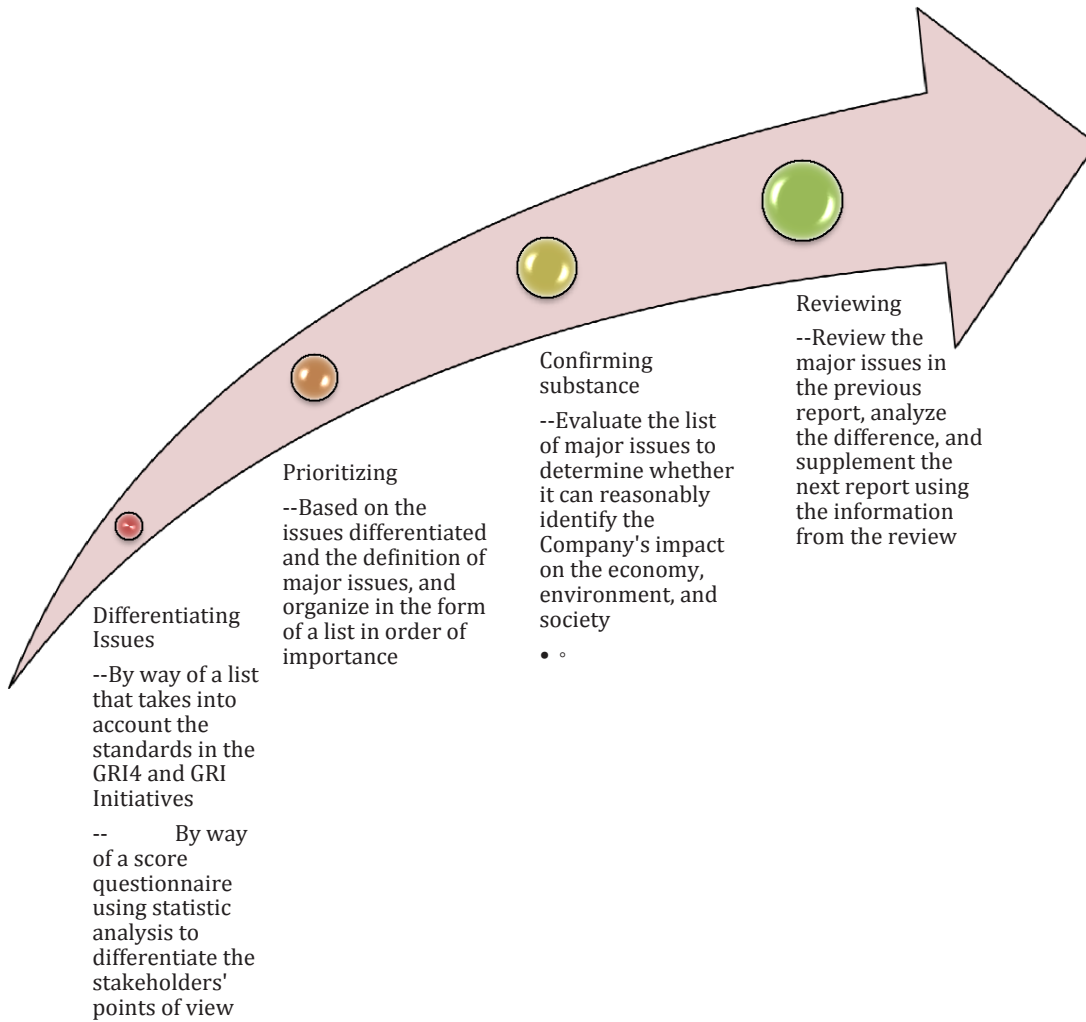
Prioritize: From the issues identified above and in accordance with the definition of material issues, the Company generates an orderly list of the steps to take and to locate the issues.

Confirm: This step has to do with the issues’ scope, boundary, and timing standards. It is a list used to evaluate the material issues and their importance so as to ensure that this CSR Report can present the impact of the Company towards the economy, environment, and society in a clear, reasonable, and balanced manner. This allows the stakeholders to have sufficient information to evaluate the Company’ s performance and proceed with the right strategies.

Inspect: In revisiting the material issues from 2014 and 2015, the additional issues from 2015 contained six items, namely those of non-discrimination, products and services, corporate governance, human rights, environmental protection, and societal impact. The issues in 2015 that no longer exist this year contain six items and they are chiefly labor relations, environmental issues, and grievance mechanism, product and service labeling, non-voluntary labor, emission, and supplier impact. The other material issues do not change much, except that fluctuate up and down the scale.

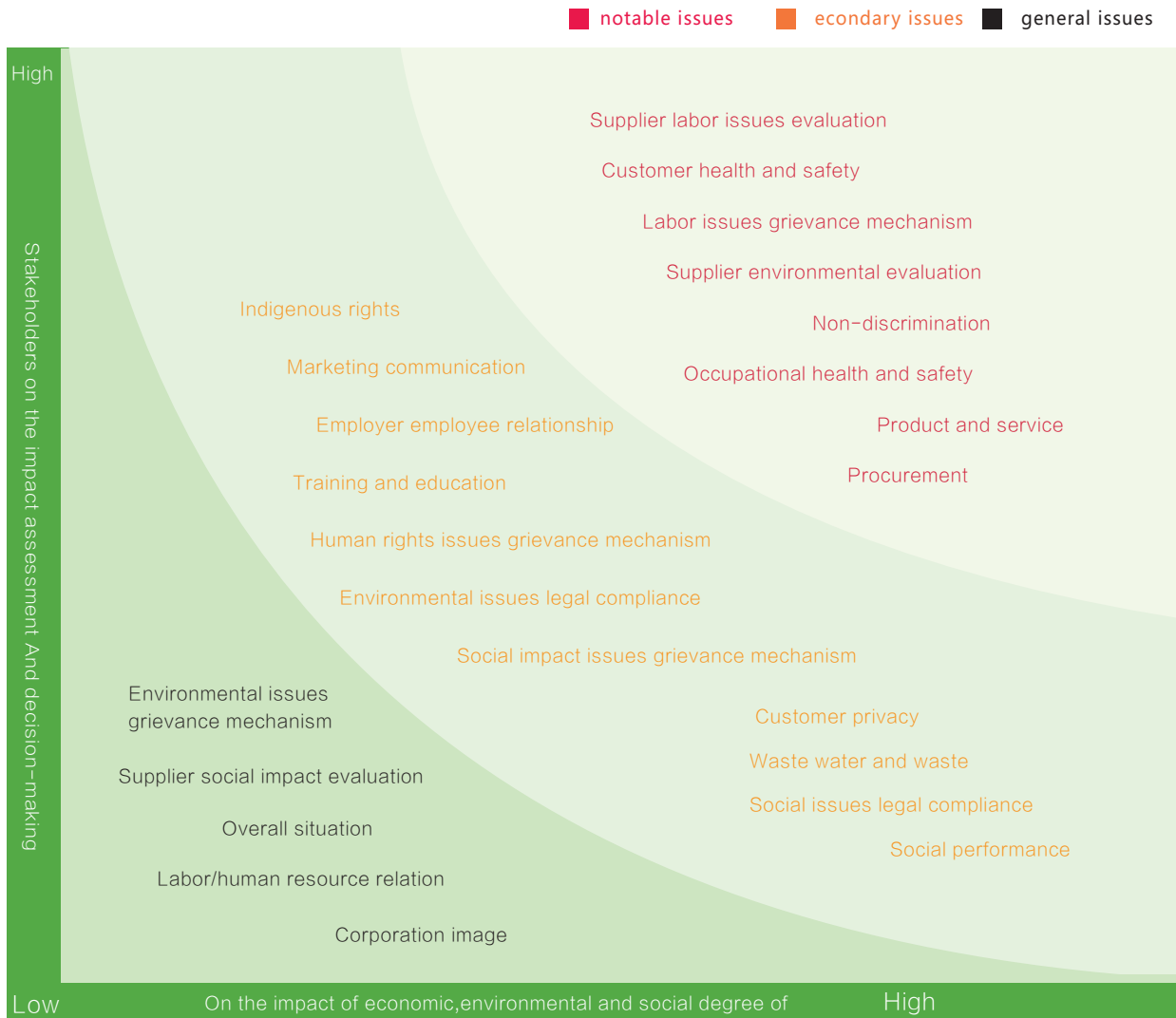
Material Issue	2015	2014
Supplier labor practice	notable	notable
Non-discrimination	notable	notable
Customer's health and safety	notable	notable
Supplier environment evaluation	notable	notable
Procurement	notable	notable
Labor grievance mechanism	notable	general
Product and service labeling	notable	none
Occupational health and safety	notable	secondary
Labor and employment	secondary	general
Environmental compliance	secondary	secondary
Customer privacy	secondary	secondary
Training and education	secondary	general
Social compliance	secondary	none
Human rights grievance mechanism	secondary	none
Marketing communications	secondary	secondary
Rights of the indigenous	secondary	secondary
Economical performance	secondary	general
Social impact grievance mechanism	secondary	general
Waste water and waste	secondary	secondary
Total situation	general	general
Environmental grievance mechanism	general	none
Market trend	general	general
Societal impact grievance mechanism	general	none
Labor/human resources relations	general	notable

Chart showing steps in identifying material issues



Based on the steps addressed above, there were twenty-four material issues and are identified in the graph below. Further, the Company discloses additional ten items that are industry-related and are come to a total of thirty-four issues.

Analysis of the results of the relationship between the major stakeholders topics



Major Issue List and Internal/External Risk Analysis

Category	Major Issue	Internal Risk	External Risk			
		Foxconn Technology	Supplier	Customer	Community	Investor
Economy	Corporate image	※		※		
	Procurement	※	※	※		
	Economic performance	※		※		※
Environment	Waste water and waste	※				
	*biodiversity	※				
	*emission	※	※			
	Supplier environmental evaluation	※	※			
	Environmental issues grievance mechanism	※			※	
	Overall situation	※			※	
	Environmental legal compliance	※		※		
Labor and employment	Occupational health and safety	※			※	※
	Supplier labor evaluation		※			
	*employee diversity and equality	※				
	Labor relation	※				
	Labor/human resources relation	※	※			
	*gender equality	※				
	Labor issues grievance mechanism	※				
	Training and education	※				
Human rights	*freedom of association	※				
	*forced and compulsory labor	※				
	Human rights issues grievance mechanism	※	※			
	*supplier human rights evaluation	※	※			
	Indigenous rights	※			※	
	Non-discrimination	※				
Society	Supplier social impact evaluation		※			
	Societal legal compliance	※				※
	Environmental issues grievance mechanism	※			※	
	*anti-corruption	※				
	*anti-competition	※				
Product liability	Customer privacy	※		※		
	Product and service labeling	※	※	※		
	Customer health and safety	※		※		
	*product liability legal compliance	※		※		
	Marketing communication	※		※		

*Refers to the ten additional major issues

4. Customer Relations and Supply Chain Management

4.1 Customer relations



Customer Satisfaction

Foxconn Technology customer satisfaction is more than 90%

Foxconn Technology's primary source of income derives from a stable and long-term customer relationship and thus the Company places great emphasis in corporate image and social perception. The Company strengthens customer and partner relations by improving customer service and quality. The Company evaluates customer satisfaction of the quality of service via questionnaires sent to customers for evaluation so as to understand the customers' expectations of the Company and to receive feedback regarding the areas requiring improvement.

The scores tallied from the questionnaires received from the customers show that the customer satisfaction is more than 90%. This is indicative of the customers' trust in the Company's service and quality and certain level of expectation in the Company. The reasons for the satisfaction are chiefly based on the following:

1. In addition to the non-disclosure agreement between the Company and customer, Foxconn Technology puts in place a mechanism in protecting the customer's privacy and confidential information and that mechanism is carried thoroughly at all levels within the Company.
2. In 2015, the customers conducted numerous CSR written audits and on-site audits of such items as including labor, human rights, environment, economy, and society, Foxconn Technology exercised best efforts in performing the audits and in improving areas that are below expectation.
3. The Company's products, services, capacity, and delivery meet the standards set by the customers.
4. The Company's ability in state-of-the-art technology and problem solving exceeded the customers' expectations.
5. Effective communications with the customers and superb after-sales services.
6. Foxconn Technology was certified as ISO9001, OHSAS18001, and ISO14001 qualified and the customers are highly pleased as a result. Albeit the many certifications, the Company strives to be more and look for ways to become better. That is also the reason why the Company gets the respect and the appreciation from its customers.

Customer loyalty is the most important asset of the Company. Foxconn Technology prides itself in maintaining a good relationship with its customers, understanding their needs, and fulfills their demands effectively and efficiently. These principles are what make the Company profitable. Foxconn Technology utilizes an IT system and various types of software to collect and sort out big data as a tool to integrate internal business operations, customer service, and production and to manage the inter-departmental activities. The integration helps to organize customer demands and corporate strategies. The Company even goes as far as collecting information from customers via telephone communications, e-mails, and face-to-face interviews.

4.2 Supply Chain Management

Foxconn Technology runs a very big operation and manages a huge supply chain that is primarily in the manufacturing business. In addition to the suppliers designated by the customers, most raw material and components are purchased from local suppliers, chiefly for the purpose of convenience and for bringing prosperity to the areas and job opportunities to the local residents. These purchases are as high as 3% to 90% of the total procurement.

Foxconn Technology has always considered supply chain management as a major part of its operations. The Company has a very stringent process in qualifying suppliers. Despite having a good relationship with them, the Company continues to monitor to ensure that all its suppliers abide by the same policies on social responsibility and that they implement these policies holistically, in theory and in practice. For new suppliers, the Company undergoes a series of evaluations of the supplier's ability to perform its duties on social responsibility before they can apply to become suppliers. As a practice, Foxconn Technology requires that the suppliers undertake their social responsibility duties in writing. As for existing suppliers, the Company undergoes regular and random audits of their conduct and follow-up on their improvement status where there are defects. If there is evidence that a supplier commits a major defect, the Company will demand corrective actions to be taken within a period of time and if no corrective actions are taken, their status as suppliers will be terminated.

The criteria for new and existing suppliers include, but not limited to, labor morality, management in major aspects such as society, health, safety, environment, business ethics, and operations management. Other aspects include production management, inspection, equipment management, quality control, inventory management, management by exception, and training and continuing education. For auditors, they are required to record a complete list of defects by suppliers and conduct appraisals of the improvement by category and by stages. Once the audit report is done, the responsible auditor is required to sign off so as to facilitate tracking.

In 2015, Foxconn Technology added twenty-three new suppliers. For existing suppliers, the Company elevated its degree of inspection and auditing procedures. Auditors were increased to ninety-one in 2015 from forty. The list of inspection items were increased from 141 in 2014 to 348 in 2015. The categories of inspection now aim at quality, delivery, cost, and recycle. Other minor items included inaccurate record of attendance, missing labeling on fire extinguishers, incomplete training of staff members, no record of temperature of humidity in storage areas, no wearing of badges, etc. After providing guidance, suppliers were able to correct up to 95% of their defects and the remaining defects are still in the process of being corrected.

Foxconn Technology invests heavily on supply chain management, in expense and time. The Company acquires various software and equipment to monitor the performance of suppliers and establishes strict compliance in social responsibility so that the suppliers together with the Company may contribute their efforts to the well-being of society.



5. Environmental Protection and Natural Resources

5.1 Environmental and “3R3” and Resources Management

Since the industrial revolution, mass production is done based on operating model of reducing cost and that has changed the conditions of human rights and has satisfied man’s desires for material value. The mass exploitation of fossil fuels for cleaner energy and petrochemical products is to meet the demands of these desires, which bring about, among other things, the disruption in ecological balance, environmental pollution, and global warming. Yet, we must emphasize that we have the responsibility of leaving to future generations a planet suitable for living. To accomplish this goal, we need to look at the problem from a sustainability perspective. The advancement of human civilization is in the working and there is no going back. Whether an individual or a corporation, while on the path of advancement, we all have the responsibility of protecting the planet by embracing the 3R concept - Reduce, Reuse, and Recycle. Great efforts must be made in applying the 3R concept to valuable resources and that is to use the resources over and over again until they cannot be recycled. At Foxconn Technology, 3R3 is a way of living in its daily operations, in its activities, and setting its goals. Only if all of us function in 3R3 concept will we be able to have a planet with rhythm that is clean and green for generations to come.

In dealing with limited resources in water, power, and paper, Foxconn Technology uses 3R3 in running its operations and that turns out to be the most effective way and the results are commendable. The Company sets high standards on itself to pay close attention to the impact of its business to the environment. Because Foxconn Technology is an electronics manufacturing company, its factories are situated in the industrial parks with a scale designated for such use. Before each site is constructed, the Company undergoes a comprehensive evaluation of the construction to the environment. The evaluation and the production flowchart and equipment are then submitted to the authorities to confirm that the construction will not pose a threat to the environmental before construction begins. After the construction, the operating procedures will be in accordance with applicable laws and regulations. In addition, the Company engages third parties to conduct random inspections of air condition, water, and waste. At all times, the Company cooperates with the environmental agency and the authorities in random audits to ensure legal compliance. Furthermore, all Foxconn Technology sites install environmental management systems that are ISO14001 certified by third parties.

Of note, having a green supply chain is now a must and is a major challenge in ensuring sustainability in manufacturing green products. What are demanded of suppliers include promoting: (a) green management; (b) awareness of applicable laws and regulations and local requirements; and (c) advanced green concepts, such as procurement, design, production, and spending. This is definitely a challenge to the Company’s operations, but it can also be an opportunity to bolster its position with international standards as its cornerstone for the planning of environmental strategies that follow the revolving plan of “plan, do, check, act” .

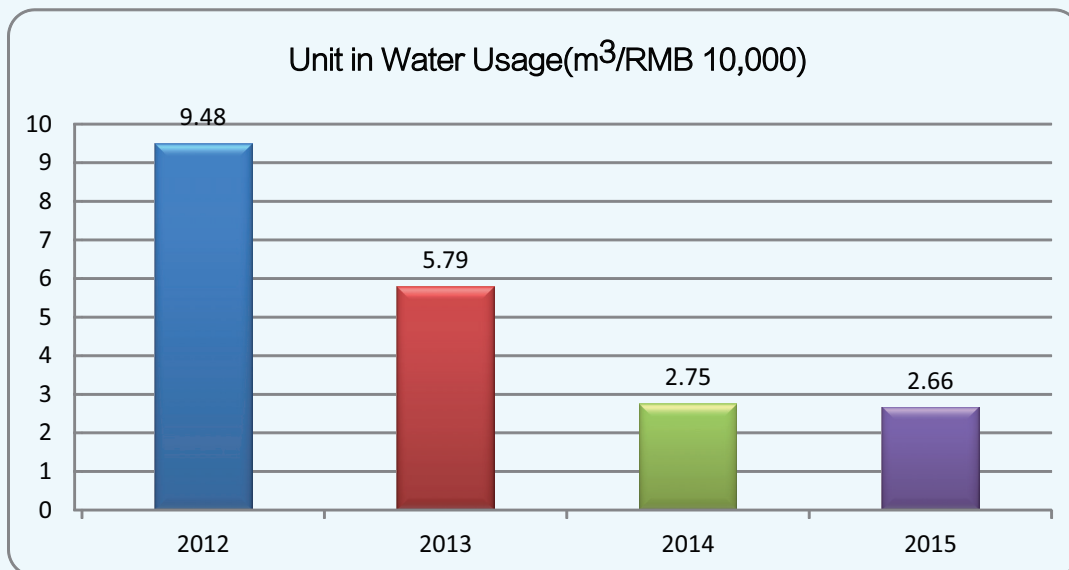
5.2 Water Management

97% of the water on this planet is salt water, only 3% is fresh water that is chiefly located in the South Pole Greenland ice cap or underground. Therefore, man can only use approximately 0.3% of fresh water and that is not equally disbursed around the globe. This imbalance, together with the gap between the change in seasons and time, is the reason for the very limited water resource that man can enjoy and consume and the potential conflicts resulting thereafter. Almost all activities in the medical field, industry, agriculture cannot be conducted without water. Man has for a long time wasted water resources and created waste water pollution and thus ways to use water effectively and efficiently has very often been a heated topic of discussion.

Foxconn Technology has adopted the rules set by the UN Water tenets and the World Water Council on water preservation. With the Company as the starting point, Foxconn Technology has placed great emphasis in water management and has demanded that all suppliers make all efforts in preserving water.

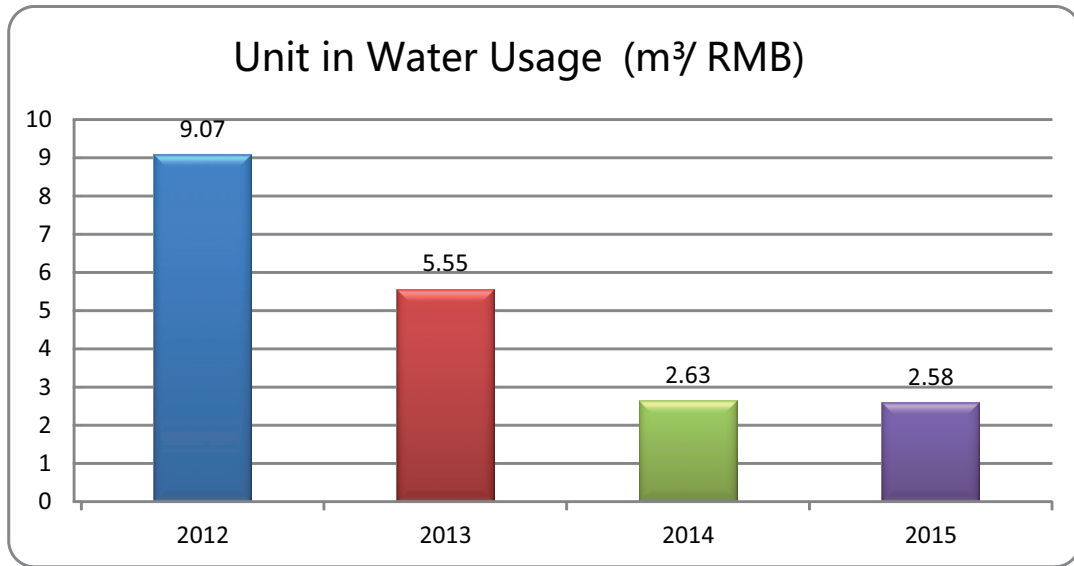
Foxconn Technology's main production facility is located in Taiyuen which is further inland within China and water is scarce and thus the Company invests a great deal in water management and the results have been remarkable. In 2012, the water usage was 9.48 and was subsequently reduced to 2.66 in 2015, averaging about 37% each year in efficiency. There are two reasons for the efficiency - first, the methods were applied correctly, and second, the implementation was done thoroughly. The distribution of waster usage between production and non-production is as follows:

Water Usage Unit Value at the Foxconn Technology Site



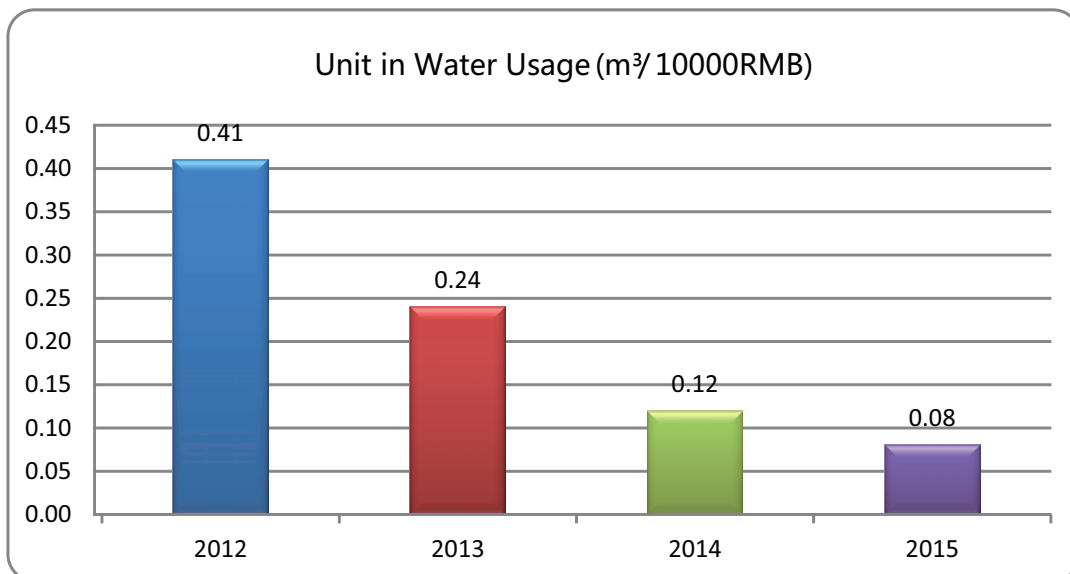
Regarding water management in production, the Company targets water reduction in improving production quality and upgrading equipment. This year, the Company focused its resources on the rationalization of water consumption as the basis for managing water usage. Foxconn Technology also refers to the methodology of the best production line to rationalize and standardize water usage. Thus, the efficiency in water usage increases every year. The unit value for water usage in 2012 was 9.07. It dropped to 2.58 in 2015. The efficiency increases by 37% per year.

Water Usage Unit Value for Production-Type Activities



As far as non-production water usage is concerned, the Company performs regular maintenance on faucets and pipes to reduce water leakage. This year, the Company recycled waste water, publicized water reduction. Although the methods were the same, the results however were amazing because the implementation were more thorough and practical. In 2015, the water usage went down by 18.58% comparing to that of 2014. This is a major improvement from the previous years, where the unit value for non-production went from 0.41 in 2012 to 0.08 in 2015.

Non-production Unit Value Water Usage

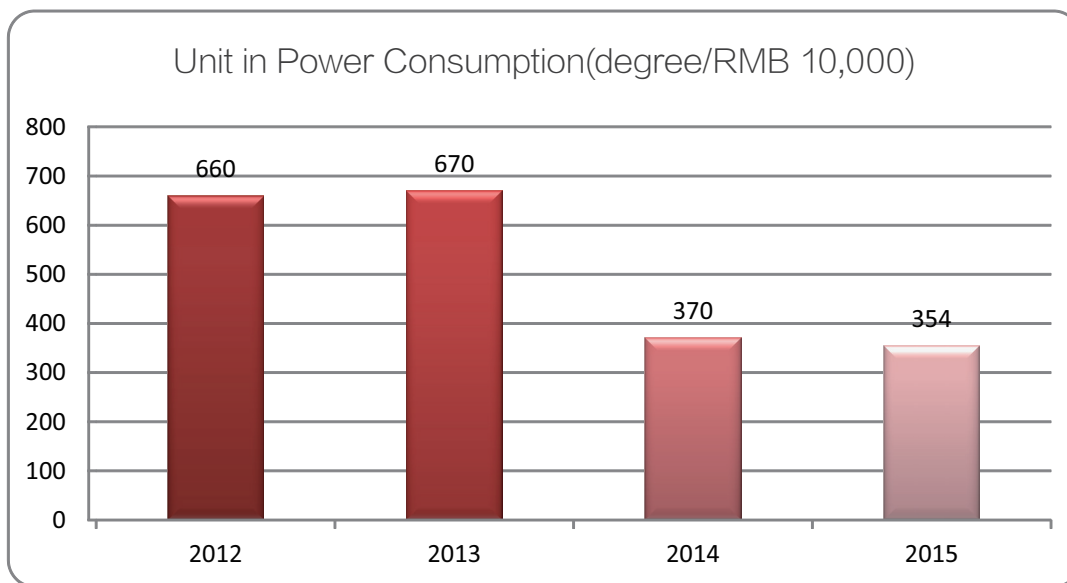


5.3 Energy Efficiency Management

Since the increase in energy consumption during the Industrial Revolution of the 19th Century, the emission of carbon dioxide has increased dramatically resulting in green house effect that escalates global warming and climate change. Thus, disasters such as rainstorm, mud slide, and flood ensued. Energy consumption has a way of giving effect to the environment. This is because many power houses use carbon, petroleum, or natural gas to generate energy. Although these are the fossil fuels that can provide energy immediately, it can at the same time generate pollution such as carbon dioxide (CO₂), sulfur dioxide, sulfur trioxide (SO_x), and nitrogen oxide (NO_x), of which carbon dioxide is the main reason for green house gas. In burning fossil fuels to generate power, the process allows for the emission a microscale of minerals such as beryllium, cadmium, chromium, and mercury into the environment.

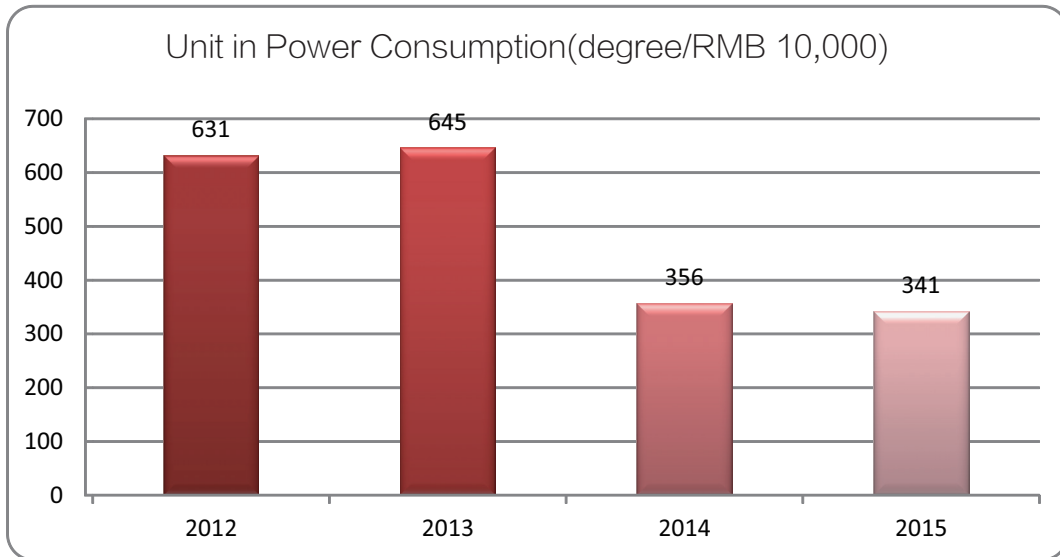
But energy is a must-have in society and for businesses. While corporations cannot control energy prices and energy supply, they can control how much efficiency energy can be consumed in its operations, how energy can be reduced, and how to prevent further harm to the environment. At Foxconn Technology, energy efficiency management is one of the most important principles of sustainability in carbon emission reduction. Although Foxconn Technology's major operation is located in the Shanxi province, a location where minerals are very sufficient, the Company remains conscientious about energy efficiency for the sole purpose of protecting the environment. In 2015, upon the cooperation from all fronts, Foxconn Technology continued to increase its efficiency in consuming power. The consumption unit value was reduced in 2015 to 354 degrees down from 660 degrees in 2012, which is an increase efficiency of 16.9%. The following charts depict the unit values for non-production and production:

Unit in Power Consumption at the Foxconn Technology Site



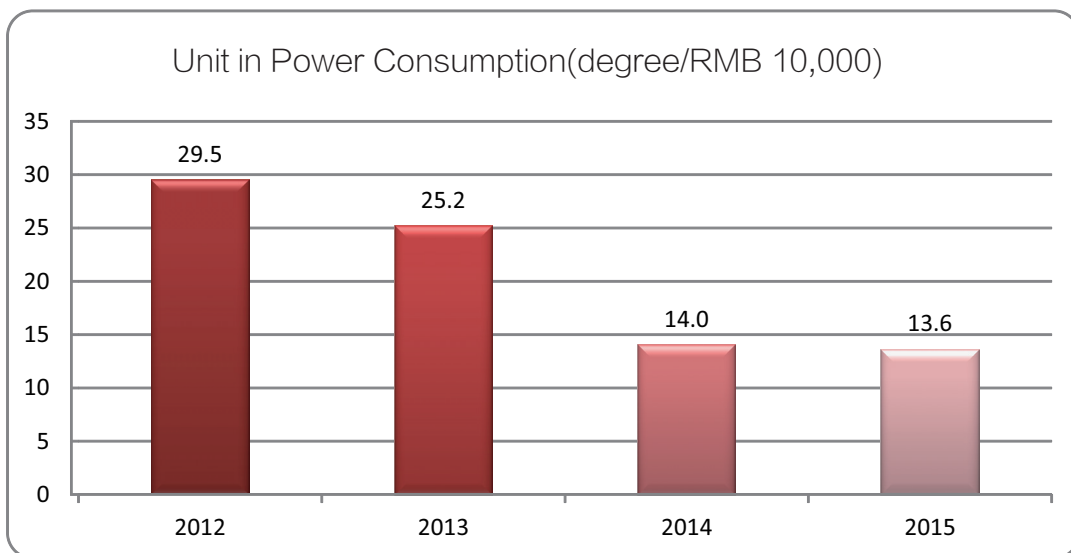
Regarding energy efficiency in production, the most effective way is to enhance production process and upgrade equipment by way of benchmarking so that that energy usage may be standardized and the usage reduced. In addition, after several years of incorporating automation and lowering the down time in the production process, Foxconn Technology is now able to produce with automation and therefore reducing illumination that substantially increase energy efficiency. In 2015, Foxconn Technology's Taiyuen site continues to be energy efficient - the energy usage dropped from 631 degrees in 2012 to 341 degree in 2015, an efficiency of 16.5% per year.

Unit in Power Consumption in Production



Regarding non-production, Foxconn Technology uses infrared sensor to turn on and off lights and that has proven to be useful. All room temperature are set between 26 to 28 degrees C to improve energy efficiency. This year, the Company publicizes more on this topic and conducts additional activities as a reminder to employees the importance of energy saving. The purpose of so doing is to mend the energy saving concept into its corporate culture. The Company's efforts, coupled with the employees' awareness, really make a difference. Upon calculation, the efficiency in 2015 increased by 2.9% in comparing to that of 2014 and the usage dropped from 14 to 13.6. In 2012, the Taiyuen site went from 29.5 degrees in 2012 to 13.6 degrees in 2015, an increase in efficiency of 21.4% per year.

Unit in Power Consumption for Non-production



5.4 Paper Reduction Management

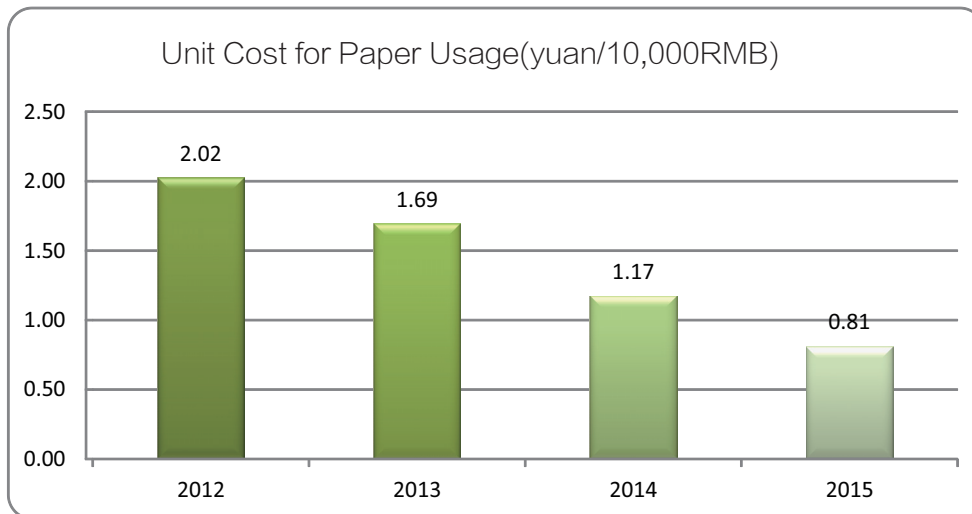
Forests are one of the most valuable natural resources. As the renowned environmentalist Edward Osborne Wilson once said: “Now when you cut a forest, an ancient forest in particular, you are not just removing a lot of big trees and a few birds fluttering around in the canopy. You are drastically imperiling a vast array of species within a few square miles of you Many of them are still unknown to science” Forests account for a land area of 30% on planet Earth but are now drastically reducing due to the heavy use of paper every day. This usage of paper as we do today is punching a needle to Nature’ s lungs. Trees in the forest can take in carbon dioxide and emit oxygen and thus reducing global warming and help adjust temperature, conserve water, fertilize the soil, and protect the environment.

The growth of forest has been hampered by carbon and nitrogen. If the land has no forests, the amount of radiation is much higher and global warming will become much worse. Without the forests, the soil will gradually outflow leading to the weakening of forestry, carbon reduction lessened, and the environment destructed. A plethora of plants will face extinction. To avoid all of these threats of crisis, the most important task on hand is to protect the land, conserve the forests, and restore ecological integrity.

Foxconn Technology not only responds to the call of duty by the various groups within and outside the country to take affirmative action in reducing paper in daily operations as its short-term goal and paperless as its long-term paper. This is the least that the Company can do as a responsible citizen. The most direct way is to have documents electronically stored, reuse paper as much as possible, and recycle waste paper wherever possible. In its activities and events, the Company has and will continue to promote the need for protecting the environment and the importance of ecological integrity so as the employees may raise awareness on this subject.

After much effort and persistence, Foxconn Technology’ s Taiyuen site has greatly reduced its usage of paper. In unit of paper consumption, the value was 2.02 in 2012 and reduced to 0.81 in 2015, at an efficiency of 25.7% per year. Each year, the Company is able to reduce by an average of 11.2%. All in all, this project of paper reduction has progressed in great measure. The Company could not have done this without the help from all of its employees. Foxconn Technology’ s vision is to have a paperless office to save the forests.

Unit in Paper Consumption at Foxconn Technology's Taiyuen's Site



5.5 Green Point, Line, Plane

Going green is Foxconn Technology's principal axis. Heat sink modules can improve the functions of end products and prolong its life cycles. Therefore, by reducing the consumption of power and minerals, sheet metal products can be reused and may well replace plastic cover. The Company's green products not only generate more profit but they can also carry on sustainability.

But Foxconn Technology is also a joint in the end product line and plays an important role in that production process. Therefore, the Company does not limit itself, nor does it subject itself to objective factors. It has actively performed audits, wherever appropriate, on suppliers, customers, and business partners to investigate the supply chain on the origins of each part that may have a negative impact on the environment. The ultimate goal is to direct the suppliers to the Company's policy on environmental protection and the green concept. Foxconn Technology works hard on this and takes one step at a step to ensure that every step is carried out without defect in the integration of a green supply chain.

To the customers, Foxconn Technology incorporates green concept in all of its products, including green production, manufacturing services, packaging, storage, and delivery. From the beginning to the finish line, the Company makes products with the green spirit. To the business partners, the Company insists on green products in their goods as well. That is the only way Foxconn Technology can supervise the green supply chain from start to finish.



5.6 Greenhouse Emission

Category I and Category II greenhouse emissions are listed below: of all the campuses, the Taiyuen is of a larger scale, its production involves die casting and machining and the melting process starts by electricity and liquefied natural gas and thus the overall emission is more. The Yantai and the Taiyuen sites have similar functions but are of a smaller scale than that of Shenzhen. Kunshan has the smallest scale and therefore the emission chart indicates the smallest number.

2015 Emission Comparison Chart at Various Sites

campus	Yantai	Kunshan	Taiyuen	Shenzhen	Total
direct greenhouse gas emission (category 1)	215	78	370	873	1,536
Indirect greenhouse gas emission (category 2)	10,846	6,086	297,734	18,211	332,877
Total	11,061	6,164	298,104	19,084	334,413

unit: tons/CO²e per year

5.7 Pollution Prevention

Expenses for Environmental Protection

In 2015, Foxconn Technology spent RMB 9,240,000 towards environmental protection, an increase of 124% comparing to RMB 4,120,000 in 2014. The major increase is indicative of the Company's determination to help improve the environment. These were actual expenses were allocated for works such as the maintenance of exhaust gas treatment, hazardous waste treatment, and related inspections, and the installation of water reservoir and replacement of exhaust pipe. In 2015, there were no incidents of environmental leak.

Location	Equipment Purchased or Expenses	Projected Improvement	Amount	Currency
Yantai	Installation of exhaust gas treatment and hazardous waste treatment expenses	Promote clean production and proper exhaust gas emission	2,311,000	RMB
Kunshan	Hazardous waste treatment and related inspection expenses	Evaluation of clean production and others	109,000	RMB
Taiyuen	Intelligent integrated mist machine and maintenance fee, installation of water reservoir and exhaust pipe	Promote clean production and proper exhaust gas emission	5,887,000	RMB
Shenzhen	Exhaust gas, water treatment, and maintenance and waste management expenses	Evaluation of clean production and others	937,000	RMB
Total			9,244,000	RMB

Stationary Pollution Prevention

The pollutants from production are collected through the exhaust pipe into the wet scrubber and they are eliminated before the air is emitted into the atmosphere. Foxconn Technology sites have obtained the relevant pollution operations certification. Each year, the Company engages third parties to perform testing of pollution concentration and the reports are submitted to the environmental authorities in accordance with legal mandates. There was no emission of ozonosphere at any site. In 2015, due to the need for certain production, a small part of the sites, including Taiyuen, had emission of nitrogen oxides of 0.24 ton, sulfur oxides of 0.105 ton, volatile organic compound gas of 0.0004 ton, and for Yantai it was 0.018 ton.

Waste Water Treatment Management

Foxconn Technology's campuses have obtained approval from the authorities to emit waste water. Before the waste water is released, it will need to be chemically treated or biochemically treated. The waste water must be pollutant removed before it enters the waste water management site of the government. At each site, there are water quality analysis laboratories that carry testing equipment for temperature, PH, suspended solids, heavy metal, and chemical oxygen demand. Before waste water exits the campuses, it is tested in accordance with legal standards. Each quarter, the authorities inspect the water concentration at each site to ensure compliance that the water does not cause harm to humans after treatment.

Waste Treatment Management

The Company handles waste in accordance with local legal requirements. General waste is collected by service providers. Hazardous material is placed in storage on site and when it reaches a certain volume, it is disposed of by a government-certified waste management company. The Company then generates a report and files that with the authorities.

2015 Waste Management at Each Site

Location	Yantai	Kunshan	Taiyuen	Shenzhen	Total
Waste water	41,119	5,040	1,492,346	8,000	1,546,505
Non-hazardous material	12	12	3,640	1,654	5,318
Hazardous material	61	16	2,820	49	2,946
Total	41,192	5,068	1,498,806	9,703	1,554,769

unit = ton

Toxic Material Management

Toxic waste is management at each site with great care. Each business group is required to report the demand for toxic material in its production and to the authorities in order to obtain approval for the acquisition and placement in the warehouse. The material is then retrieved from the warehouse based on regular demands. In 2015, there had been no use of toxic material.

6. A Favorable Workplace

6.1 A Workplace that is Benefit-Based and Education-Focused

Labor Structure

Foxconn Technology has 19,426 employees at the headquarters in Taipei and the campuses in China. Because Taipei is one of a business center, the 238 employees are contract and not regular employees and those at the management level are Taiwanese. Kunshan has 315 employees, of whom 50 are short-term employees. Yantai has 670 employees who are permanent employees. The Shenzhen site has 3,444 permanent employees due to the large size. Taiyuen is the main campus and has 14,575 employees.

Permanent and Temporary Workers by Gender at Various Sites

Location	Yantai	Kunshan	Taiyuen	Shenzhen	Taipei
Permanent employee(long-term contract), male	527	160	10,883	1,801	220
Permanent employee(long-term contract), female	143	105	3,592	1,643	18
Temporary employee(short-term contract), male	0	37	86	0	0
Temporary employee(short-term contract), female	0	13	14	0	0

Foxconn Technology offers an attractive benefits package to ensure that employees are paid above minimum wage. The Company offers on-the-job training and educational enrichment to promote employees to managerial level. The Company also offers managerial positions to local employees. It guarantees all kinds of benefits because every member is a partner of the business. Employees host their representative meetings and enter into collective bargaining agreements.

Employed Workers and Contract Workers at Various Sites

Location		Yantai	Kunshan	Taiyuen	Shenzhen	Taipei
Contract Workers	male	139	67	4,847	609	220
	female	44	40	1,126	228	18
Employed Workers	male	388	132	6,122	1,192	0
	female	99	76	2,480	1,415	0
Employed workers and local minimum wage ratio		1.21	1.19	1.17	1.3	N/A*
Managerial level and local employees ratio		100%	100%	100%	100%	100%

*Taipei is a business center. There are no employed workers.

Employee Benefits Policy

Foxconn Technology is committed to building an excellent working environment so that employees may concentrate on their work without worries and have a stable family life. The Company sets many examples of parental leave to care for newborns for both male and female. 83% of the employees return their leave. 73% of the employees take a full year off and return to their posts.

Parent Leave Statistics

	male	female	total
2015 number of employees on parental leave	324	309	633
2015 number of employees on parental leave and return to work	313	211	524
Return ratio	97%	68%	83%
2014 number of employees on parental leave and return to work	626	445	1,071
2014 number of employees on parental leave and return to work for at least one year	489	288	777
Retention ratio	78%	65%	73%

In addition, all employees at the sites in China enjoy business insurance, retirement insurance, medical insurance, work injury insurance, maternity insurance, unemployment insurance, housing fund, health examination, insurance parental leave, and employee stock option. The Company bases its benefits on the legal mandates of five insurances and one fund so that employees may receive these benefits from the respective government agencies. If the Company is to undergo a major operations change, it will give employees a 30-day notice.

Retirement Fund Policy

Taiwan Site

The “Labor Standards Act” in Taiwan covers employees’ retirement fund policy and disbursement. It became effective on July 1, 2005 and is applicable to those who continued to serve after the “Labor Pension Act” was enacted. Those who qualify for retirement benefits are paid according to their years of service and the salary they receive six months before their retirement. Those who served at least fifteen years are given two cardinal numbers for every full year of service as the base for calculation. Those who served more than fifteen years are given one cardinal number for every full year of service. They may accumulate as high as 45 cardinal numbers. Foxconn Technology disburses 2% of the total monthly wage as retirement fund and deposits it to a special account in the name of the pension committee at Bank of Taiwan.

Since July 1, 2005, the Company and its subsidiaries have complied with the Labor Pension Act and set up retirement policies applicable to its Taiwan employees. The Company and its subsidiaries have, in accordance with the Labor Pension Act, deducted 6% of their salary as their retirement fund to the Labor Department. Employees may choose to be paid at their retirement per month or a lump sum.

China sites

Employees in China are required to contribute each month at a ratio in accordance with the laws of the People’s Republic of China’s “Five Insurance One Fund” regulations. The Five Insurance means the five types of insurance, including retirement insurance, medical insurance, unemployment insurance, work injury insurance, and childbirth insurance. The percentage paid varies depending on the location of their household registry.

Employee Training

During the Knowledge Economy Era, upgrading human quality has a direct impact on corporate competitiveness and an indirect impact on profitability. Therefore, new employees are required to undergo training organized by the Company, which includes orientation for new employees. This is an urgent mission and is one of the goals that the Company intends to achieve.

Foxconn Technology believes that “an uncut gem does not sparkle” and that every employee is worthy of training. Therefore, the Company offers courses to employees irrespective of their gender, age, academic background, and race. Every employee receives equal treatment. From the very first day of employment, a worker is provided with job orientation, including before-the-job training and on-the-job training.

The purpose of the orientation for new employees and before-the-job training is to introduce them to the Company and their duties. The on-the-job training aims at advancing their careers. Each site has its own training sessions and professional workshops based on the employees’ skills and knowledge. The nature of these classes includes common knowledge, management knowledge and skills, professional knowledge, new technology, industrial trend, and educational training. Upon completion of each training, employees are required to take written tests, practical evaluation, oral quizzes, and experience reports. All of these are performed to ensure good learning habits. The classes are also tailored to the employees’ gender. All employees are subject to regular testing and evaluation and the number of training hours they participate is a determining factor in their annual performance evaluation.

Average Training Hours for Employees

Employees	Yantai	Kunshan	Taiyuen	Shenzhen	Taipei
Non-operations	288	120	327	171	133
Operations	50	36	63	78	none
male	120	64	165	120	140
female	121	65	144	131	46

unit: average time for each person per year

6.2 Building a Safe, Fair, and Healthy Work Environment

Fair and Free

In order to achieve “make a dog or a hog of it,” Foxconn Technology insists on maintaining a fair policy. This is a fundamental matter and must not be changed. Every employee is valuable to the Company, regardless of his or her gender, age, race, or academic background. Each member receives fair and equal opportunity. For example, for a same position, the salary is not discriminating for a male worker versus a female employee. That individual is offered the same salary regardless of his or her gender.

Foxconn Technology’s policy is obvious. It prohibits discrimination. There have not been incidents of discrimination or discrimination against indigenous workers. The Company also prohibits child labor. At the interview, the Company demands a showing of identification and does not allow child labor to engage in employment. Foxconn Technology assures that its employees are free to choose their career and free to associate. Therefore, labor unions at the sites operate in its ordinary course of business to ensure human rights protection. There are also no incidents of forced labor.

Foxconn Technology’s policy on human rights is clearly stated in its training and employee handbook. The Company also conducts workshops to strengthen human rights awareness. To ensure that this policy is properly implemented, the Company has random audits of implementation and grievance mechanism allowing employees to report violations.

Safety and Health

A company’s competitiveness and its employees’ production are closely knitted. Having an encouragement mechanism is always essential to the improvement of employees’ production. Yet, in order for the production to remain constant, the mechanism must be perfected with safety and health. Only when the production increases will a company’s sustainability continue.

To ensure that the Company provides a comprehensive mechanism of safety and health, Foxconn Technology adopts the following:

- 1.All sites retain a healthy and safe workplace duly certified by a third party in accordance with OHSAS18001 on occupational safety.
- 2.When there is meeting at the labor unions, this is definitely a topic on their agenda.
- 3.A safety committee is set up to oversee issues regarding the environment and public hygiene.
- 4.The committee holds quarterly meetings, supervises the activities at the sites to ensure that all measures are actually carried out in the Company’s day-to-day operations.
- 5.The sites have random checks and drills on fire prevention to practice emergency procedures.
- 6.Guards are always ready on-site to publicize safety measures.
- 7.A system is set up for employees to make recommendation. Where there is a deadlock, the Company will immediately rectify.

In addition to the above, the representatives and the chairman appointed by the various units are required to be present at the meetings.

Security Staff at Various Sites

	Yantai	Kunshan	Taiyuen	Shenzhen	Taipei
Safety committee representatives	30	11	67	26	6
Safety committee members	41	13	81	30	9

“Accidents can happen” is an old saying that stays true. In promoting safety and health at the sites, Foxconn Technology has made a great deal of efforts. However, in 2015, there were forty-eight incidents of work injuries. Although there were minor injuries or sports injuries, the Company did look into the reasons for the incidents and made corrections accordingly so that they do not happen again. A comparison of incidents between 2014 and 2015 is listed below.

Injury Statistics

campus	Yantai		Kunshan		Taiyuen		Shenzhen		Taipei		Total	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
frequency rate (FR)*	-	1	-	-	2	1	1	2	2	-	6	4
severity rate (SR)*	-	91	-	-	133	64	45	22	57	-	235	177
total	-	92	-	-	135	65	46	23	59	-	240	181

*Frequency rate = number of injury incidents / 1M work hours

*Severity rate = number of hours lost / 1M work hours

Employee Health

Professional harm includes work injury and occupational injury. Regarding occupational health, Foxconn Technology has the following measures:

Occupational Safety

Different Times, Different Measures

1. Perform audits on occupational health.
2. Arrange for corrective actions after audit results.
3. Actively partiake in audits by the authorities to reduce danger risks.

recruitment			before employment	during employment		exit
inform applicants of risks	follow protocols	distribute safety tools	perform physical check-ups	perform annual physical examinations	perform new physical check-ups if there is a change in employment	performa one last check-up before exit to ensure safety

Statistics for performing occupational health check-ups on employments are as follows:

Statistics for Employee Check-up

Location		Yantai		Kunshan		Taiyuan		Shenzhen		Taipei	
Year		2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Total employees		512	512	12	12	4,238	4,452	360	533	no occupational health issues	no occupational health issues
number	before employment	0	0	0	0	0	0	7	0	N/A	N/A
	during employment	0	0	0	0	0	0	4	0	N/A	N/A
	after employment	0	0	0	0	0	0	0	0	N/A	N/A

*During physical check-ups in 2014, 11 individuals were diagnosed with occupational diseases. 7 of them were detected during employment and were subsequently discharged and the other 4 were arranged other duties and their status monitored.

Encouragement of Improvement Plan

“Improve, improve, and further improve” is Foxconn Technology’s corporate motto. The purpose is to always better itself in management, safety, and protocols so that time is not wasted on details that are uncalled for. It is the Company’s intent to encourage employees to think outside of the box and to innovate in an effective and efficient manner by simplifying procedures and enhancing the Company’s overall environmental and sanitary standards and employee safety. All workers are commended to bring ideas and they are sorted and categorized on a first-come first-serve basis. In 2015, the Company received more than 4,100 cases of recommendation for improvement, 97% of which were completed and the rest are being worked on.

Activities to Strengthen Health and Safety Awareness

Regarding employees’ health and safety, Foxconn Technology has in addition the regular training provides all kinds of activities via various ways of publication so that employees may be made aware of the newest information on health care, disease prevention, and work safety.

Employee Health–Disease Prevention and Sanitation Management

It has always been one of Foxconn Technology’s primary goals to care for the employees’ mental and physical health by promoting ways to prevent occupational disease so that they can effectively exercise the correct preventive measures. In April, the Company conducted several workshops for five days on health news through pamphlets, bulletins, banners, and questionnaires. During this period, the Company also inspected the sanitation management system, the processes, the preventive measures, training materials, and job tools for a total of 112 items. The employees have come to appreciate the efforts that the Company has made to help them in this regard and to promote the necessary skills to ensure prime care.



Work Safety – Maternity Month Events

To emphasize safe production at work, in mid-year, the Taiyuan site organized the Maternity Month Event and selected the “Safety Expert”, “Find the Most Beautiful Safety Guard”, “the Safety Saint” to promote health awareness. The event went on for the entire month and successfully completed the mission of safety awareness.

During the Event, the Company also had twenty-eight banners, more than 200 posters, ten wall decorations on the subject for 200 meters long. The campus was covered with the warm spirit of maternity month.



During the Maternity Month Event, in addition to posters and banners, there were four other activities, including “Safety and Me” questions and answers session, “Find the Most Beautiful Safe Guard”, “One Stop to the End”, and “the Safety Play” contest. The Company distributed the “Safety Kit” and other gifts and that was an event that will be remembered for years



The winners of “the Most Beautiful Safe Guard” were:



Employees attended the “Safety Play” and it was a blast:



Furthermore, during the Event, there were numerous workshops and seminars on the safety subject. Each department would meet for breakfast and started discussions of the same. More than 30,000 workers benefitted from these activities.

Fire Prevention – Emergency Practice and Drills

Emergencies and accidents often bring major financial losses and lives. In order to strengthen protection of lives and properties, the best way is to practice how to prevent accidents. Through practice and drills, employees are trained to take immediate measures when accidents happen and how to deal with them to minimize financial losses and lives. In 2015, Foxconn Technology hosted many fire drills, including training sessions and workshops, skill competition, and actual practices. Preparation and prevention are always crucial and must be practiced to ensure complete safety.



編組知識培訓



技能競賽



集結演練

6.3 Providing a Warm and Caring Work Environment for Employees

At Foxconn Technology, caring for employees is one of the top priorities. The Company has made great efforts in giving employees the attention they deserve and a comprehensive package of benefits, including an array of cultural activities, community activities, and other entertainment. Quality time spent after work hours is an important element in everyday life for employees and their families to enjoy. The Company desires for employees to feel safe and enjoyable at work.

6.3.1 The Best Environment to Raise Children

Taiwan currently has a lower birth rate due to the high costs in raising children. As a responsible citizen, Foxconn Technology has responded to the Government’s call of increasing the birth rate and provided financial support and medical care to employees. Since January 2015, the Company has bolstered various activities for mothers to encourage female employees to have children and to ensure that they can feel carefree in raising their children.

The sticker reservation is an activity reserved for current employees and their spouses. Those who left the Company or those who take leave without pay are not entitled to this benefit. Besides the sticker reservation, there are also five programs such as stipends for toddlers, parental leave for either spouse, after maternity leave and more. Each qualified parent receives NTD 160,000. Since the inception of the program, there have been eighteen employees who are qualified and continue to receive benefits.



Poster

Sticker

6.3.2 Families

Every child is his or her parents’ angel. As parents, we do whatever it takes to take care of our angels. Parents nowadays spend little time with children either they are too busy at work or they have to keep up with the face pace of life. Therefore, spending full time for children is almost impossible. In order to allow parents to have time with their kids, the Taiyuan site Human Resources Department hosts a “Rock with the Baby” event and invite employees and their families to have field trips and spend some quality time together.



In late June, Foxconn Technology picked the Fen River Park as the venue for the event. Employees and their children showed up their artistic skills and there were games galore, for example, the baby feet over the big feet contest, tossing ball games. The Company also prepared an assortment of gifts for the parents and their children. There were ninety families who signed up for the event and it was a remarkable experience of family gatherings.

6.3.3 After-work Entertainment

The time after work should be relaxing and sufficient for respite. Foxconn Technology has all kinds of activities allowing employees to receive the break from work so that they have a balance from work life.

Since 2013, the Kunshan Human Resources Department has organized a series of activities to boost energy for each quarter so that employees may participate if they so desire. Those participants are given prizes for the competition and the prizes are deposited into their bank accounts. This is a way of showing the Company’s appreciation and a way of encouraging cultural awareness and enriching work and personal lives.

The Taiyuen site hosts the reading events as a way of showing appreciation and promoting teamwork. The theme is “Everyone loves to read and everyone loves to learn”. This activity started on December 4, 2014 and has been active since then. Employees have been responsive to the program and there have been thirty-one reading sessions on Thursdays with volunteers and speakers from within the Company. Everyone is welcome to sign up and the program is a great way of building a bond with workers of their peers.

The reading sessions bring about the best in people. The stories are different in style and substance and the subjects vary from health, culture, country, and scope. Through these sessions, employees are able to relax and make the best of it. In 2015, Foxconn Technology conducted numerous gatherings such as orientations for new employees, sales knowledge, childhood memories, climbing and hiking, plastic manufacturing, packaging, goals for the future, sci-fi, etc. The topics are bountiful and beyond measure. The event has been so successful that employees are now learning to love to read and to enjoy community lives.



6.3.4 Caring for Employees in High Temperature Settings

The summer in 2015 was known for its heat. The Shenzhen site had a lot of respect for those who worked under high temperature and therefore to reward them, Foxconn Technology organized many activities to reduce the heat and to reduce the stress resulting it. There were drinks brought to their sites at the factories, warehouses, and repair centers. There were also cool snacks for their enjoyment. The Company did all these to show appreciation so that they can work under a less stressful environment.



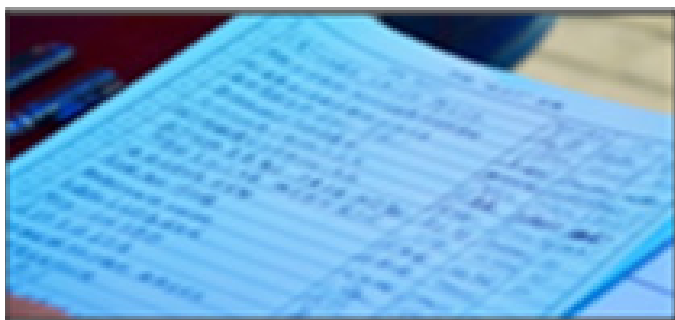
7. Caring about the Environment

While we open our ears to listen to Nature’s voice and our eyes to its beauty, there is so much to learn from the complication of Nature itself that is beyond words and beyond comprehension. Because of the multifarious elements of Nature, man does things that destruct rather than construct. Different environment carry different characteristics and must be dealt with specificity. It requires the efforts and endeavors of man to protect it, nurture it, care about it, and embrace it.

7.1 Promoting Environmental Protection

To raise employee awareness and knowledge in protecting Nature, in June, Foxconn Technology organized a “Stop Pollution and Three Recycling” Event. 150 employees participated in the event and rich in substance. There were banners, billboards, recycling exercises, trash sorting exercises, and innovative games for the theme. Through participation and experience, employees were able to learn more about ways to protect the environment and thereby proceeded to actualizing it in their workplace and the community.

On the very day of Earth Day, Foxconn Technology organized the “Stop Pollution, Embrace Green” Event in response to the celebration of Earth Day. The main purpose of this activity is to educate employees to get into the habit of recycling waste and promote a green environment. All the participants were excited and participating actively. There were posters and billboards at the sites and signing for actively join environmental protection. The Company distributed more than 3,000 booklets of information on the environment and drawings that tell the story of Nature.



7.2 Love the Land

“The land is dear and near” is an old saying of how life is closely linked to human beings. The land brings life to plants and other lives. Without land, there is no life. Foxconn Technology values not only the environment but also Nature itself, such as biodiversity, water, air, and animals. To publicize the important of Nature, the Company has bolstered employee awareness on the theme of “save the use of land and change the use of land” . The Company has also planned many activities on how to cultivate and protect the land. These were done within the sites and around the community using billboards, posters, questionnaires, cultural contests, concerts, and other events. “Harmony between man and land and sustainability” is a beautiful concept. There were fifteen other companies within the industrial park who attended the event. Because the attendance was so great, the event had definitely made a difference and increase publicity.



7.3 Beautify the Environment

Beautify the environment plays an important role in protecting the environment. The ultimate goal of protecting the environment is to enable man to have a good place to live, a community to enjoy, and a harmony between man and Nature. At the Shenzhen site, there were many volunteers who spent their spare time rebuilding the farms, building drains, cleaning up weeds, and removing rocks. These not only make the environment more beautiful, but also building happiness and harmony within the industrial park. They volunteered with the spirit of “contribution, friendship, cooperation, and progress.”



7.4 Stop Waste Disposal

At the sites, the waste water, waste gas, or regular waste are inevitable. The Company acknowledges that and works hard to comply with legal requirements to stop waste disposal and that has become part of its operations.

Active Inspection at the Taiyuan Site

To further ensure that the work on waste disposal is carried out thoroughly, from July 22 to 27, 2015, the Taiyuan site invited third parties to evaluate the emission of waste into the environment. There were forty-six inspections, including sulfuric acid mist, particulates, NMHC, benzene, and odor. In February and May 2015, the Taiyuan Environmental Agency also inspected the waste that passed through the sites, including PH, chemical oxygen demand, biochemical oxygen demand, ammonia, and nickel. The results of the inspection report show that the Taiyuan site passed all the mandated requirements.

Yantai Improvement Activities

The die-casting shop at the Yantai site was giving out strong odor despite the fact that Foxconn Technology had controlled the order during emission. In order to improve the impact to the environment and prevent nuisance to the residents nearby, the Company coordinated with the relevant department to discuss the ways to improve odor emission, met with the neighbors to solicit their opinions regarding related issues, and applied to the labor unions for expenses to cover activities in that area. In addition, the business teams worked with the water resources service center to install a purifying system. After a series of corrective actions, the relationship between the Company and the residents has greatly improved and has since been able to live in harmony. The decision to install the greenhouse gas management system turns out to be positive in that it has brought solutions to the issues of pollution.



8. Caring about the Community

“It is the manners that make the excellence of a neighborhood” is an old Chinese saying and is also one that Foxconn Technology abides by. The Company carries out its duty by caring about the community and the surroundings, especially the areas where the sites are located. This is primarily to show good faith and good intentions to invest in the areas where the Company runs its operations. It has over the years numerous contributions to the economy and opportunities to those who wish to work there. It is the Company’s hope that its contributions and efforts bring positive impact to society as a whole.

Before any factory is constructed at a site, the Company always proceeds to research and assess the impact of the construction to the environment so as to confirm that the construction will not affect the well-being in the areas. After the factory is built, the Company never forgets to befriend with the residents there and to create the rapport and provide the support that they need. In addition to the various events, the Company contributes in the form of providing material support, educational funding, and elderly care as further described below.

8.1 Educational Support for Children

It is always a virtue to help the young and to promote education. The Company has made great efforts in providing assistance to needy children in the form of material and spiritual support. One example is where the Shenzhen employees have offered to help children with the support that they need. In 2013, the team members contributed computers, tools, and other accessories to the students at the Wuhan Center Elementary School. In 2014, the team members went to the Nanhai Qua Community to bring school suppliers to children of working parents. In 2015, the members went as far as the Zhang Cha Dong Elementary School to donate scholarship funds to a great number of children. All these years, Foxconn Technology organized many educational activities at the Fushan Industrial Park by building schools and donating school suppliers that lowered the burden of their parents. These efforts are win-win because they represent the collaboration between the corporation and the school and bolster corporate image by giving back to the community.



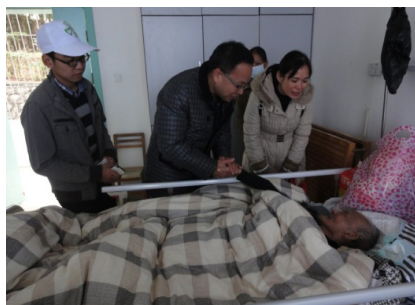
8.2 Caring for the Elderly

Respect the elderly is a virtue of the Chinese tradition. This is obvious in the employees of the Shenzhen campus. During the Chongyang Festival, the employees organized several events to show respect to the elderly. In the past years, the team focused chiefly on the elderly at the retirement centers. This year, the team went to visit the elderly who stayed at their homes

at the Chuenyang Community. The trip was memorable because it gave warmth to the community and the elderly were given company and everyone greatly enjoyed the festival.



By the end of the year, the employees at Naning joined other community groups and paid a visit to the retirement center in Quangxi and spent quality time with the residents there. The employees at the Taiyuen did something a little different - they put on red jackets and red hat and performed before the audience at the retirement center, played games with them, and taught them exercise lessons. They also gave the elderly all kinds of books on culture, commentaries, and war stories. Not only did these activities lift up the elderly' s spirit but it also provided warmth and comfort and promote the good old tradition of respecting the elderly.



8.3 Caring for the Disadvantaged

Caring for the disadvantaged is one of the duties of a responsible citizen. In order to proactively exercise that duty, Foxconn Technology has on its volition reached out to needy families and their children. In July, the Shenzhen site organized an event with the theme of “Help the Poor, Join the Community” and donated money and food. In August, the team members participated in an event organized by McDonald’s “Hand in Hand, Love the Children” and had a fun day with the kids. They helped at least fifty to eighty participants.



8.4 Helping the Community

Protecting the environment is a principle that we all have a duty to uphold. A clean home is the first step towards a clean community of good quality life. To build a beautiful community is to bring the spirit of “the community belongs to us, sanitation belongs to all of us” to the suburbs. Every year, the 100 employees at Naning hosted at least ten activities in cleaning up areas of more than 10,000 m². The areas covered picking up trash from streets, sweeping the roads, and publicizing the activities.



In addition to the above activities, the Naning employees hosted other activities to bolster culture such as traffic control. Traffic compliance is the first step towards urban civilization and is an important factor of traffic safety. In order to promote public awareness of traffic safety, every year the employees at Naning takes the liberty of working with local governments in providing traffic control assistance and educating the public about the importance of driving responsibly on streets and roads. Through these efforts, the Company hopes to bring civilization to the community.



8.5 Charitable Donations

A good way to recycle material supply is to collect clothing that is no longer being worn and donate it to the people who can make good use of it. This is also a good way to help the community. There were thirty employees at the Shenzhen site who organized a group of volunteers to involve in charitable activities and to set a platform for donations. It is not just the gift of goods but more than that, it is the gift of hope. During the activities, the volunteers placed five clothing collection bins in front of the eateries. After a month of donation, the volunteers were able to collect thirty-nine boxes of clothing, among it were 251 pieces of children's summer clothing, 302 pieces of children's winter clothing, 781 summer clothing for adults, 705 winter clothing for adults, 73 pairs of shoes, and 95 books. It was phenomenal. The volunteers will continue to promote and host additional events so that more people can come forward and give back to the community and to those who need the most help.



Appendix

GRI G4 Chart

General Standard Disclosures				
Indicator		Content	Page	Comments
Strategies and Analyses				
Core	G4-1	Statement from the most senior decision-maker	4	
Comprehensive	G4-2	Major impact, risk, and opportunity	4	
Company Overview				
Core	G4-3	Name of organization	8	
Core	G4-4	Primary brands, products, and services	8	
Core	G4-5	Location of the organization's headquarters	8	
Core	G4-6	Number of countries where the organization operates	8	
Core	G4-7	Nature of ownership and legal form	8	
Core	G4-8	Market served	9	
Core	G4-9	Scale of the organization	8	
Core	G4-10	Workforce	51	
Core	G4-11	Percentage of total employees covered by collective bargaining agreement	51	
Core	G4-12	Supply chain	41	
Core	G4-13	Significant changes during the reporting period	8	
Core	G4-14	Precautionary approach	20	
Core	G4-15	External charters, principles, or other initiatives	14	
Core	G4-16	Memberships of associations	14	
Identified Material Aspects and Boundaries				
Core	G4-17	Entities included in the organization's consolidated performance	1	
Core	G4-18	Process for defining report content and aspect boundaries	35	
Core	G4-19	Material aspects	36	
Core	G4-20	Aspect boundaries within the organization	39	
Core	G4-21	Aspect boundaries outside the organization	39	
Core	G4-22	Effects of any restatement	1	
Core	G4-23	Significant changes from previous reporting period	1	
Stakeholder Engagement				
Core	G4-24	Stakeholder groups engaged by the organization	31	

Core	G4-25	Basis for identification and selection of stakeholders with whom to engage	30	
Core	G4-26	Approach to stakeholder engagement	31	
Core	G4-27	Key topics and concerns raised by stakeholders	35	
Report Profile				
Core	G4-28	Reporting period	1	
Core	G4-29	Date of most recent previous report	1	
Core	G4-30	Reporting cycle	1	
Core	G4-31	Contact point for questions regarding report	1	
Core	G4-32	In accordance with option chosen under GRI guidelines	1	
Core	G4-33	Third party assurance	1	
Governance				
Core	G4-34	Governance structure of organization	16	
Comprehensive	G4-35	Organizational values, principles, and norms of behavior	27	
Comprehensive	G4-36	Executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	27	
Comprehensive	G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	28	
Comprehensive	G4-38	Composition of the highest governance body and its committees	16	
Comprehensive	G4-39	Whether the Chair of the highest governance body is also an executive officer	17	
Comprehensive	G4-40	Processes for selecting the highest governance body and its committees	18	
Comprehensive	G4-41	Report whether conflicts of interest are disclosed to stakeholders	18	
Comprehensive	G4-42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts	29	
Comprehensive	G4-48	The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	29	
Ethics and Integrity				
Core	G4-56	The organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	24	
Comprehensive	G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity	26	
Comprehensive	G4-58	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity	26	

Specific Standard Disclosures				
Indicator		Content	Page	Comment
Indicators, economic				
Economic performance	DMA	Disclosure of management approach, economic	11	
	G4-EC1	Direct economic value generated and distributed	12	
	G4-EC2	Activities on climate change reasons and their impact on financial status and other risk and opportunities	47	
	G4-EC3	Coverage of the organization's defined benefit plan obligations	52	
Marketing image	DMA	Disclosure of management approach, market	53	
	G4-EC5	At primary business location, the wage ratio between file and rank workers and local base-level workers	51	
	G4-EC6	At primary business location, the ratio of hiring locals in upper management	51	
Procurement	DMA	Disclosure of management approach, purchasing	41	
	G4-EC9	At primary business location, the ratio of paying local suppliers	41	
Indicators, environmental				
Biodiversity	DMA	Disclosure of management approach, biodiversity	47	
	G4-EN11	Operational sites in, or adjacent to, protected areas and areas of high biodiversity value	42	
	G4-EN12	Description of significant impacts of biodiversity	42	
	G4-EN13	Habitats protected or restored	42	
	G4-EN14	List of species with habitats in areas affected by operations, by level of extinction risk	42	
Emission	DMA	Disclosure management approach, emissions	42	
	G4-EN15	Direct greenhouse gas emissions (Scope 1)	49	
	G4-EN16	Energy indirect greenhouse gas emissions (Scope 2)	49	
	G4-EN20	Emissions of ozone-depleting substances (ODS)	50	
	G4-EN21	NOx, Sox, and other significant air emissions	50	
Waste water and waste	DMA	Disclosure management approach, waste water	50	
	G4-EN22	Water discharge and target location of water total discharged	50	
	G4-EN23	Waste disposal and target location of waste total disposed	50	
	G4-EN24	Significant spills and total spilled	50	
	G4-EN25	Description of the weight and percentage of hazardous waste shipped and out in accordance with the Basel Convention, Appendices I, II, III, and VIII	50	
	G4-EN26	Biodiversity and habitats affected by the organization's discharge	42	
Legal compliance	DMA	Disclosure management approach, legal	23	
	G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	24	

Overall situation	DMA	Disclosure management approach, overall	42	
	G4-EN31	Environmental protection expenditures	49	
Supply chain evaluation	DMA	Disclosure management approach, supplier environmental compliance	41	
	G4-EN32	Suppliers screened using environmental criteria	41	
	G4-EN33	Actual and potential negative environmental impacts in the supply chain and actions taken	41	
Environmental issues and grievance mechanism	DMA	Disclosure management approach, environmental complaints	28	
	G4-EN34	Grievances about environmental impacts filed, addressed, and resolved	32	
Labor Practices and Decent Work				
Labor relations	DMA	Disclosure management approach, employer-employee relationship	51	
	G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	52	
	G4-LA3	Return to work and retention rates after parental leave	52	
Labor and employment relations	DMA	Disclosure management approach, wages	51	
	G4-LA4	Minimum notice periods regarding operational changes	52	
Occupational health and safety	DMA	Disclosure management approach, occupation	54	
	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	55	
	G4-LA6	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region, and by gender	55	
	G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	56	
	G4-LA8	Health and safety topics covered in formal agreements with trade unions	54	
Training and education	DMA	Disclosure management approach, training and education	53	
	G4-LA9	Training hours per employee according to gender and nature of duties	54	
	G4-LA10	Programs for skills management and lifelong learning of employees	53	
	G4-LA11	Employees receiving regular performance and career development reviews	53	
Diversity and equal opportunity	DMA	Disclosure management approach, diversity and equality	54	
	G4-LA12	Composition of governance bodies and breakdown of employees per indicators of diversity	51	
Gender compensation	DMA	Disclosure management approach, wages between gender	54	
	G4-LA13	Ratio of basic salary and remuneration of women to men	54	

Supplier labor evaluation	DMA	Disclosure management approach, labor issues of suppliers	41	
	G4-LA14	Suppliers screened using labor practices criteria	41	
	G4-LA15	Actual and potential negative impacts for labor practices in the supply chain and actions taken	41	
Labor issues and grievance mechanism	DMA	Disclosure management approach, labor practices grievance mechanism	31	
	G4-LA16	Grievances about labor practices filed, addressed, and resolved	32	
Human Rights				
Non-discrimination	DMA	Disclosure management approach, non-discrimination	54	
	G4-HR3	Incidents of discrimination and corrective actions taken	54	
Freedom of association	DMA	Disclosure management approach, freedom of association and collective bargaining	54	
	G4-HR4	Risks to the right to exercise freedom of association and collective bargaining	54	
Forced labor	DMA	Disclosure management approach, child labor	54	
	G4-HR6	Operations identified as having significant risk for incidents of child labor and ways to reduce forced labor	54	
Indigenous rights	DMA	Disclosure management approach, indigenous peoples	54	
	G4-HR8	Violations of the rights of indigenous peoples	54	
Supplier human rights evaluation	DMA	Disclosure management approach, supplier human rights assessment	41	
	G4-HR10	Suppliers screened using human rights criteria	41	
	G4-HR11	Actual and potential negative human rights impacts in the supply chain and actions taken	41	
Human rights issues and grievance mechanism	DMA	Disclosure management approach, human rights grievance mechanism	31	
	G4-HR12	Grievances about human rights impacts filed, addressed, and resolved	32	
Local Communities				
Anti-corruption	DMA	Disclosure management approach, anti-corruption	25	
	G4-SO3	Operations assessed for risks related to corruption	28	
	G4-SO4	Communication and training on anti-corruption policies and procedures	26	
	G4-SO5	Confirmed incidents of corruption and actions taken	27	
Anti-competition	DMA	Disclosure management approach, antitrust	23	
	G4-SO7	Legal actions for anti-competitive behavior, antitrust, and monopoly practices, and their outcomes.	24	In 2014, the Company did not engage in anti-competitive, antitrust, or monopoly practices

Legal compliance	DMA	Disclosure management approach, compliance	23	
	G4-SO8	Fines and sanctions for non-compliance with laws and regulations	24	
Supplier social impact evaluation	DMA	Disclosure management approach, supplier assessment for impacts on society	41	
	G4-SO9	Suppliers screened using criteria for impacts on society	41	
	G4-SO10	Actual and potential negative on society in the supply chain and actions taken	41	
Social impact and grievance impact	DMA	Disclosure management approach, grievance mechanism for impacts on society	31	
	G4-SO11	Grievances about impacts on society filed, addressed, and resolved	32	
Product Responsibility				
Customer health and safety	DMA	Disclosure management approach, customer health and safety	10	
	G4-PR1	Product and service categories for which health and safety impacts are assessed for improvement	10	
	G4-PR2	Incidents of non-compliance with regulations concerning the health and safety impacts of products and services during their life cycle	There are no incidents of non-compliance with regulations on the products manufactured.	
Product and service labelling	DMA	Disclosure management approach, product and service labeling	10	
	G4-PR3	According to labeling processes for various products and services, state the percentage of products and services requiring labels	Products manufactured by the Company comply with international standards and customer instructions.	
	G4-PR4	Incidents of non-compliance with regulations concerning product and service information and labeling	There are no incidents of non-compliance with regulations on the products manufactured.	
	G4-PR5	Results of surveys measuring customer satisfaction	40	
Sales channel	DMA	Disclosure management approach, marketing communications	There are no incidents of non-compliance with regulations on the products manufactured.	
	G4-PR6	Sale of banned or disputed products	This item is not applicable because the Company does not manufacture the end products.	
	G4-PR7	Incidents of non-compliance with regulations concerning marketing communications	This item is not applicable because the Company does not manufacture the end products.	
Customer privacy	DMA	Disclosure management approach, customer privacy	41	
	G4-PR8	Substantiated complaints regarding breaches of customer privacy and losses of customer data	41	
Legal compliance	DMA	Disclosure management approach, compliance	23	
	G4-PR9	Fines for non-compliance with laws and regulations concerning the provision and use of products and services	23	