

# CATCHER TECHNOLOGY CO., LTD.

**2015**  
Corporate Social Responsibility Report  
(Executive Summary)



Technological innovation,  
best customer service, honesty,  
stability and sustained operation.



# 1. Stakeholder Engagement

Catcher responds requirements of stakeholders actively, and seeks to balance interests between all stakeholders.





Catcher has established the CSR Team since 2014, which consists of the employees from strategic management, auditors, labor safety, human resources, strategic procurement, sales and marketing, finance, and investor relations, to be in charge of the publishing of CSR report and implementing the related CSR matters and report directly to the Chairman.

To meet stakeholders' requirements, the CSR Team has built a model of stakeholder engagement. The model setup is as follows: setting communication goals, identifying stakeholders, providing communication channels, analyzing material issues, and analyzing major material issues. Through this model, stakeholders' appeals can be timely communicated.

### 1.1 Communication Goals Setting

The goals for communicating with stakeholder are as follows:

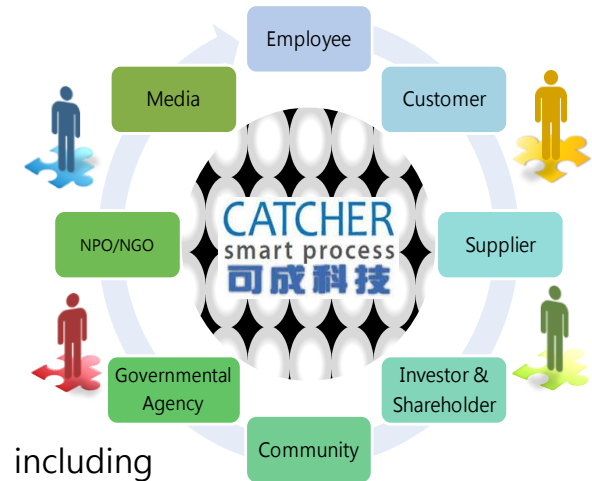
- Fully understand stakeholders' concerns.
- Obtain stakeholders' trust for Catcher.
- Improve the CSR performance.
- Enhance the capability of risk management.

### 1.2 Identifying Stakeholders

A stakeholder is any one or organization who affects or is affected by Catcher, including employees, customers, suppliers, investors & shareholders, community residents, governmental agencies, non-profit organizations/non-governmental organizations, and media.

### 1.3 Providing Communication Channels

After identifying the key stakeholders, Catcher provides the multiple communication channels. Through the following communication channels, Catcher could understand the stakeholders'





## Stakeholder Engagement

concerns and seek to fulfill the expectation of the stakeholders.

Stakeholders	Key Concern	Communication Channels
Employee	<ul style="list-style-type: none"> <li>Employee Welfare</li> <li>Employee Rights</li> <li>Occupational Safety</li> <li>Sustainable Development Strategies</li> <li>Community Participation and Charity</li> <li>Environmental Management System</li> </ul>	<ul style="list-style-type: none"> <li>Public bulletin Board and corporate intranet</li> <li>Hold employer-employee meeting regularly</li> <li>Hold welfare/meal committee Meeting regularly</li> <li>Employee voice channels, such as suggestion Box/Telephone/Fax/Email Feedback</li> <li>Measure the degree of satisfaction of meal every year</li> <li>Arrange leisure activities, such as family day and baseball day</li> <li>Arrange regular/ad-hoc educational trainings</li> <li>Regular/ad-hoc communication meetings or interviews</li> </ul>
Customer	<ul style="list-style-type: none"> <li>Supply Chain Management</li> <li>Customer Service and Privacy Protection</li> <li>RD and Innovation</li> <li>Operating Performance</li> <li>Environmental Management System</li> <li>Occupational Safety</li> </ul>	<ul style="list-style-type: none"> <li>Customer audits and improvement</li> <li>Provide inquiry service on company website</li> <li>Annual customer satisfaction survey</li> <li>Follow internal procedures to manage customer complaint</li> <li>Arrange contact person to respond timely and face-to-face communication</li> <li>Hold ad-hoc meetings of emergent situations</li> </ul>
Supplier	<ul style="list-style-type: none"> <li>Supply Chain Management</li> <li>Sustainable Development Strategies</li> <li>Environmental Management System</li> <li>Market Presence</li> <li>RD and Innovation</li> <li>Operating Performance</li> </ul>	<ul style="list-style-type: none"> <li>Provide information of products and governance on company website</li> <li>Provide inquiry service on company website</li> <li>Explain CSR management and EHS to suppliers</li> <li>Set up contact person to purchase</li> <li>Anti-corruption mailbox</li> <li>Hold ad-hoc review meetings</li> <li>Supplier evaluation and audit</li> </ul>
Investor & Shareholder	<ul style="list-style-type: none"> <li>Operating Performance</li> <li>Supply Chain Management</li> <li>RD and Innovation</li> <li>Corporate Governance</li> <li>Sustainable Development Strategies</li> </ul>	<ul style="list-style-type: none"> <li>Hold Annual Shareholder Meeting regularly</li> <li>Hold earning results conference</li> <li>Make announcements on Taiwan Stock Exchange, and corporate news on Company website</li> <li>Issue a press release to explain Catcher's operation and financial information</li> <li>Professional IR officer to answer investors' questions via telephone and emails</li> <li>Participate in foreign/domestic investor conferences and meetings</li> </ul>

Stakeholders	Key Concern	Communication Channels
Community	<ul style="list-style-type: none"> <li>Community Participation and Charity</li> <li>Air Pollution Control</li> <li>Waste Management</li> <li>Water Resource Utilization and Waste Water</li> <li>Environmental Management System</li> </ul>	<ul style="list-style-type: none"> <li>Hold community activities</li> <li>Arrange contact person to respond Catcher Educational Foundation's E-mail</li> <li>Visit community leaders, residents, schools, and social vulnerable groups</li> <li>Sponsor and participate in community activities</li> </ul>
Governmental Agency	<ul style="list-style-type: none"> <li>Compliance with Regulations</li> <li>Occupational Safety</li> <li>Occupational Health</li> <li>Environmental Management System</li> <li>Water Resource Utilization and Waste Water Disposal</li> <li>Community Participation and Charity</li> </ul>	<ul style="list-style-type: none"> <li>Disclose information on company website according to regulations</li> <li>Assist governmental agents to audit (on-site)</li> <li>Confirm the update and compliance of regulations annually</li> <li>Take statistics and filing of Catcher's information annually</li> <li>Participate in public hearing and symposiums organized by governmental authorities annually</li> <li>To act in close partnership with governmental authorities, Implement EHS activities</li> <li>Official correspondence</li> </ul>
Non-profit Organization/ Non-governmental Organization	<ul style="list-style-type: none"> <li>Sustainable Development Strategies</li> <li>Ethics and Integrity</li> <li>Occupational Health</li> <li>Water Resource Utilization and Waste Water Disposal</li> <li>Community Participation and Charity</li> </ul>	<ul style="list-style-type: none"> <li>Sponsor NGO/NPO to fulfill the projects and activities</li> <li>Participate in conferences and activities organized by NGO/NPO</li> <li>Give students opportunities to visit factory</li> </ul>
Media	<ul style="list-style-type: none"> <li>Operating Performance</li> <li>RD and Innovation</li> <li>Waste Management</li> <li>Water Resource Utilization and Waste Water Disposal</li> </ul>	<ul style="list-style-type: none"> <li>Deliver monthly sales press release</li> <li>Hold ad-hoc press conferences or releases</li> <li>Arrange spokesperson and acting spokesperson to respond questions</li> <li>Arrange interviews</li> </ul>

### 1.4 Material Issues Analysis

CSR Team referred to G4 of Global Reporting Initiative(GRI) when analyzing material issues. According to the principles of context and stakeholder inclusiveness, CSR Team selected issues that could not only have impact on economy, environment and society, but could also affect stakeholders' evaluation in terms of sustainability.

Then, according to the principles of materiality and stakeholder inclusiveness, Catcher implemented a stakeholders'



stakeholders' survey to better understand how much these stakeholders pay attention to the social responsibility issues. Catcher could then take the feedback from the survey as reference and to determine the degree of information disclosure.

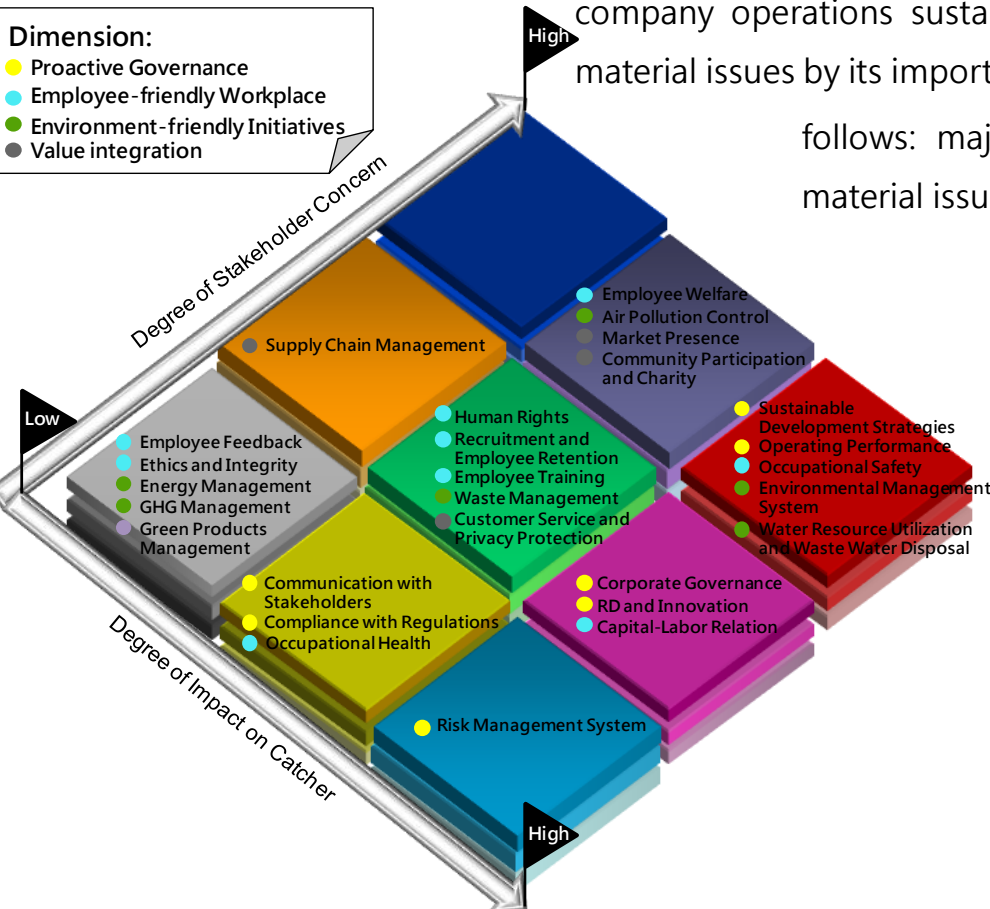
This survey received the valid questionnaire of 229 copies in 2015. The stakeholders' responses on the questionnaire, together with the result of analysis of the impact on company operations sustainability by senior management, helped rank the orders of material issues by its importance. CSR Team categorised the degree of material issues as follows: major material issues, moderate material issues, and general material issues, and reported directly to senior management.

### 1.5 Major Material Issues Analysis

According to the different degree of material issues mentioned above, CSR Team selects the major material issues as the top priorities and included them into annual task items and objectives.

#### Disclosure of Major Material Issues

Major Material Issues	Related CSR Report Section
Sustainable Development Strategies	2.1 Sustainable Development Strategies
Operating Performance	2.2 Operating Performance
Occupational Safety	3.1 Occupational Safety
Environmental Management System	4.1 Environmental Management System
Water Resource Utilization and Waste Water Disposal	4.2 Water Resource Utilization and Waste Water Disposal





## 2. Proactive Governance

We become the worldwide leading light metal technology player based on the principles: " Innovative Technology, Customer Services, Honesty and Integrity , and Sustainable Operation."





## Proactive Governance

### About Catcher

**Company Name:** CATCHER TECHNOLOGY CO., LTD.

**Address of Headquarter:** No 398, RenAi Street, YungKang Dist,  
Tainan, Taiwan

**Registered Capital(unit: thousand NTD):** 7,703,911

**Main products & Services:** metal casing and internal  
mechanical parts applied on NB,  
tablets, smartphones, MP3,  
digital cameras, PDA and other  
portable devices.

**Sales Regions:** Domestic(4.89%)and Export(95.11%, including  
Asia, America, Europe, and others)

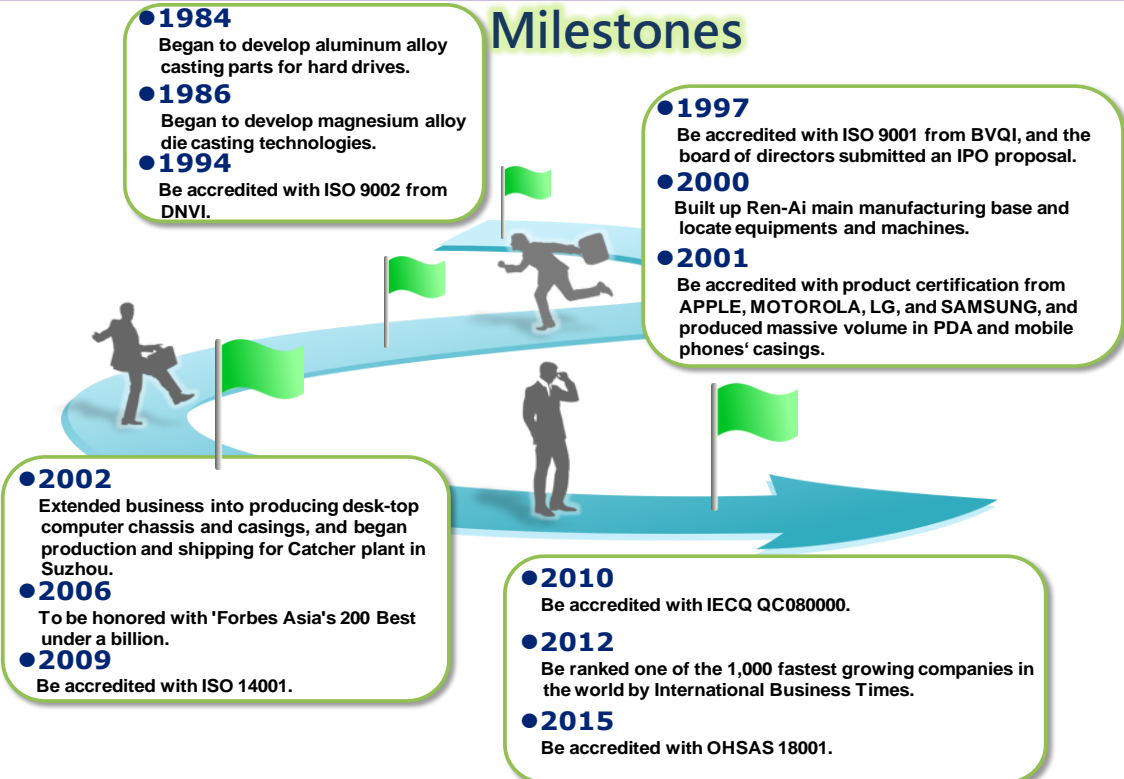
**2015 Net Sales(unit: thousand NTD):** 82,413,385

**2015 Capacity(unit: thousand pieces):** 85,768

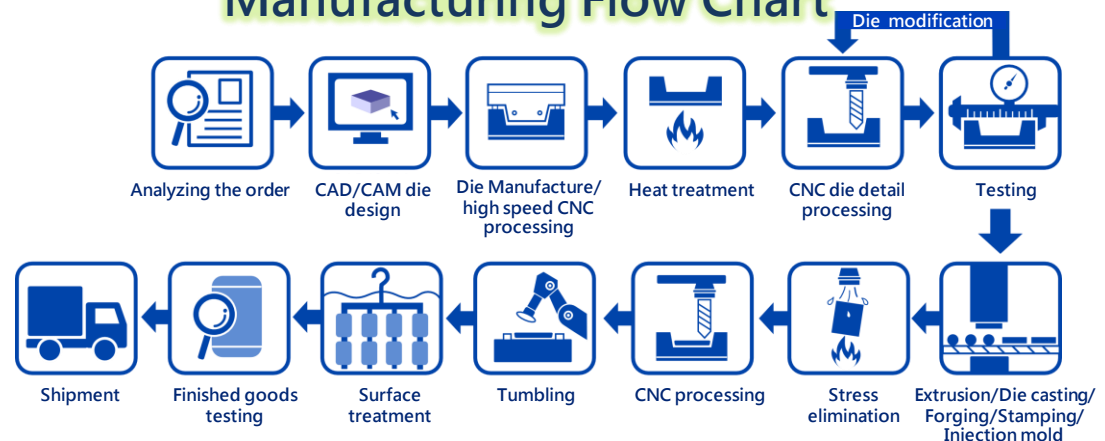
**2015 Quantity(unit: thousand pieces):** 78,049

**Numbers of Employees:** 3, 635 (As of 2015/12/31)

### Milestones

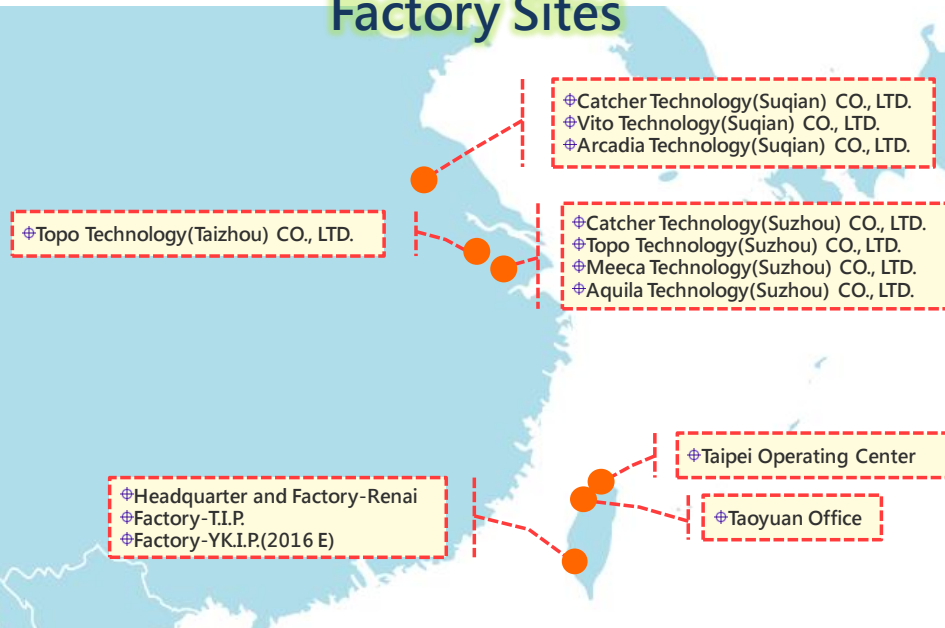


### Manufacturing Flow Chart





## Factory Sites



## 2.1 Sustainable Development Strategies

Catcher will continue to uphold its philosophy of Innovative Technology, Customer Services, Honesty and Integrity, and Sustainable Operation, and will remain committed to product innovation, business model optimization, production technology enhancement, and cost structure improvement in order to maintain the leading position. Hence, it does not matter how the business environment changes in the future, we have the determination to achieve our sustainable operation. Through setting and fulfilling the CSR aims, we hope to maximize the value of our customers, investors, employees, community residents, and other stakeholders.

As the CSR issues and sustainable operation are becoming more and more important for corporations worldwide, Catcher also notices the importance of the agenda. Catcher not only established 10 commitments in terms of CSR, but also announced CSR Management Procedure which referred to regulations (ex: EICC, SA 8000) and Catcher' s development strategies in 2014. Catcher uses CSR Management Procedure "Compliance of Regulations, Focus on Environment, People-oriented Management, and Sound Governance" as criteria and to implement CSR events. Then, through internal audit and tracking, the CSR performance can be reviewed. According to achievement rate of CSR performance, Catcher reviews CSR plans and goals annually.

To continuously strengthen the competitive advantage in this industry, along with our vertical integration, Catcher is



going to use advanced materials, designs, technological process innovation and superior manufacturing capability to create the massive economy of scale and to form an even larger competitive edge. That would therefore improve our relationships with customers and expand to new application to keep growth momentum in sales and profits.

In addition, countries around the world have been launching environmental protection laws on electronic products, and the tier-1 brand customers set the high requirement on suppliers' code and demand all of the vendors comply with strictly. Catcher has always been committed to environmental-friendly production processes and will undoubtedly meet the legislative requirements and keep up with the global trend. In addition, Catcher has focused on trainings, experience heritage and knowledge management system, and enhanced relationship with local community.

Catcher believes that we could achieve the long-term targets of sustainable operation through the operations of CSR Management System, reviewing CSR KPI regularly, setting future action plans and interdepartmental cooperation.

## 2.2 Operating Performance

The consolidated revenue of the Catcher Group in 2015 was NT\$82.4billion. The consolidated net profit after tax was NT\$25.1 billion.

Detail financial information please refer to Catcher Annual Report:  
[http://www.catcher-group.com/tw/investor\\_financial\\_psc.aspx](http://www.catcher-group.com/tw/investor_financial_psc.aspx)

### Catcher's CSR Commitments

1. Comply with laws and regulations, and achieve for reasonable profits.
2. Create the enterprise value, maintain corporate governance and transparency, and optimize shareholder's interest.
3. Have business integrity, strictly abide by commercial and ethical standards, and ensure fair competition.
4. Respect for human rights and fundamental labor rights. Provide employees reasonable remuneration and benefits with a safe, healthy, harmonious and fair working environment.
5. Support environmental protection, energy & resources saving, and devote ourselves to the sustainable development of the Earth.
6. Along with our valuable customers with aim at changing the world, to develop & invent exceptional devices, and to present the ultimate of state-of-the-art.
7. Encourage and reward the innovation, research & development, and enforce intellectual property.
8. Commit to our civic responsibility: participate in the activities with the government, society, community, and establish two-way and effective communication and interaction.
9. Sponsor cultural, educational, and charitable events, then encourage all staff to join.
10. Promote the concepts and practices of csr to our supply chain.





## 2.3 Corporate Governance

Operations of Shareholders' Meeting, Board of Directors, and Committees please refer to 2015 Catcher Annual Report: [http://www.catcher-group.com/tw/investor\\_financial\\_psc.aspx](http://www.catcher-group.com/tw/investor_financial_psc.aspx)

Catcher focuses on transparency of operations and rights of stakeholders to maximize the values of the society.

### ➤ Organization Structure

Catcher's Independent Directors are nominated by the Board and elected by the shareholders. The other Directors are elected by the shareholders at the Shareholders Meeting. The Chairman acts as the representative of the Company. The effective decisions of the Board requires more than half of directors' approval, except when Company Act requires otherwise.

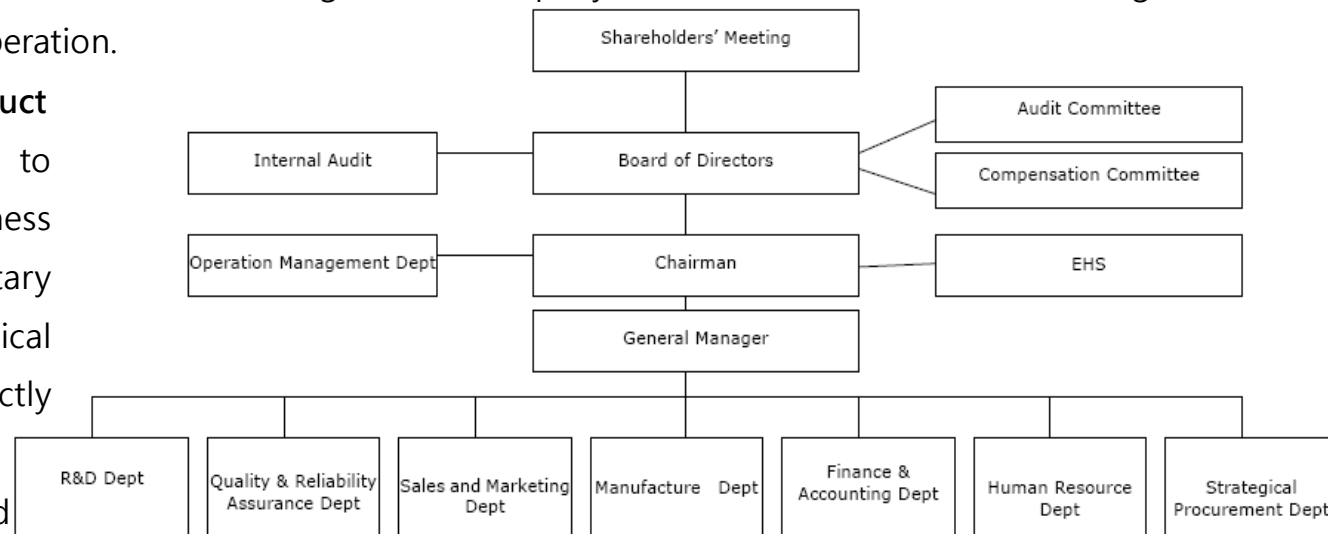
Catcher takes a higher-than-regulations approaches towards the qualification/ experience of the Directors in order to make better decisions and governance. The Shareholders Meeting must be held at least once annually before June, and the especial shareholders meeting could be held according to the Company Act. The chairman Shui-Shu Hung leads departments to maintain Catcher's operation.

### ➤ Code of Ethics and Business Conduct

Catcher has paid much attention to establish code of Ethics and Business Conduct for a long time. Total monetary value of financial and in-kind political contributions made directly and indirectly are zero in 2015.

Furthermore, Catcher is not involved

in legal actions for anti-competitive behavior, anti-trust, and monopoly practices during 2015. No non-compliance with





code of Ethics and Business Conduct occurred in 2015.

Catcher published Administrative Regulations for Labor Conditions and Ethical Conduct, and followed this administrative regulations as just mentioned to establish the committee in charge of goals setting, revision, and review. Catcher also established effective accounting system, internal control system and internal auditors to conduct related audit.

The percentage of employees that have received training on anti-corruption is 100 in 2015. Catcher organized up to 78 training courses, with a total number of 999 training hours. To make every staff member follow the highest ethical and moral standards, Catcher formulated Administrative Regulations for Labor Conditions and Ethical Conduct, Administrative Regulations for Labor Recommendation, and Rules of Work, together with performance evaluation system of personnel if necessary. Besides, Catcher has informed the 631 tier-1 suppliers of anti-corruption during 2015.

#### ➤ Risk Management Mechanism

Catcher establishes risk management mechanism to decrease operational risks. The mechanism further adds the concept of ISO Guide 83 and thus extends the scope of risk assessment to quality, environment, occupational safety &

#### ➤ Participation in Outside Associations

Memberships of Associations	Member	Join Date	Holds a Managerial Position
Taiwan Light Metals Association	Founding Member	2012/3/1	Director
Taipei Computer Association	General Member	2013/7	--
Firms Association of Tainan Technology Industrial Park	General Member	NO. 71	--
TAINAN Industry Association	General Member	2008/10	--
Taiwan Electrical and Electronic Manufacturers' Association	General Member	2014/4/9	--
Straits Economic & Cultural Interchange Association	Group Member	2013/2/8	--
Taiwan Polymeric Composite Manufacturers' Association	General Member	2014/4/1	--

Negative Factors and Action Plans of Market Development, please refer to Catcher Annual Report: [http://www.catcher-group.com/tw/investor\\_financial\\_psc.aspx](http://www.catcher-group.com/tw/investor_financial_psc.aspx)



health, hazardous substance, security, and so on.

In 2015, Catcher set up the optimization model of risk management, and proposed three ideas about Forward Innovation, System Thinking, and Continuous Improvement. Firstly, Forward Innovation means to integrate into international trend and meet customers’ expectations. Secondly, System Thinking means to integrate the innovation plans into Catcher’s internal operation. Finally, Continuous Improvement means to keep optimizing risk management mechanism through audits. According to the optimization model of risk management, Catcher has completed the certification of OHSAS 18001 and EICC Customer Managed Audit, and implemented GHG inventory project in 2015.

2.4 RD and Innovation

Catcher’s R&D expenditures in 2015 amount to NT\$ 1,652,959 thousands. Education level of R&D employees gets higher year by year. In total, 20 patents were granted as of 2015/12/31. Furthermore, 3 new patents were passed by Intellectual Property Office, Ministry of Economic Affairs, R.O.C. during 2015. The current directions in research and development include special magnesium alloys, aluminum alloys, stainless steel, carbon (glass) fiber, plastic casing and other metal applied on products’ casing and structural design, for example, even one NB model could have combinations from different designs for its A, C, D parts. Catcher offers customers with one-stop shopping solutions based on the complete and strong technology matrix. In addition, the company also adopts laser engraving of components, along with seamless welding, metal /plastic injection mold techniques, etching and multi-color surface treatment techniques, and high precision extrusion techniques for large metal casing in smartphones, notebooks and tablets to achieve the high quality that has never seen before.

Patent Name	Nation	Valid From
Photochromic System (New type) Certificate number: M496535	Republic of China (ROC)	2015.03.01- 2024.10.28
Antimicrobial Duplex Surface and its product methods (Creation) Certificate number: I506168		2015.11.1- 2034.01.28
Anti-bacterial Duplex Surface (New type) Certificate number: M507935		2015.09.01- 2024.11.27



### 3. Employee-friendly Workplace

Catcher implements the equal opportunity principle by treating every employee fairly. Moreover, Catcher pays attention to mental and physical health of employees and enhances the professional competence through sound on-job education.





### 3.1 Occupational Safety

Catcher has completed the certification of OHSAS 18001 in 2015 and therefore the occupational health and safety system becomes more complete. Based on the regulations of OHSAS 18001, Catcher continuously identifies and evaluates the risks in the working environment, and implements associated projects. Moreover, Catcher carries out internal and external audits regularly to decrease the risk of health and safety issues.

#### ➤ **Safety and Health committee**

A safety and health committee with joint representation can facilitate a positive safety and sanitation culture. Thus, according to OHSAS 18001 and regulations, Catcher has a Safety and Health Committee. The Committee aims at eliminating risk factors and prevent accidents, chaired by chairman/factory director. Besides, The Committee comprises 36% labor representatives elected from respective factories. In 2015, the Safety and Health Committee held four meetings in total.



#### ➤ **Risk Identification, Assessment, and Control**

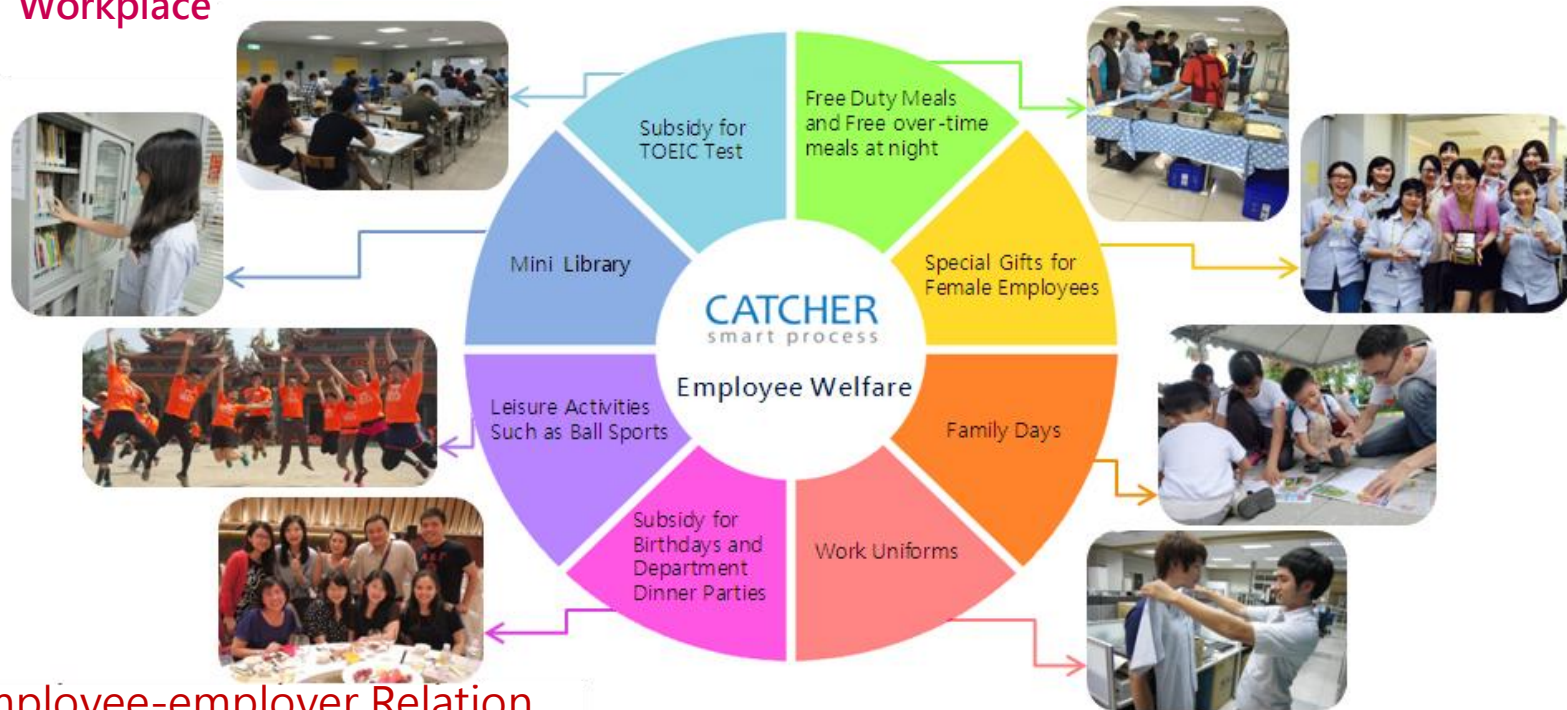
Catcher has identified and assessed all potential risk factors that can affect the factories, and established adequate emergency preparedness and response programs. Base on the results of risk identification and assessment, personnel who are in charge of occupational safety plan everyday routes of audit to ensure safe working. To fulfill occupational safety, the findings of audit and progresses of improvement are reported at factory director' s weekly meeting.

### 3.2 Employee Welfare

Employee satisfaction is closely related with the company' s long-term development. Catcher continues to improve the relationship with employees and provides welfare to reduce employee turnover, including payrise, leisure activities, humanized management, and so on.



## Employee-friendly Workplace



### 3.3 Employee-employer Relation

Catcher always places importance on maintaining harmonious labor relationship. Catcher provides various communication channels to ensure that employees' opinions and voices are heard, and their issues are addressed effectively. Catcher takes whistleblower protection seriously since the core purpose is protection from unlawful revenge. The internal Committee of Labor Conditions and Ethical Conduct holds the review meeting semi-annually and reports to top management. Catcher has maintained a good relationship with our employees, and there is no loss sustained as a result of labor disputes during 2015.

Although Taiwan 's laws gives the rights of employees to freely organize themselves into unions, no unions are established in Catcher. Catcher provides effective consultation with employees at Employer-employee Meeting according to Taiwan' s Labor Standards Act, to ensure that employees are informed of current policies whenever there' s major



operational changes. Besides, Catcher has hired specialists to implement new employees' interviews since 2015/4, hence new employees' appeals can be timely conveyed.

Communication Channels	Frequency	Total times in 2014	Total times in 2015	Key Outcome in 2015
Public Bulletin Board	Irregularly	--	--	--
Employer-employee Meeting	Quarterly	4	10	
Welfare Committee Meeting	Quarterly	4	6	(1) Tripled subsidy for Birthdays (2) Doubled subsidy for department dinner parties (3) Gave employees the new design jackets
Email Marketing	Irregularly	--	--	--
Suggestion Box/ Telephone/Fax/Email Feedback	Irregularly	37	31	All cases were handled with care and the employees could get a reply on the follow-up actions within 7 days.
Satisfaction Survey of Meals	Semi-Annually	2	2	Overall Average Score: 75.5
Satisfaction Survey of Trainings	Irregularly	492	519	Overall Average Score: 92.85
Communication Meetings	Irregularly	--	--	Total times of new employees interviews: 724

### 3.4 Human Rights

Catcher never hires forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery or trafficking of persons. It's worth noting that Catcher prohibits any overt or covert act of discrimination. Hiring and employment practices will not be based on race, color, age, gender, sexual orientation, national origin, disability, religion, political affiliation, union membership, and so on.

To protect employees and conform to Taiwan's Labor Standards Act, Catcher improves human rights by educating employees through all kinds of communication channels. In 2015, total hours of employee training on human rights policies were 998, with a total number of 78 training courses and 100% employees trained. The internal Committee of Labor Conditions and Ethical Conduct holds the review meeting semi-annually, and the effects are supervised regularly by internal audit office. There was no case of human rights issues with Catcher's operations, which are subject to required review by the local government.



### 3.5 Human Resource Management

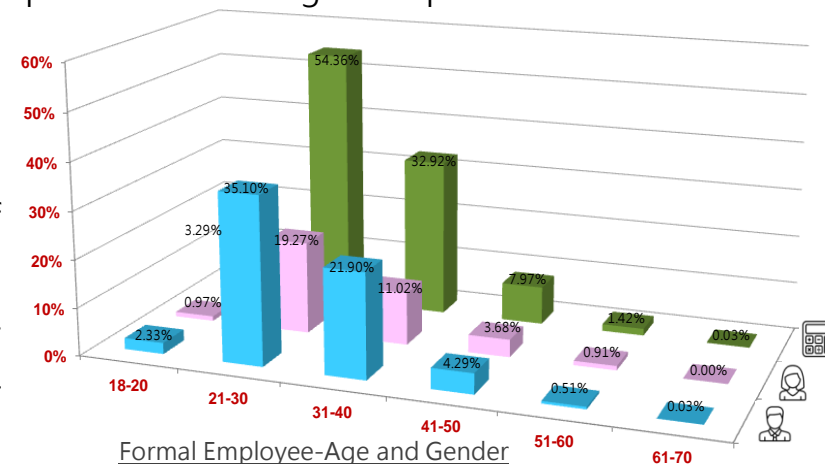
Stable and healthy workforce has greatly contributed to the accomplishment of company goals. Catcher has established the management system of recruiting, staffing, compensation, training, and turnover.

#### ➤ Human Resource Distribution

As of 2015, Catcher had 3,635 employees in Taiwan. Of these employees, 91.09% are full-time, and 8.91% are contractual and temporary employees. Females comprised 35.85% of all formal employees in 2015. In terms of age, employees aged 21 to 40 comprised 87.28% of total formal employees. Catcher didn't hire child labor during 2015. Overall, the average age of Catcher is 30.48, and average years of employment are 2.9.

In terms of geographical distribution, Catcher was founded in Tainan, so over 99% of all formal employees are located in Tainan. The others are located in Taipei and Taoyuan in order to serve investors and customers. According to different types of jobs, Catcher hired employees with different educational backgrounds, 7.52% of all formal employees hold masters degrees or above, with majority working as R&D functions of other professional management positions.

Catcher's continuous growth requires constant talent sourcing and recruitment activities to support its business. In 2015, Catcher recruited 1,075 employees, and males comprised nearly 70% of new formal employees. All new formal employees are located in Tainan, and most of them aged between 21 to 30. In addition, to build a workplace where disabled people can make contributions to Catcher and benefit their future career, Catcher hired disabled persons, exceeding the number required by Taiwan law in 2015.

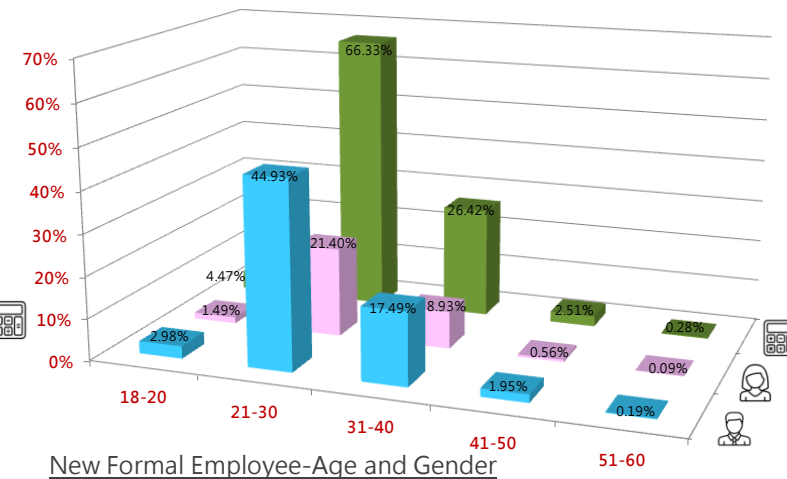
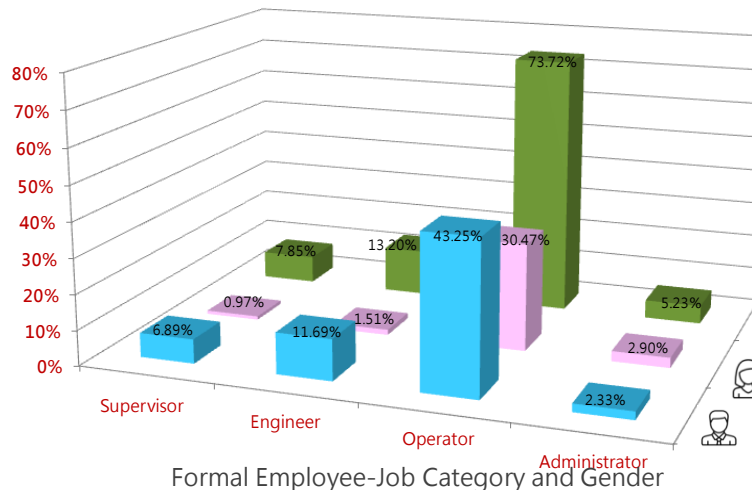
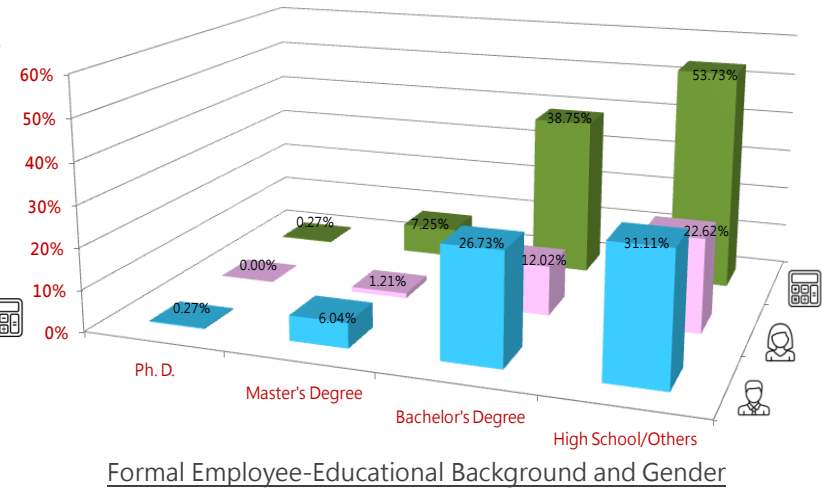
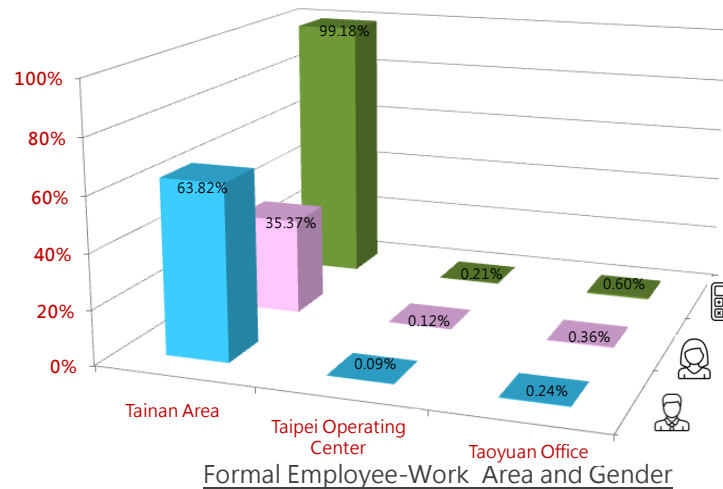




## Employee-friendly Workplace

Since receiving Job Creation Contribution Award by Executive Yuan in 2011, Catcher has kept creating sufficient jobs for local residents, benefiting the local community, and promoting market presence, 75% of the senior management (assistant vice president or above) was locally hired as of 2015. In terms of gender equality, 25% of the senior management (assistant vice president or above) are female, thus it can be seen Catcher does its best to prevent sexual unfairness.

In 2015, Catcher had 828 resigned employees in Taiwan. When employees apply for resignation, they are individually interviewed by the director or human resource department in order to understand their reason of resignation. Through





assessment of capability and offering of internal job transfer, some resigned employees were retained. Moreover, Catcher's employees are provided with maternity leave and paternity leave, and promoted parental leave to maintain family harmony.

### ➤ Diversified Training System

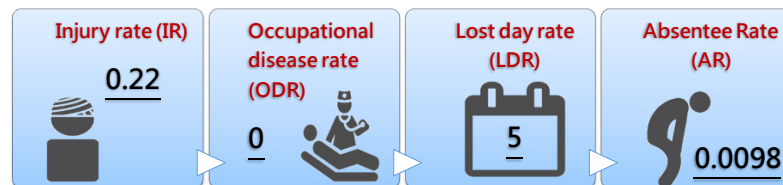
Base on Talent Quality-management System(TTQS), Catcher was awarded Bronze Medal Award of internal training by Workforce Development Agency from 2011-2015. The effects are supervised regularly by internal audit office. In terms of actual execution, Catcher takes training, seminars, and online courses into priority. Since 2014, Catcher has provided subsidies to encourage employees to take TOEIC tests.

	Male		Female		Total	
	2014	2015	2014	2015	2014	2015
Number of employees that can take parental leave	48	65	27	41	75	106
Number of employees that took parental leave	2	2	25	37	27	39
Rate of Applying for Parental Leave	4%	3%	93%	90%	36%	37%
Number of employees that should return to work	0	2	16	25	16	27
Number of employees that returned to work	0	2	10	20	10	22
Return to Work parental leave	--	100%	63%	80%	63%	81%
Retention Rate <sup>Note</sup>	25%	--	56%	70%	46%	70%

Note : Retention Rate=Number of employees that returned to work in 2014 and are still employed at least 12 months in 2015 /Number of employees that returned to work in 2014\*100%

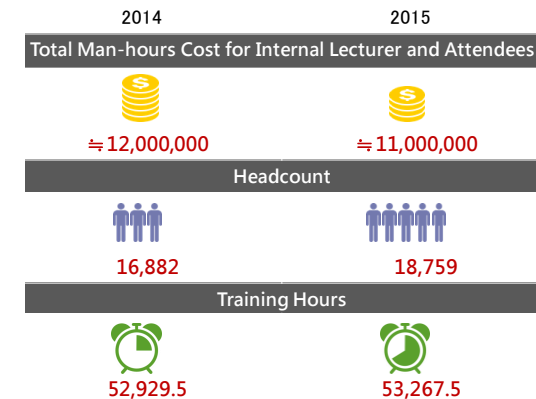
## 3.6 Occupational Health

Catcher has an adequate health process to conform with OHSAS 18001. Catcher held 59 speeches and activities, and 1,849 employees attended during 2015. More than that, Catcher provides not only adequate ventilation and lighting, but rest place, evacuation, first-aid kit, and other equipment to protect employees' health. In 2015, Up-Load Blood Pressure Monitor was provided to promote the spontaneous management of cardiovascular disease.



Note:

- Injury rate (IR)=Disabling Frequency Rate(FR)\*1/5
- Occupational disease rate (ODR)=Total # of occupational disease/Total hours worked\*200000
- Lost day rate (LDR)=Disabling Severity Rate(SR)\*1/5
- Absentee Rate (AR)=Total # of absentee hours/Total hours worked





## 4. Environment-friendly Initiatives

In order to reduce the environmental impact brought by operation, Catcher implemented environmental management system and fulfilled the entire performance.

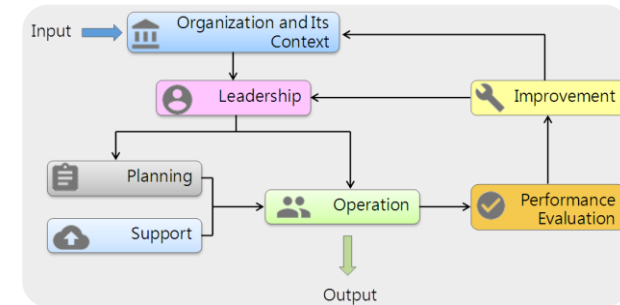
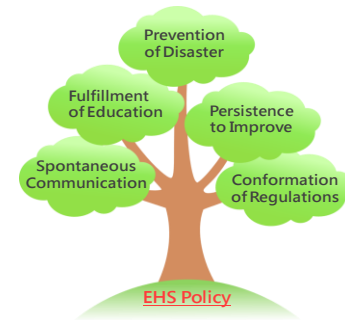




## 4.1 Environmental Management System

Catcher has received ISO 14001 certifications for environmental management systems since 2009. Through promotion of ISO 14001, Catcher has established effective monitoring management system to achieve the policy goal. In addition, in line with ISO 14001 concept of continuous improvement, Catcher carries out its responsibilities of environmental protection.

There was no grievance about environmental impacts filed through formal grievance mechanisms in 2015. In addition, Catcher had no significant environmental penalties or fines as of 2015. In the future, according to ISO Guide 83, Catcher will establish even better integrated management system to enhance the capability of practice and improvement.



## 4.2 Water Resource Utilization and Waste Water Disposal

Catcher commits itself to uphold the principle of water utilization and disposal complying with relevant regulations. Base on ISO 14001, Catcher has set up procedures and administrative regulations of waste water. Effluent discharges(industrial/process wastewater, sewage and storm water) meet the discharge limits for regulated constituents. If the wastewater treatment plants have an unusual situation, Catcher should inspect equipments immediately to find out the reason and take appropriate actions until the problem is resolved.

### ➤ **Statistic of Water Consumption and Effluent**

Catcher' s water consumption was 812,549 tons from the Water Company in 2015. The annual water consumption statistic is calculated according to water meter of the Water Company. Process waste water and sewage are chemically treated, discharged into surface water, and no re-use by any organization. Effluent discharge in 2015 was totally 667,457



tons, calculated according to water meter. In addition, water meter are calibrated by the third party annually.

➤ **Waste Water Segregation and Water Quality Control**

To assure effluent can meet or exceed the criteria set by the government, Catcher implements a systematic approach to prevent illegal discharges and spills from entering storm drains. Since fourth quarter of 2015, Renai Factory has exactly measured operation data of waste water treatment by Instruments for On-line Monitoring of Chemical Oxygen Demand and therefore made water quality detection faster and more accurate.

In order to decrease the environmental impact of effluent, Catcher installs equipment of electrolytic nickels recovery, which recycles nickels by electrolytic method. Wastewater of electrolytic nickels can ease the operation burdens of wastewater treatment plants. Based on the principles of environmental protection, T.I.P. Factory purchased a new type of plate-and-frame mud filter press in 2014, and then Renai Factory also purchased the same one in 2015. These filter presses can reduce the percent moisture of mud from 80% to 60-65%, at the same time, solid waste can be decreased.

### 4.3 Air Pollution Control

Because Catcher' s main process is surface treatment, air pollution is lower than energy-intensive industries. The major emissions include acid gases, alkaline gases, Volatile Organic Compounds(VOCs), and particulate matter. Catcher complies with all related regulations and installs control and additional equipments (such as flow meters, pH detectors, differential pressure manometers) to monitor the effects of these equipments. Moreover, operators can understand the operation of control equipments through trainings.

Catcher implements the test of boundary environment, including VOCs, stink, and noise. It is worth noting that Catcher monitors VOCs spontaneously every month. In third quarter of 2015, Catcher further purchased portable Particulate Air Monitoring Equipment to monitor and manage pm2.5. When pm2.5 is detected unusually, Catcher will



Catcher monitors  
VOCs monthly



identify the sources and avoid impact. Smell and noise are tested by the third party if Catcher receives the related grievances, and then Catcher plans follow-up strategies according to test results.

#### 4.4 Waste Management

Catcher focuses on the effect of waste management and establishes administrative regulations of waste. Therefore, Catcher employees can understand the rules of garbage sorting, storage and disposal, and Catcher can meet the criteria set by the government.

##### ➤ **Sorting and Storing Waste by General and Hazardous**

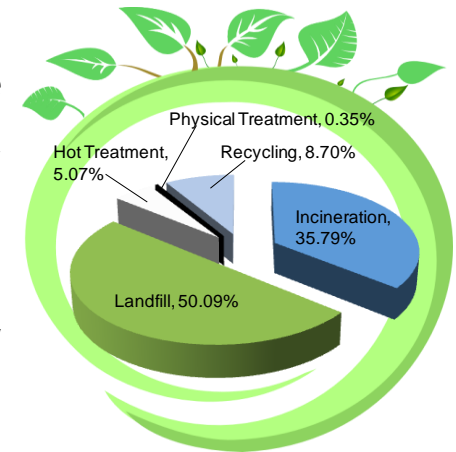
Catcher has general waste, hazardous waste, and recycling. To increase the degree of safety, Catcher sorts the hazardous waste from the general waste strictly.

##### ➤ **Complying with regulations of Waste Disposal**

Catcher selects waste disposal and recycling contractors carefully and monitors site operations at any time to ensure legal and proper recycling and treatment of waste. In 2015, total weight of waste in Taiwan was 1,858.92 tons. Hazardous waste (waste liquid) was disposed by physical method, which comprised 0.35% of the total waste. And, 99.65% of the total waste were general waste.

##### ➤ **Promotion of Reduction and Recycling**

Since 2015, Catcher has prepared the project of waste reduction and recycling. Catcher's first priority of the waste management is reduction, the second is recycling, and finally disposal through incineration and landfill. For example, waste wooden pallets can become fuels through recycling to replace discard directly. In addition, organic solvents are purified by distillation and then recycled for manufacturing process uses. Organic solvents are disposed until worthless. Moreover, Catcher continuously educates employees to reduce and recycle waste.





## 4.5 Energy Use and GHG Management

Catcher knows the importance of energy management and monitored the impact on the operation brought by the climate change.

### ➤ Energy Consumption and Energy-saving Projects in 2015

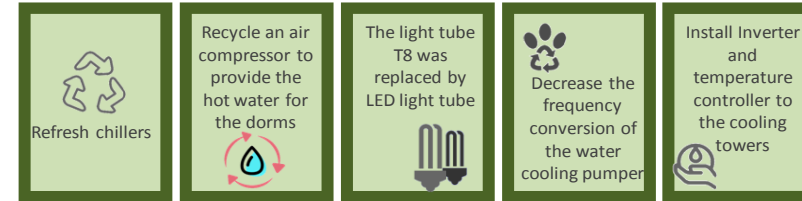
In 2015, Catcher's total energy consumption consisted of 61,254,000 electricity (kWh, 97.01%) and 1,889,253 liquefied natural gas (kWh, 2.99%). The total consumption mentioned above are calculated regularly according to meter of Taiwan power company and LNG corporation.

### ➤ The Result of Catcher's First GHG Inventory

Through the promotion of ISO 14064-1 greenhouse gas inventory project, Catcher has calculated the GHG emissions from the main operational scope and planned for the follow-up plans to decrease the GHG emissions. According to the result of inventory, Scope 1 emissions are the direct emissions of Catcher factories including fuel such as liquefied natural gas, gasoline and diesel, acetylene, SF<sub>6</sub>, and fugitive emissions from air conditioners, chillers, freeze-drying machines, fire extinguisher and septic tanks. Scope 2 emissions are mainly indirect emissions such as purchased electricity. Total greenhouse gas emissions of Renai Factory and T.I.P. Factory in 2015 are 38,393.777 ton CO<sub>2</sub>e.



#### Energy-saving Projects in 2015



	Scope 1	Scope 2	Total
<b>Headquarter and Factory-Renai</b>			
GHG Emissions (ton CO <sub>2</sub> e/year)	1,984.551	13,922.162	15,906.713
Rate (%)	12.48%	87.52%	100%
<b>Factory-T.I.P.</b>			
GHG Emissions (ton CO <sub>2</sub> e/year)	4,495.892	17,991.172	22,487.064
Rate (%)	19.99%	80.01%	100%

Note:

- 1.Catcher's 2015 GHG Emissions didn't pass third-party certification.
- 2.Catcher's emissions factors applied according to 2006 IPCC Guidelines for National Greenhouse Gas Inventories and Taiwan EPA.
- 3.Catcher's scope 2 GHG emissions calculated according to the 2014 electricity emission factor announced by the Bureau of Energy, Ministry of Economic Affairs, R.O.C..
- 4.Catcher used IPCC Second Assessment Report (SAR - 100 year) for the global warming potentials.



## 5. Value integration

With greater responsibility coming along with greater capability, Catcher focuses on charities, customer service, and supply chain management.





## 5.1 Community Participation and Charity

In 2015, there was no grievance about local residents through authoritative grievance mechanisms. Based on the spirit: "What Catcher Has Taken from Society, And What Catcher Will Give Back," Catcher does its best on charities. Catcher Educational Foundation was founded in 2000. Catcher and Catcher Educational Foundation have organized various activities covering education, art, music, health, disadvantaged groups care for a long time to make contribution to the society. Catcher did not only contribute NT\$9,074 thousand, but also provide actual supports in 2015. For example, Catcher held sales exhibitions for the disadvantaged in our factory, invited bloodmobiles to Catcher's factory, sponsored fire equipment to Tainan City Government Fire Bureau, and gave Christmas presents to an orphan home located near Catcher. Above all, Catcher called employees to join as the environmental volunteers on Family Day.

Major Sponsorship by Catcher and Catcher Educational Foundation in 2015	
Category	Description
Disasters and Epidemics	Sponsored fire helmets and fire gloves to Tainan City Government Fire Bureau
	Sponsored pesticides and other associated equipments to Public Health Center of Southern District of Tainan City Government
Musical Instruments	Sponsored musical instruments to Tainan Municipal An-Shun Junior High School
	Sponsored musical instruments to Tainan Municipal He-Shun Junior High School
Concerts	Sponsored the concert of violinist SIAN-DA SU and pianist RUEI-BIN CHEN
	Sponsored the world-renowned pianist: Boris Berezovsky
Education	Sponsored not only clubs' activities of colleges, but also activities of senior high schools in Tainan
	Sponsored mugs to Tainan elementary & high schools of National Science Fair
	Sponsored Global Views-Commonwealth Publishing Group, that providing magazines for Tainan remote elementary schools
Disadvantaged Groups	Sponsored Taiwan Yellow Ribbon Network Association

### ➤ Employee Volunteer & Family Day at Tainan Barclay Memorial Park

Compared with donation, this was the first time that Catcher organized the activity of employee volunteer to raise the attendees' awareness of environmental protection. On 22 August 2015, 158 employees and their family joined this activity, and cleaned environment including duckweeds fishing up, weeds cleaning, plants arranging, and tree trunks transplanting. Otherwise, Catcher designed several games to let attendees know the

importance of environment, and improved parent-child relationship. Thus, promotion of employee volunteer and environmental protection can get more focus, then the follow-up benefits can be enhanced.

## 5.2 Customer Service and Privacy Protection

Through comprehensive customer service management, Catcher has established procedures to manage from order acceptance to shipment. Meanwhile, Catcher has protected confidential information to maintain its goodwill.



### ➤ Excellent Management of Customer Service

Catcher assesses the degree of customer satisfaction through annual customer satisfaction survey. After receiving questionnaires, Catcher summarizes and analyzes the result of each customer. To improve and track the effects of customer service, customer complaint handling notices are formed when the results that do not meet Catcher internal criteria. Catcher conducted the customer satisfaction survey through email in 2015, and response rate was 100%. The result of customer satisfaction survey shows that Catcher has received customer approval based on profession, technology, experience and quality control. The average grades of customer satisfaction in 2015 were 82.8. In the future, Catcher will keep integrating advantage and implementing management of customer service. By Customers' positive feedback, Catcher wishes to maintain the sound partnership with customers.

### ➤ Customer Confidential Information Protection

In order to enhance customer trust, increase Catcher 's competitive capability, and prevent secrets leakage, Catcher establishes and implements administrative regulations for information security management, and further uses innovative technologies. Moreover, employees found in violation are subjected to penalties according to Rules of Work.

In 2015, Catcher started conducting the project of optimized information security, which is mainly based on three directions: " Established security events management system, Speeded up transnational bandwidth and security, Controlled the access of devices from users" to improve level of information security and set up customers' trust. Hence, Catcher doesn 't have any substantiated complaints regarding breaches of customer privacy, losses and leaks of customer in 2015. It is thus evident that Catcher is good at internal management and project execution, and there is no impact on goodwill and customer satisfaction that will affect Catcher.

#### 2015 Optimized Information Security Project



##### Established security events management system

- + Increased the recording capability of internal system.
- + Analyzed network flows and enhanced the detection of internal events.
- + Found and reacted information security events as early as possible.

##### Speeded up transnational bandwidth and security

- + Enhanced the efficiency of usage of bandwidth and controlled usage of bandwidth.
- + Used technology of data compression to avoid information being seized and restructured.

##### Controlled the access of devices from users

- + The devices should be authorized to use internet.
- + Avoided foreign devices connecting Catcher's internal internet.
- + Met customers' requirements for information security.



### 5.3 Supply Chain Management

To meet customers' requirement and achieve Catcher's mission of feedback, Catcher increases managerial coverage from itself to whole supply chain.

#### ➤ Continue to Work on the Suppliers' Management

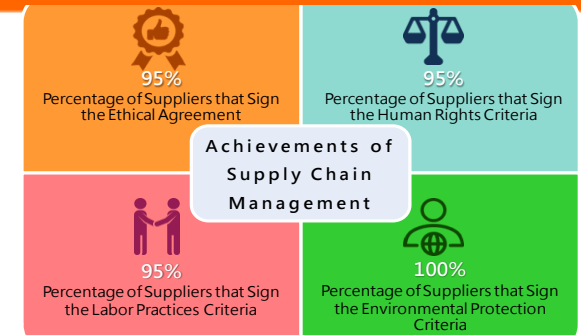
Because single source may lead to delayed delivery or bad quality, Catcher conducts new supplier search and removes unqualified suppliers from the supplier list. In 2015, the average percentage of qualified suppliers that sign the related CSR criteria is 96%, higher than 90% in 2014. In terms of environmental criteria, suppliers are requested to sign Guarantee of Non-Inclusion of Hazardous Substances. The percentage of qualified suppliers that sign the Guarantee is 100% in both 2014 and 2015, and there is no violation of the Guarantee. Besides, in terms of requests on social responsibility and trade ethics, the percentage of qualified suppliers that sign the Commitment of Honesty and Social Responsibility is 95% in 2015, higher than 87% in 2014. Obviously Catcher has seen fruitful results of honesty, labor rights and ESH promotion for suppliers. In addition, Catcher has chosen two suppliers to audit its implementation on CSR based on customer portfolio and transaction scale during 2015. And, the deficiencies of suppliers were recorded to require the follow-up improvement.

#### ➤ Responsible Procurement

Procurement from local suppliers can not only enhance the development of Taiwanese economy, but also ensure supply and manage conveniently. In 2015, Catcher cooperates with 90.6% local suppliers in Taiwan.

### 5.4 Green Products Management

To avoid using hazardous substances that are prohibited during productive process, enhance competitive capability of products, and meet legislative and customers' requirements, Catcher builds up IECQ QC 080000 Hazardous Substance Process Management. Through this management system mentioned above, Catcher establishes all kinds of procedures and administrative regulations, and holds the review meeting annually. Besides, Catcher organizes the list of hazardous substances, and also identifies corresponding responsibility of each department.





## United Nation Global Compact Comparison Table

Dimension	10 Principles	Related CSR Report Section	Page
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	3.Employee-friendly Workplace	13-19
	Principle 2: make sure that they are not complicit in human rights abuses.	3.4Human Rights	16
Labor	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	3.3Capital-Labor Relation 3.4Human Rights	15-16
	Principle 4: the elimination of all forms of forced and compulsory labor.	3.3Capital-Labor Relation 3.4Human Rights	15-16
	Principle 5: the effective abolition of child labor.	3.5Human Resource Management	17
	Principle 6: the elimination of discrimination in respect of employment and occupation.	3.4Human Rights	16
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges.	4.Environment-friendly Initiatives	20-24
	Principle 8: undertake initiatives to promote greater environmental responsibility.	4.Environment-friendly Initiatives	20-24
	Principle 9: encourage the development and diffusion of environmentally friendly technologies.	5.4Green Products Management	28
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	2.3Corporate Governance	10-11

# CATCHER

smart process

CATCHER TECHNOLOGY CO., LTD.

CSR Team

Addr : No 398, RenAi Street, YungKang Dist, Tainan, Taiwan

Tel : + 886-6-2539000

Fax : + 886-6-7021274

Email : [csr@catcher-group.com](mailto:csr@catcher-group.com)

Website : <http://www.catcher-group.com/>

