

# CATCHER Catcher Technology Co.,Ltd.

2018 CATCHER Corporate  
Social Responsibility Report





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# Message from Management



To those who value Catcher's progress in sustainable developments:

Catcher Technology focuses on its primary business activities and expands our leading status of the structure component. Despite economies and politics around the globe encounter different turmoil in 2018, Catcher still managed to record a strong growth. 2018 Revenue reached NT\$95.4bn, up 2.3% yoy from NT\$93.3bn in 2017, reaching another historical high.

For our outstanding performance during this year, Catcher Technology does fulfill its corporate social responsibility (CSR) by promoting and implementing CSR projects, thus transforming CSR into the important foundations of corporate sustainable development. In this Report, we disclose the outcomes of employee relations, environmental protection and social welfare to provide our efforts for the general public.

Employees are the most important assets of Catcher. Due to our high quality human resources and employee-friendly workplace, we are able to continue expanding the core technologies and products. Meanwhile, Catcher is awarded twice by Sports Administration of Ministry of Education as sport enterprise. This is not only the top honor of our actively promotion of employees' physical and mental health, but one of the achievements in caring for employees.

More resources are input in environmental protection to achieve environmental sustainability, for example, energy conservation, GHG emission reduction, resources reduction, etc. Moreover, our T.I.P. Factory obtains Cleaner Production Factory Certification by Industrial Development Bureau, Ministry of Economic Affairs, which is a leader in the metal structure component field of Taiwan. Obviously, Catcher achieves a balance between financial performance and environmental protection and be proud of that.

As the leading global brand, Catcher and the Catcher Educational Foundation have continued to give back to society in many years. Catcher starts promoting volunteer service to encourage employees to participate in public welfare. To enhance corporate images and influence, we establish a relationship of partners with the disadvantaged groups and stakeholders. Catcher would like to express our sincere gratitude for the concentrated efforts of all our employees and for the support that the general public has given us. We have the ambition, confidence and determination, and persist in upholding its core philosophy of Innovative Technology, Customer Services, Honesty and Integrity, and Sustainable Development. Let's join hands to welcome a better future of corporate social responsibility.

Chairman, Catcher Technology Co., Ltd.

洪水樹

Consolidated Sales Revenue

NT\$ **95.4 Billion**

Twice Awarded

**Sport Enterprise Sports**

by Sports Administration, Ministry of Education

T.I.P. Factory Obtains

**Cleaner Production Factory Certification**

by Industrial Development Bureau, Ministry of Economic Affairs



**CATCHER**

# About This Report



The purpose of this Report is to inform all stakeholders of Catcher's performance outcomes and future plans with regards to corporate social responsibility (CSR) in 2018. The information contained in this Report is presented in accordance with the Global Reporting Initiative Standards-Core Options. Based on the sustainability context and principles of stakeholder inclusiveness, preliminary screening of issues was performed, after which a stakeholder survey questionnaire was formulated for distribution to facilitate ranking of material issues, which serve as references for the extent of disclosure of each issue. In addition, a table of GRI Standards indicators with reference to the UN Global Compact is provided herein.

This Report covers the economic, social, and environmental practices of Catcher offices/factories in Taiwan (Ren Ai Factory, T.I.P. Factory, Y.K.I.P. Factory, and Taipei Operations Center) as well as Catcher Educational Foundation in the period between January 1, 2018 and December 31, 2018. The financial data of factories/offices in China are included in the scope of this Report. In other words, the financial information encompasses the business performance of the parent company and all subsidiaries within the Catcher Group. Please visit the Investor section of the Company's website for details on finance-related information ([http://www.catcher-group.com/tw/investor\\_financial\\_psc.aspx](http://www.catcher-group.com/tw/investor_financial_psc.aspx)).

The financial information in this Report was sourced from the annual report that has been verified by the Company's accounting firm. The ISO 14001 Environmental Management System and OHSAS 18001 Occupational Safety and Health Management System have been verified by a third party verification unit. Estimation or calculation equations are presented below tables and figures when necessary. To enhance reliability, Catcher plans to obtain relevant statements of guarantee from verification units for future reports.

Catcher publishes CSR reports on an annual basis. An executive summary of the CSR report was published for the first time in June 2015. A complete version, which was published for the first time in June 2017, and the next issue will be published in June 2020. To ensure environmental conservation, Catcher CSR reports are published as electronic files (\*.pdf) on the Company's official website ([http://www.catcher-group.com/tw/csr\\_esh\\_more.aspx?ID=5](http://www.catcher-group.com/tw/csr_esh_more.aspx?ID=5)). We welcome all feedback and suggestions.



## ▲ Catcher's Corporate Social Responsibility Report in 2016-2017





# CSR Performance Highlights

## Governance

- Nominated as 1000 High-Growth Companies Asia-Pacific by Financial Times in 2018
- Catcher was ranked the 15th in the Nikkei Asia 300
- Catcher was awarded Forbes Global 2000 and ranked 188th in the growth company segment
- Catcher ranked 24th in Forbes Top 100 Digital Companies, 1st among Taiwanese companies
- Building D in the Ren Ai Factory was completed a construction project



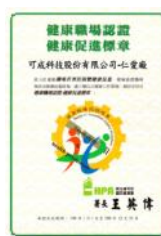
▲ Building D in the Ren Ai Factory

## Society

- Twice awarded sport enterprise certificate by Sports Administration, MoE., and shared our experience of promotion at the awarding ceremony
- Healthy Workplace Certification - Health Promotion Badge
- OHSAS 8001 Occupational Safety and Health Management System certification
- Talent Quality - Management System (TTQS) certification
- Be the Core Enterprise of Safety & Health Family Program



▲ Deputy General Manager and Company Spokesperson James Wu Shared Catcher's Experience of Promotion at the Awarding Ceremony for the Sport Enterprise Certificate



## Environment

- ISO 14001 Environmental Management System Certification
- SONY Green Partner Certification
- Catcher's 1st and 2nd plants in Tainan Technology Industrial Park have passed the Cleaner Production Assessment hosted by Industrial Development Bureau, MoEA
- Tainan City Outstanding Performance Enterprise of Green Procurement



# 1 Sustainable Communication

- 1.1 Catcher's CSR Commitment
- 1.2 Identification and Communication
- 1.3 Analysis of Material Issues





## Catcher's CSR Policy

### 1. Regulatory compliance |

Comply with relevant regulations, and other related demands with Catcher's agreement. We are persistence in our pursuit of legal profits and implementation of social responsibility.

### 2. Environmental conservation |

In order to achieve our goals of green corporation and sustainable development, Catcher is committed to cherishing the natural resources and reducing environmental impacts.

### 3. Human-oriented management |

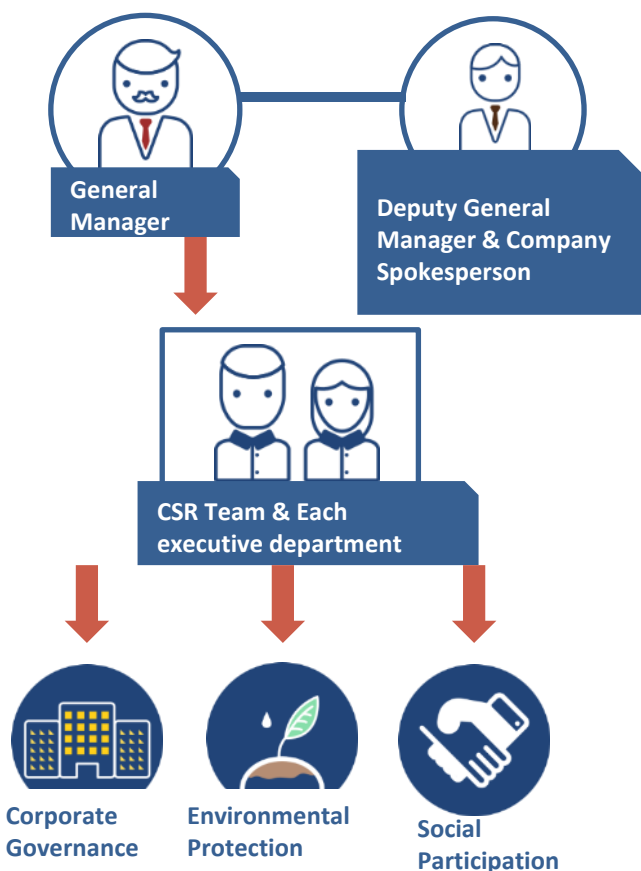
Respect workers' rights and focus on workers' health & safety. We build a appropriate management system and working environment. Moreover, we take care of humanities and society.

### 4. Advanced governance |

Through continuous improvement of performance management, we strive to balance interests between all stakeholders, and create the best value of Catcher.

## 1.1 Catcher's CSR Commitment

In 2014, Catcher established a CSR Team subordinate to the General Manager Office and responsible for appointing dedicated personal to work in collaboration with various departments in the handling of CSR-related matters. The Team is composed of members from Internal Audit Office, EHS, Human Resource Department, Strategic Procurement Department, Sales and Marketing Department, Investor Relations Department, and Quality & Reliability Assurance Department, and who are collectively responsible for formulating CSR performance indicators. As part of its routine operations, the Team ensures that the expectations of stakeholders are appropriately fulfilled. The CSR Team is directly responsible to the general manager. Implementation projects and performance of material issues are regularly reported directly to the Chairman.



▲ CSR Organization of Catcher





## Catcher's 10 Major CSR Principles

- ✓ Comply with laws and regulations and pursue reasonable profits.
- ✓ Create corporate value, maintain corporate transparency, ensure favorable corporate governance, and optimize shareholder interest.
- ✓ Practice integrity management, adhere to business ethics, and engage in fair competition.
- ✓ Respect human rights and basic labor principles, create a safe, healthy, harmonious, and fair workplace, and provide legitimate and reasonable salary and welfare systems.
- ✓ Protect the environment, conserve resources, and facilitate the sustainable development of the environment.
- ✓ Unite customers who are willing to make a difference, work together to invent outstanding products, and showcase the excellence of human craftsmanship.
- ✓ Encourage and reward innovation and R&D, and respect intellectual properties.
- ✓ Actively participate in governmental, social, and community events, establish favorable communication channels and interaction, and fulfill citizen responsibilities.
- ✓ Sponsor cultural, educational, and public welfare events, and encourage full employee participation.
- ✓ Integrate the principles and practices of CSR in supply chain management.

## ▼ Catcher visited Tainan Municipal Madou Elementary School



Catcher's CSR reports contain issues of concern for all of the Company's stakeholders, and disclose Catcher's performance and future plans regarding CSR in order to ensure a mutually beneficial and reciprocal relationship. Meanwhile, CSR reports can also effectively facilitate the sound operation of internal management systems and advancement toward sustainable development. To demonstrate our determination in fulfilling our corporate social responsibility, Catcher has developed a CSR policy and ten major principles, which have been signed and announced by the Chairman. The Company adopts the latest behavioral guidelines of the Responsible Business Alliance (RBA) as the key reference for internal CSR implementation.



## 1.2 Identification and Communication

Catcher references the five key principles of AA1000 Stakeholder Engagement Standard included responsibility, influence, tension, diverse perspectives, and dependency, and then defines stakeholders as organizations or individuals who influence Catcher or are influenced by Catcher. Based on this definition, the CSR Team has identified the following major stakeholders: Employees, customers, suppliers, investors and shareholders, community residents, government agencies, non-profit/non-government organizations, and news media.

### ▼ Catcher's primary stakeholders



#### Employees

Employees are the most important asset because the devotion and harmony of employees can influence the atmosphere and operating performance

- Major Responsible Department: Human Resource Department, EHS



#### Customers

The fundamental cause of normal operations and sustainable growth of Catcher is its customers

- Major Responsible Department: Sales and Marketing Department, Quality & Reliability Assurance Department



#### Suppliers

The various products and services provided by Catcher must rely on the cooperation of high quality suppliers

- Major Responsible Department: Strategical Procurement Department



#### Investors and shareholders

Investors and shareholders who hold shares are the basis for the existence of Catcher

- Major Responsible Department: Investor Relations Department



#### Community residents

Catcher was founded in Tainan city and wants to do its best to give back to the local community

- Major Responsible Department: GM office, Human Resource Department, EHS, Catcher Educational Foundation



#### Government agencies

Catcher is a legitimate company, so its conduct and deeds must meet the requests of the regulations

- Major Responsible Department: Human Resource Department, EHS, Internal Audit Office



#### Non-profit/non-government organizations

Catcher is willing to share the achievements with non-government organizations to expand its influence and assist social development

- Major Responsible Department: GM office, Human Resource Department, Catcher Educational Foundation








#### News Media

The advice and suggestions of the news media can make Catcher find more defects and continue to work hard

- Major Responsible Department: Investor Relations Department

To accurately identify the needs of our stakeholders, Catcher has established a suitable bi-directional communication channel through which to interact with stakeholders. Additionally, a Stakeholder section and CSR mailbox (csr@catcher-group.com) are provided on the Company's website. Through such diverse communication channels, Catcher can therefore adequately respond to CSR issues that are of interest to stakeholders and gain a better understanding of their expectations. These insights will in turn serve as references for the sustainable management of Catcher.

Category	Issues of Concern	Corresponding chapters/sections	Communication Channel
Employees	Employee rights	3.1Establishment of Employee–Employer Relations	<ul style="list-style-type: none"> <li>Communicate information on bulletin boards, portal website, and Facebook Fan page</li> <li>Regularly convene labor negotiation meeting</li> <li>Regularly convene welfare committee/catering committee</li> <li>Handle/inquire on the progress and status of handling employee feedback and grievances</li> <li>Conduct annual Catcher catering satisfaction survey</li> <li>Hold internal factory leisure events (e.g., Family Day, sports competition, book fair)</li> <li>Regularly/occasionally conduct educational training</li> <li>Each business department regularly/occasionally convene communication meetings and interviews</li> <li>Setup Stakeholder section on the company's website</li> </ul>
	Employer–Employee Relations	3.1Establishment of Employee–Employer Relations	
	Occupational safety and health management system	3.4Safety & Health	
Customers	Customer relationship management	2. Corporate Governance	<ul style="list-style-type: none"> <li>Conduct customer audit and improve deficiencies</li> <li>Company website consulting service</li> <li>Collect customer satisfaction survey questionnaire every year</li> <li>Manage customer complaints by following internal standard operating procedures</li> <li>Setup contact window for immediate customer response and face-to-face communication</li> <li>Convene impromptu meetings in case of unexpected situations</li> <li>Setup Stakeholder section on the company's website</li> </ul>
	Supply Chain Management	2. Corporate Governance	
	Corporate Governance Capability	2. Corporate Governance	
Suppliers	Supply Chain Management	2.6Stability and Sustained Operation	<ul style="list-style-type: none"> <li>Provide product and governance related information on company's website</li> <li>Provide supplier consulting service on company's website</li> <li>Educate suppliers on CSR from time to time</li> <li>Dedicated window handle procurement matters</li> <li>Anti-corruption reporting mailbox</li> <li>Occasionally convene supplier business review meetings</li> <li>Conduct supplier evaluation and audit</li> <li>Setup Stakeholder section on the company's website</li> </ul>
	Integrity and anti-corruption	2.5Honesty	
	Environmental pollution prevention	4.2Environmental Pollution Prevention	

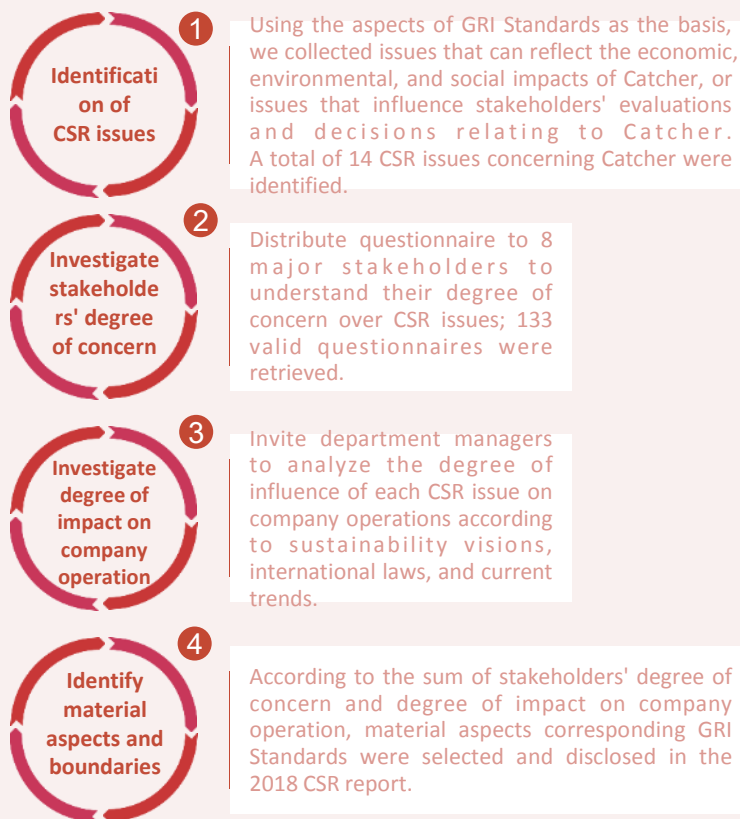
Category	Issues of Concern	Corresponding chapters/sections	Communication Channel
<b>Investors and shareholders</b> 	Corporate Governance Capability	2. . Corporate Governance	<ul style="list-style-type: none"> <li>Regularly resolve company's material matters through shareholders' meeting</li> <li>Occasionally convene investor conference to present the company's business outcomes and prospects</li> <li>Disclose material business and financial information through stock exchange and company's website</li> <li>Occasionally release press to announce company's business operation or events</li> <li>Appoint dedicated personnel to handle and respond to investors' stock affairs</li> <li>Actively participate in seminars and investor forums of domestic and foreign investment institutions</li> <li>Setup Stakeholder section on the company's website</li> </ul>
	Visions and Strategy of Sustainability	2.6Stability and Sustained Operation	
	Communication with Stakeholders	1. Sustainable Communication	
<b>Community residents</b> 	Environmental pollution prevention	4.2Environmental Pollution Prevention	<ul style="list-style-type: none"> <li>Occasionally partake in community events for information exchange</li> <li>Provide CSR email and have dedicated personnel to reply emails</li> <li>Occasionally visit village chief, residents, schools, and economically disadvantaged groups located near factories</li> <li>Occasionally attend village meetings and sponsor village activities</li> <li>Setup Stakeholder section on the company's website</li> </ul>
	Environmental management system	4.1Management System Operation	
	Social engagement and public welfare	3.5Social Participation and Public Welfare	
<b>Government agencies</b> 	Corporate Governance Capability	2. Corporate Governance	<ul style="list-style-type: none"> <li>Disclose information on company's website in pursuant to government regulations</li> <li>Occasionally facilitate government audit inspections inside the factories</li> <li>Every year, regularly confirm regulatory updates and state of compliance</li> <li>Every year, regularly conduct statistics and declare/report company information</li> <li>Every year, occasionally participate in projects or seminars/conferences held by the government</li> <li>Implement related matters in accordance with government regulations</li> <li>Deliver information through official letters and documents</li> <li>Setup Stakeholder section on the company's website</li> </ul>
	Environmental pollution prevention	4.2Environmental Pollution Prevention	
	Employee rights	3.1Establishment of Employee–Employer Relations	
<b>Non-profit/non-government organizations</b> 	Integrity and anti-corruption	2.5Honesty	<ul style="list-style-type: none"> <li>Occasionally sponsor projects and events</li> <li>Occasionally take part in NPO/NGO seminars and activities</li> <li>Provide Tainan school students (vocational high schools to graduates) job shadowing opportunities</li> <li>Provide opportunities of industry-university cooperative project and exchange for universities and colleges</li> <li>Setup Stakeholder section on the company's website</li> </ul>
	Social engagement and public welfare	3.5Social Participation and Public Welfare	
	Visions and Strategy of Sustainability	2. Corporate Governance	
<b>News Media</b> 	Corporate Governance Capability	2. Corporate Governance	<ul style="list-style-type: none"> <li>Every month, regularly release news on operating revenue</li> <li>Occasionally hold media communication event, press conference or press release to announce future developments</li> <li>Provide spokesperson contact details to respond to media questions</li> <li>Accept press interviews and project planning</li> </ul>
	Supply Chain Management	2.6Stability and Sustained Operation	
	Environmental pollution prevention	4.2Environmental Pollution Prevention	



## 1.3 Analysis of Material Issues

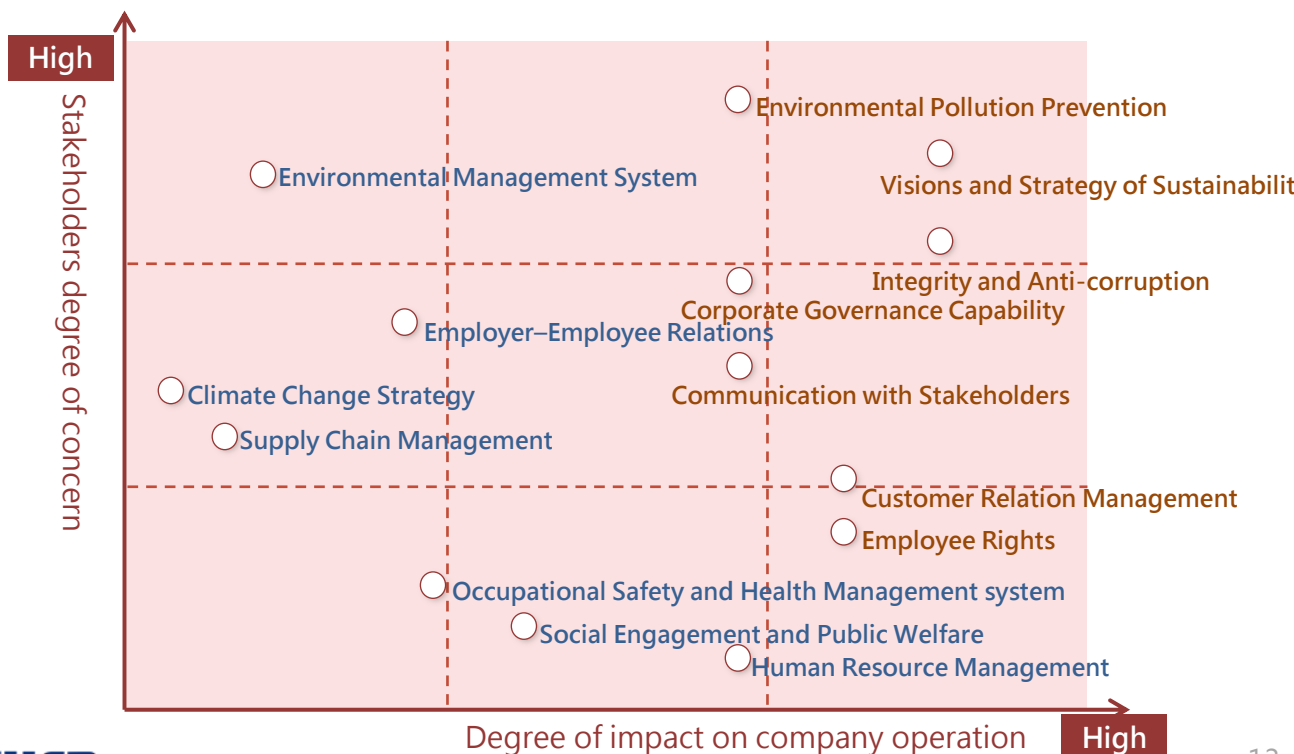
To collect stakeholder opinions, Catcher not only continues to understand stakeholders through communication channels, but it also compiles a preliminary list of 14 CSR issues based on the aspects of GRI Standards and the background context for Sustainable development.

Subsequently, questionnaire survey was conducted to identify the level of attention each stakeholder pays to CSR issues. This survey received the valid questionnaire of 133 copies and weighted by its importance of stakeholders, as well as the effects of each CSR issue on company operations as assessed by executive management and CSR Team. Following analysis, Catcher's material CSR issues in 2018 are ranked as follows: Visions and Strategy of Sustainability, Integrity and Anti-Corruption, Corporate Governance Capability, Environmental Pollution Prevention, Communication with Stakeholders, Customer Relation Management, and Employee Rights.



### ▲ Steps in the Analysis of Material Issues

### ▼ Catcher's Material Issues in 2018





Regarding the above issues, the value chain of Catcher is as follows with due consideration to the internal and external influence and impact on Catcher. Catcher discloses and provides corresponding responses in the CSR reports according to the principles of materiality and completeness.

CSR Issues	material Issues	Aspects to consider with respect to GRI Standards	Corresponding chapters/sections	Boundary Within the Organization		Boundary Outside the Organization		
				Taiwan	China	Customers	Suppliers	Community
Visions and Strategy of Sustainability	★	Management Approaches	Message from Management/Management Approaches of Material Issues	√	√			
Corporate Governance Capability	★	Economic Performance	2. Corporate Governance	√	√			
Communication with Stakeholders	★	--	1. Sustainable Communication	√		√	√	√
Integrity and Anti-corruption	★	Anti-corruption	2.5Honesty	√	√		√	
Employer–Employee Relations		Labor Management Relations	3.1Establishment of Employee–Employer Relations	√	√			
Employee Rights	★	Non-discrimination/ Freedom of Association and Collective Bargaining/Child Labor/Forced or Compulsory Labor/Human Rights Assessment	3.1Establishment of Employee–Employer Relations	√	√		√	
Human Resource Management		Employment/Diversity and Equal Opportunity	3.2Human Resources Management	√	√			
Occupational Safety and Health Management system		Occupational Health and Safety	3.4Safety & Health	√	√			
Environmental Management System		Management Approaches	4.1Management System Operation	√	√		√	
Environmental Pollution Prevention	★	Water/Effluents and Waste	4.2Environmental Pollution Prevention	√	√		√	√
Climate Change Strategy		Energy/Emissions	4.3Climate Change Strategy	√	√			
Customer Relation Management	★	Customer Privacy	2.4Best Customer Service	√	√	√		
Social Engagement and Public Welfare		--	3.5Social Engagement and Public Welfare	√				√
Supply Chain Management		Supplier Environmental Assessment/Supplier Social Assessment	2.6Stability and Sustained Operation	√	√		√	

Note: In addition to economic performance of the China plants within the organization, the other issues are not disclosed. Catcher plans to disclose within the next 3-5 years.





# 2 Corporate Governance



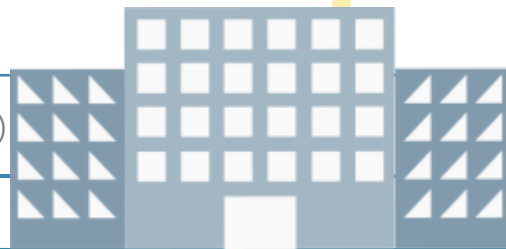
- 2.1 About Catcher
- 2.2 Responsible Governance
- 2.3 Technological Innovation
- 2.4 Best Customer Service
- 2.5 Honesty
- 2.6 Stability and Sustained Operation





## 2.1 About Catcher

Company name	Catcher Technology Co., Ltd.
Address of Headquarters	No. 398, Ren Ai Street, YungKang Dist, Tainan City
Registered Capital	NT\$7,703,911,000
Primary products and services	Casing and Internal Components
Sales Region	Domestic (2.48%) and Export (97.52%, including Asia, America, and others)
2018 Net Sales	NT\$ 95,416,141,000
2018 Production Capacity	108,860,000 units
2018 Production Output	73,596,000 units
Total number of employees in Taiwan	4,129人(Data as of December 31, 2018)



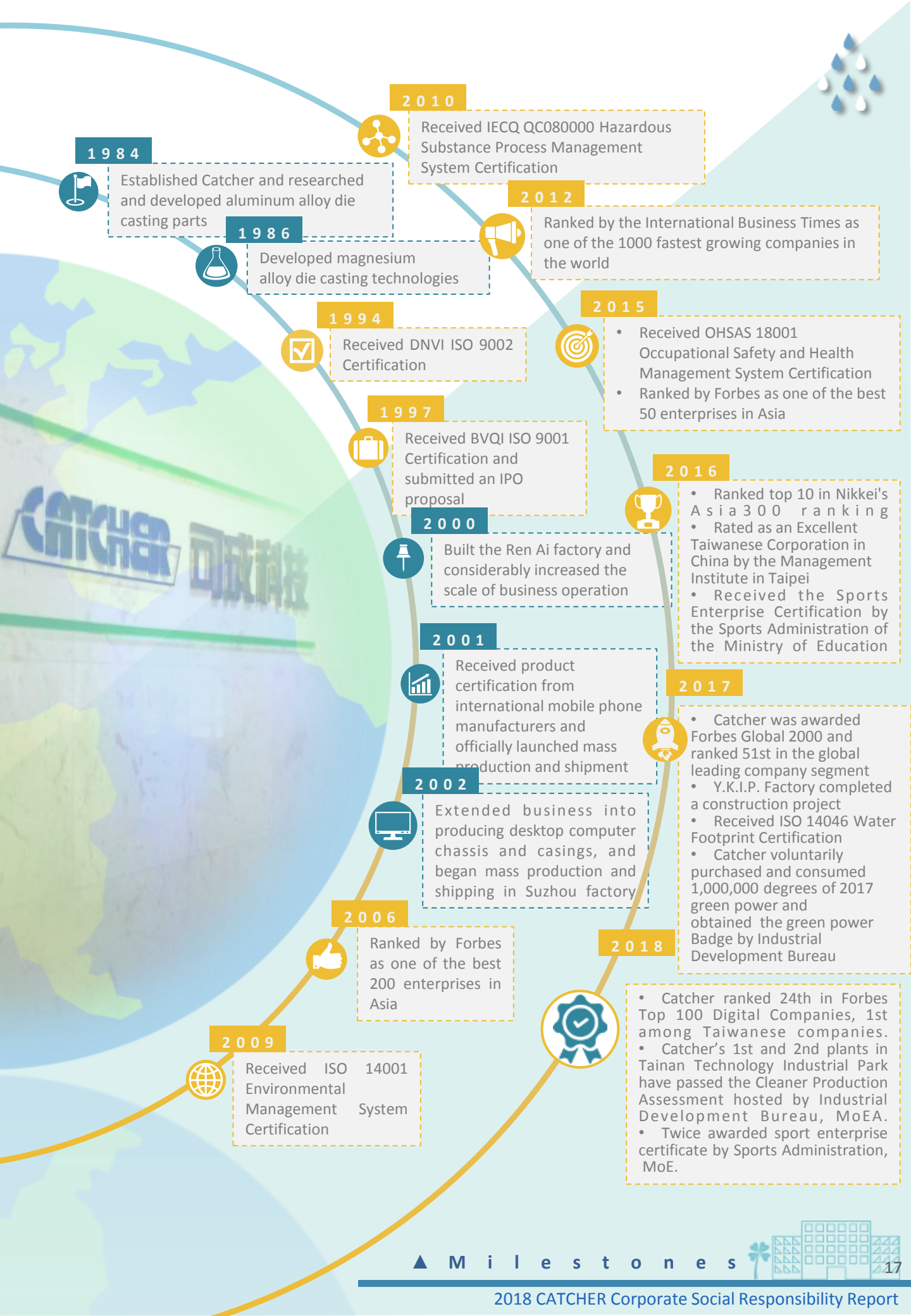
### Operational Performance\_

In a rapidly changing market such as an electronic information industry, the relatively short product life cycle necessitates reliance on key innovation technologies and prospect governance capabilities in order to live up customer expectations and enhance financial performance. In 2018, Catcher hit another historical high of consolidated sales revenue through continuing to enhance the key role and value-add in the supply chain. To be specific, 2018 consolidated sales revenue was NT\$95.4 billion. The consolidated net profit after tax was NT\$27.972 billion, and the basic earnings per share was NT\$36.31.

※Please review Catcher's 2018 Annual Report for details on financial information on our Company website:

[http://www.catcher-group.com/tw/investor\\_financial\\_psc.aspx](http://www.catcher-group.com/tw/investor_financial_psc.aspx)





1984

Established Catcher and researched and developed aluminum alloy die casting parts

1986

Developed magnesium alloy die casting technologies

2010

Received IECQ QC080000 Hazardous Substance Process Management System Certification

2012

Ranked by the International Business Times as one of the 1000 fastest growing companies in the world

2015

- Received OHSAS 18001 Occupational Safety and Health Management System Certification
- Ranked by Forbes as one of the best 50 enterprises in Asia

1994

Received DNVI ISO 9002 Certification

1997

Received BVQI ISO 9001 Certification and submitted an IPO proposal

2000

Built the Ren Ai factory and considerably increased the scale of business operation

2001

Received product certification from international mobile phone manufacturers and officially launched mass production and shipment

2002

Extended business into producing desktop computer chassis and casings, and began mass production and shipping in Suzhou factory

2006

Ranked by Forbes as one of the best 200 enterprises in Asia

2009

Received ISO 14001 Environmental Management System Certification

2016

- Ranked top 10 in Nikkei's Asia 300 ranking
- Rated as an Excellent Taiwanese Corporation in China by the Management Institute in Taipei
- Received the Sports Enterprise Certification by the Sports Administration of the Ministry of Education

2017

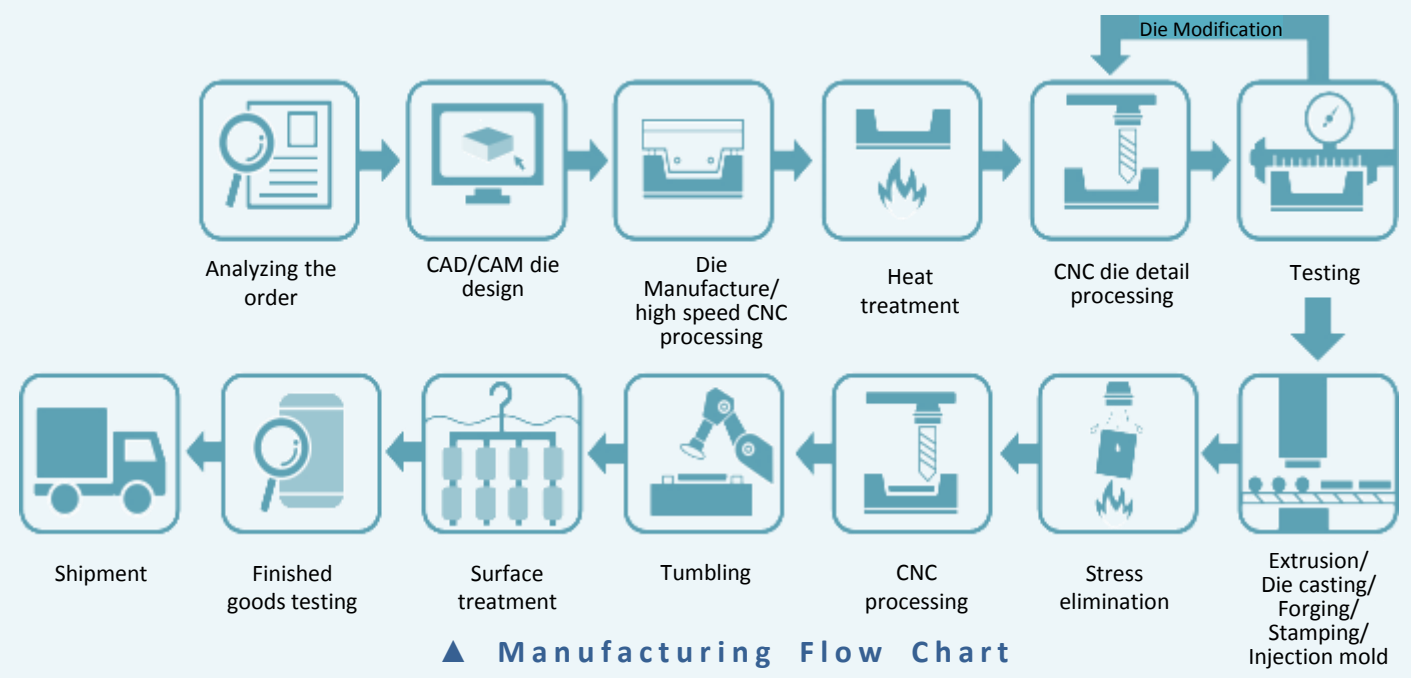
- Catcher was awarded Forbes Global 2000 and ranked 51st in the global leading company segment
- Y.K.I.P. Factory completed a construction project
- Received ISO 14046 Water Footprint Certification
- Catcher voluntarily purchased and consumed 1,000,000 degrees of 2017 green power and obtained the green power Badge by Industrial Development Bureau

2018

- Catcher ranked 24th in Forbes Top 100 Digital Companies, 1st among Taiwanese companies.
- Catcher's 1st and 2nd plants in Tainan Technology Industrial Park have passed the Cleaner Production Assessment hosted by Industrial Development Bureau, MoEA.
- Twice awarded sport enterprise certificate by Sports Administration, MoE.

Intro to Manufacturing Process\_

Manufacturing technologies include Magnesium/aluminum alloy die casting, aluminum extrusion, forging, stamping, metal injection molding (MIM), injection, thermoforming, CNC processing, anode, PVD, and coating. The materials we deal with encompass aluminum alloy, magnesium alloy, stainless steel, composite materials of carbon fiber and glass fiber, and engineering plastics. Technologies and distinct binary processing methods are adopted depending on the materials involved. Finally, surface processing technologies are employed to create ultra-fine and aesthetically appealing mechanical parts.



Global Locations\_

As the industry leader in light metal technology, Catcher specializes in the production and development of metal outer casings and mechanical parts for smartphones, notebooks, hand held devices, and consumer electronics. Through constant integration of core technologies and manufacturing processes, the Company is equipped with the capability to produce world-class products and provide total solutions to customers across the world, including major domestic and foreign manufacturers. In addition to its Ren Ai Headquarters in Tainan, the Company has also setup manufacturing facilities in Tainan Technology Industrial Park, Yongkang Technology Industrial Park, and China, achieving optimal distribution across the three major regions of Taiwan, Suqian, and Taizhou. The diversification and allocation of our facilities is also on going. Therefore, the risk of sole factory site and the impact from volatile market and operating environmental can be reduced.



- ✦ Catcher Technology (Suqian) Co., Ltd.
- ✦ Vito Technology (Suqian) Co., Ltd.
- ✦ Arcadia Technology (Suqian) Co., Ltd.
- ✦ Keda Technology (Suqian) Co., Ltd. (To be completed in 2018)



Suqian Plant

- ✦ Topo Technology (Taizhou) Co., Ltd.
- ✦ Meeca Technology (Taizhou) Co., Ltd.



Taizhou Plant



- ✦ Ren Ai Headquarters
- ✦ T.I.P. Factory
- ✦ Y.K.I.P. Factory
- ✦ Taipei Operations Center

Taiwan Plant



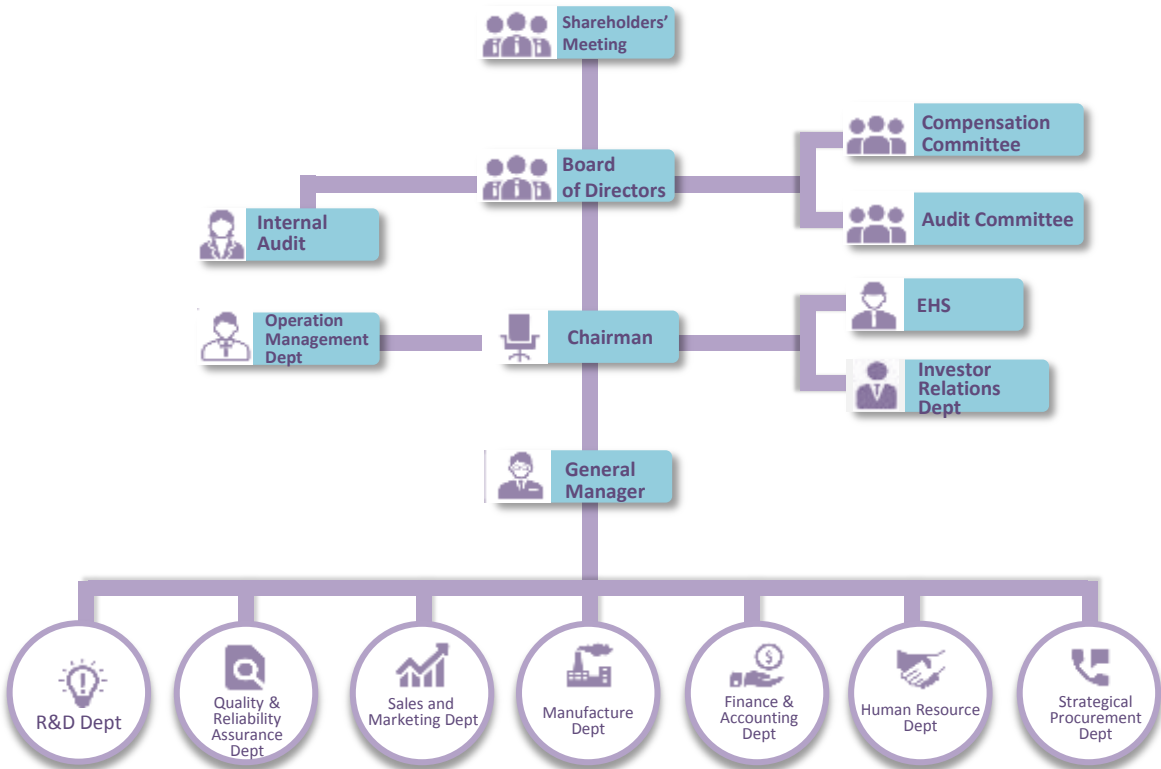
▲ Global Locations





## 2.2 Responsible Governance

Catcher pays attention to business transparency as well as instant and consistent information disclosure. In addition to disclosing relevant information on the Market Observation Post System (MOPS) as mandated by the stock exchange, the Company has also established website available in Simplified Chinese, Traditional Chinese, and English, where financial report, management, corporate governance, CSR, investor conference, and other operations and governance situations are disclosed periodically or non-periodically to provide a reference for domestic and foreign investors. The Company has appointed a spokesperson, acting spokesperson, and investor relations service providers, all of whom are responsible for communicating issues of concern to stakeholders via postal mail, telephone, or email. In accordance with the Company Act, the Securities and Exchange Act, and other relevant laws and regulations, Catcher has established a sound and efficient Board of Directors responsible for ensuring that each and every department of the Company performs its roles and duties. This facilitates the creation of a favorable governance framework for elevating the Company's business operation performance.



▲ Organizational Structure



The election of directors follows the candidate nomination rules. The directors are elected from among the candidates at the shareholders' meeting. The Chairman of the Board acts as the external representative of Catcher. Board meetings are held at least once every quarter. Unless otherwise provided for under the Company Act, resolutions of the Board of Directors are adopted by a majority of the directors at a meeting attended by a majority of the directors. Catcher selects directors by using standards that are superior to statutory standards. Occasionally, the Company also holds continuing education courses for directors to educate them on business, finance, and stock affair policies, laws and regulations, and professional knowledge. The Company hopes to perfect management decisions and enhance governance quality through the experience and professionalism of its directors. Every year, the Board of Directors will convene a shareholders' meeting at least once within 6 months after the end of the fiscal year, and when necessary, it will hold extraordinary general meetings of shareholders in accordance with the provisions provided under the Company Act. Unless otherwise regulated by the Company Act, a shareholders' meeting resolution is passed when more than 50% of all outstanding shares are represented in the meeting, and voted in favor by more than 50% of all voting rights represented at the meeting.

Catcher acknowledges the importance of conflicts of interest. A system requiring recusal due to conflict of interest is established in the Board of Directors Meeting Rules, mandating that if a conflict of interest exists for a director or the legal person they represent with regard to a specific matter on the agenda, then the director may not take part in the discussion and voting. The shareholders' meeting also operates in accordance with Article 12 of the Shareholders' Meeting Rules, which states that a shareholder who has a personal interest in the matter under discussion at a meeting, and which may impair the interest of the Company, may not participate in voting nor exercise their voting right on behalf of another shareholder.

The Compensation Committee and Audit Committee established under the authorization of the Board of Directors to assist the Board with the exercising of its functions and duties. The organizational rules for the aforementioned two committees have been approved by the Board of Directors and are regularly reported to the Board. With an independent system of operation, the Board serves to improve the Company's governance capabilities. The status of operations is regularly disclosed on Catcher's annual report. Please refer to the 2018 Annual Report for details on the status of the corporate governance operations of the Board of Directors, shareholders' meeting, and committees: [http://www.catcher-group.com/tw/investor\\_financial\\_psc.aspx](http://www.catcher-group.com/tw/investor_financial_psc.aspx)

In addition, to ensure the effectiveness and performance of the implementation of the corporate policies and system, the correctness and reliability of the internal reports, the compliance of laws and regulations, and the security and effective use of corporate resources and property, Catcher follows "Standards for Publicly Held Companies to Internal Control Systems" to determine whether the design of internal control is proper and the implementation is useful.

Catcher's Internal Audit Office does review and formulate an annual audit plan based on the results of the risk assessment every year. Internal Audit Office has formulated a check list of anti-corruption and preventable & controllable management mechanism to identify the potential operational risks as soon as possible, thereby expanding the depth of internal audit and enhancing the effectiveness and value of the audit. To further improve Catcher's operational performance, Catcher considers "Technological Innovation, Best Customer Service, Honesty, Stability and Sustained Operation" as its highest business philosophy. We expect all of our employees to uphold these philosophies in resource allocation and management in order to exceed customer expectation and create greater value for Catcher. Regarding the four major aspects of the Company's business philosophy, the relevant management and implementation outcomes in 2017 are described in Chapters 2.3–2.6.

▼ Catcher's Ten Cycles of Internal Control System	
①	sales and collection cycle
②	procurement and payment cycle
③	production cycle
④	payroll and personnel cycle
⑤	financing cycle
⑥	real estate, plant and equipment cycle
⑦	investment cycle
⑧	R&D cycle
⑨	electronic data processing cycle
⑩	management cycle



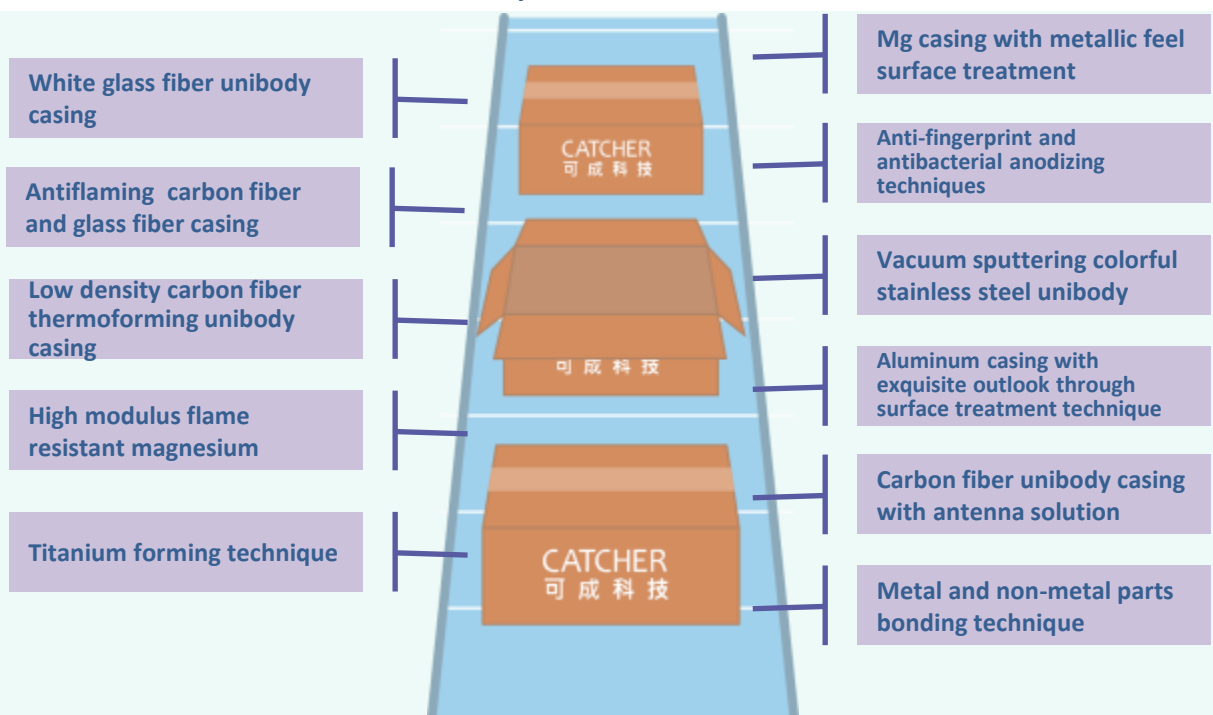
## 2.3 Technological Innovation

Catcher's R&D team is committed to R&D beginning from the product design stage, and is responsible for determining what customers expects from new products. During R&D, special manufacturing processes and technologies are actively developed using existing processes and technologies to provide multidimensional product designs that can satisfy customer needs. Furthermore, different materials and processes are mixed and matched to manufacture unique all-in-one casings featuring special surface properties and textures. During R&D and manufacturing processes, the team thoroughly informs customers of all kinds of information, including product samples, materials, functions, packaging and mass production criteria, and environmental and social impacts.



In 2018, Catcher invested NT\$ 2,018,893,000 in R&D while also enhancing the level of education for its R&D personnel to demonstrate how much the Company values R&D. By upholding the principles of technological autonomy, Catcher ensures that all of its key manufacturing processes adopted within the factories are independently developed to maintain its unique competitive advantage. Catcher keeps applying various composite materials, and developing more advanced technologies. By calling on its rich experience in basic material science and physical/chemical surface treatments, Catcher adopts different materials and different processes in combination with a variety of secondary processing and surface treatments in a multilayer, multi-directional approach to make products and an in-house technology with high precision, high value-added, and high mass production capacity.

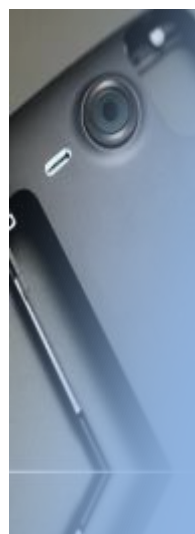
### ▼ The Latest Developed Products and Processes





During the past few years, Catcher has aggressively extended special processes and technologies to accommodate into existing techniques, creating a “Comprehensive Manufacturing Matrix”. The matrix provides customers with a variety of design flexibility and achieves the goal of vertical integration. When integrating these processes into mass production, we also find new application possibilities of combining more different processes. These combinations expand the surface treatments techniques and create new exterior feels.

To protect Catcher's business autonomy and strengthen its competitive edge, as of December 31, 2018, Catcher holds 39 valid global patents in total. In 2018, Catcher passes 4 patents, providing effective protection over the intellectual properties of Catcher and its customers. The current directions in research and development include special magnesium alloys, aluminum alloys, stainless steel, carbon (glass) fiber, plastic casing, glass and other metal applied on products casing and structural design. 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, high precision extrusion techniques for large metal casing, carbon fiber composite panel, and glass fiber composite panel. Besides, the company also invests a lot of effort in extending into other niche products applying existing production technology for diversified planning for applied products. Looking forward into the future, Catcher will continue to employ a diverse range of materials, complex designs, innovative manufacturing techniques, and massive economies of scale to establish multiple advantages, raise the barrier to entry of the mechanical industry, and strengthen the Company's leading status in the industry.





## 2.4 Best Customer Service

### 1) Policies/Commitments

Protect the key assets from intentional or accidental threats internally and externally. Besides, improve satisfaction of customers and exceed their expectations continuously.

### 2) Goals and targets: Cultivate customer trust

	2016	2017	2018	Medium-term and Long-term: Continue to expand the application market of core products and technologies, and consolidate the relationship with customers. And then expect to develop with customers at the same time in order to serve customers as soon as possible and properly protect confidential information of customers.
Total score on customer satisfaction survey: 80	84.3	81.2	80.7	
Customer complaint case closing rate: 100%	100%	100%	100%	
The rate of return: <2%	1.81%	1.83%	1.09%	
Computer anti-virus software coverage rate: 100%	100%	100%	100%	
Information service (machine room/server) maintenance rate: 99%	99.6%	99.8%	99.96%	
Number of hours of information service (machine room/server) accountable abnormalities: 0	0	0	0	

### 3) Responsibilities

According to the internal operational management procedure, Sales and Marketing Department is responsible for developing new cases, and managing the timeline of production, delivery and price. Quality & Reliability Assurance Department is responsible for ensuring quality of product. IT Department is responsible for establishing and promoting the protection of confidential information. All employees of Catcher follow the Information Security Policy.

### 4) Resources

Dedicated personnel of sales and IT, all kinds of educational training, all kinds of devices of software and hardware to ensure information confidentiality

### 5) Grievance mechanisms

Provide contact information on the company's website, operational procedure of customer complaint

### 6) Specific actions of 2018

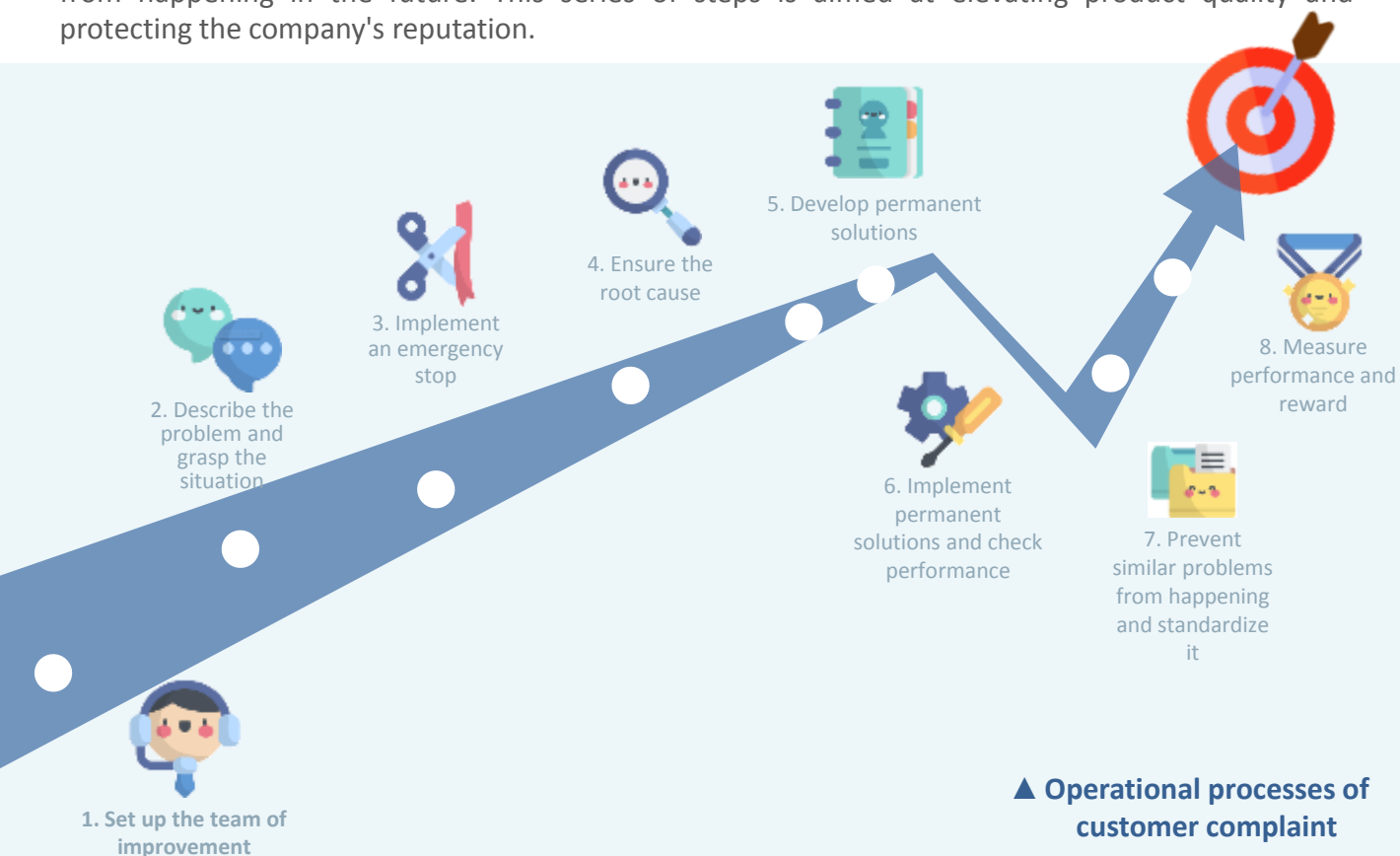
- Took the necessary precautions to avoid information security issues  
To prevent trouble, Catcher completed inventoried and checked all the updates of antivirus/systems of production machines in the plants before October 2018.



### Customer Relations\_

Catcher is the leading brand in providing total mechanical part solutions to iconic customers of the international electronics industry. Catcher continues to fully utilize various materials, different process, the best execution, and mass production capabilities, to identify customer needs and the trends of product development. Thus, the products and performance live up to customers' expectations.

To provide the best quality and services to our customers, Catcher manages its quality by following ISO9001 Quality Management System regulations and customer requirements to establish key performance indicators. Additionally, Catcher regularly convenes management review meetings and ensures that employees of all departments, including manufacturing, administration, and sales, comply with quality requirements. In terms of service management, Catcher as a customer relation management procedure in place to facilitate effective and flexible communications during the order processing and order delivery processes. In addition to sales personnel providing customers with instant feedback and face-to-face communication, web pages as consulting service platform are available, in hopes of rendering diverse range of convenience services. When customer complaints/appeals are received, Catcher is able to immediately ascertain the reason of complaint and relevant information such as non-conforming items and quantity and expected outcomes, notify the Quality & Reliability Assurance Department to make a response at the first instance, and when necessary set up a team to strengthen control or conduct investigations in person. Subsequently, internal responsibilities are determined, and actions are taken by the Quality & Reliability Assurance Department and production line defect unit to put an emergency stop to the production line and implement improvement measures. Involved units are tracked to monitor the effectiveness of the improvements, and necessary information is documented and archived to prevent similar problems from happening in the future. This series of steps is aimed at elevating product quality and protecting the company's reputation.





# 2 Corporate Governance



Catcher attaches a high level of importance to customer service, which is evident by its constant communication with customers during daily operations. At the end of the year, we also conduct customer satisfaction surveys to collect information serve as a reference for improving the future operations and management practices of Catcher. Any deficiencies identified by customers are used as the basis for formulating corresponding improvements, reflections and analyses, and improvement strategies. According to statistics, customer satisfaction in 2018 scored on average 80.7 points, and no customer complaints were received. There were no incidents of product recall or quality-induced damage to customer interests, nor was there infringement of customer privacy, information leakage, or theft and loss of customer information. This performance highlights the outcomes of the improvements made and also how much Catcher values customer service.



The increasing complexity of product structures and high-end requirements for product appearance have prompted customers to impose stringent quality regulations. In future, Catcher will make continuous improvements on any inadequacies, integrate advantages, and implement strengthened customer service management in order to exceed customer expectation, maintain a closer, better, and stronger partnership with our customers, increase the Company's competitiveness, and maintain our leading status.

## Information Confidentiality\_

Catcher understands the importance of confidential information to the Company itself and to its customers, because our reputation and the trust our customers have in us all depend upon it. Improper management is likely to impose punishment or penalty, which is why Catcher is devoted to giving our all in respecting and protecting privacy and confidentiality. Externally, we request our customers, suppliers, contractors, verification companies, and other external parties to sign non-disclosure agreement, which is aimed to prevent losses due to disclosure of confidential information. In 2018, there were no violations of customer privacy rights or grievances with regards to damage to customer rights as a result of loss or disclosure of customer information. This achievement accentuates the effectiveness of Catcher's internal management.

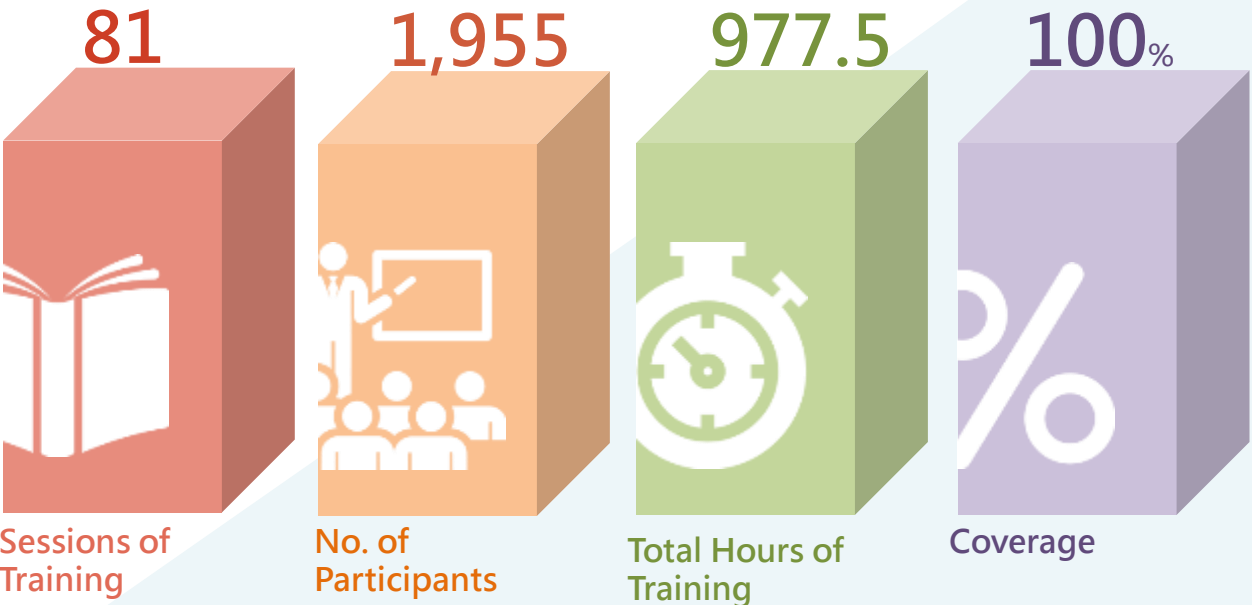


Internally, Catcher implements control by building an information security management mechanism. The "Company Information Security Policy Operating Guidelines" and "Employee Information Security Regulation Operating Guidelines" specifically mandate the need for compliance in daily operations, and these two guidelines also serve as the basis of evaluation by internal independent auditing units. These measures ensure the effective implementation of management mechanisms and adequate use of advanced technologies to reduce the possibility of information leaks. For employees whose works involve the company's business secrets, Catcher requires such employees to sign an Undertaking of Confidentiality, install anti-virus software on their personal computers, and have their USB devices subject to collective management.



▲ Internal Regular Education of IT Department

It is worth mentioning that IT Department set up a team of information security through internal selection from 2016. In addition to voluntary audit of information security, review of log record, risk control, new knowledge of information security, and training, the Team also used external major incidents of information security for reference (such as the attack event of computer virus of TSMC) to prevent immediately. Catcher also comprehensively enforces strengthened educational training for employees. Not only does new employees need to undertake information security training and evaluation examinations, but every month, current employees are also educated on information security regulations. Employees responsible for information security services are provided with internal continuing education to enhance their knowledge on information security and personal information filing maintenance, thereby establishing a positive information security culture.



▲ 2018 Outcomes of Information Security Training for New Employees in Taiwan



## 2.5 Honesty

With "Ethics" and "Integrity" as the highest principles of our business philosophy, Catcher has always complied with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, rules relevant to TWSE/GTSM listed companies, and other laws and regulations related to business conduct as well as Responsible Business Alliance (RBA) code of conducts. In 2018, Catcher did not directly or indirectly engage in monetary and non-monetary political contributions, nor involved in any legal actions for anti-competitive behavior, anti-trust, and monopoly practices. There were no cases of penalties, sanctions, and litigations for violations of corruption and accounting fraud regulations.

### 1) Policies/Commitments



Catcher is dedicated to staying in line with the highest ethical requirements. Catcher's internal management lead by example to practice the business philosophy of honesty, thereby following codes of ethics and refusing to provide and receive improper benefits.

### 2) Goals and targets: Ensure zero corruption



	2016	2017	2018
<b>Number of reports filed for cases of corruption: 0</b>	0	0	0
<b>New employee ethics training rate: 95%</b>	100%	100%	100%

Medium-term and Long-term: Through regular education training and communication, Catcher continues to strengthen employees' and suppliers' knowledge of ethics to ensure zero corruption.

### 3) Responsibilities



According to the internal operational management procedure, Human Resource Department is responsible for planning and conveying educational training of ethics. The Internal Audit Office is responsible for implementing the audit of honesty. All employees of Catcher follow the internal standard operating procedures.

### 4) Resources



Dedicated personnel of educational training and audit, all kinds of educational training


### 5) Grievance mechanisms



Employee feedback and grievance channel, grievance channel of suppliers

Members of the Board and executive managements are committed to realizing the codes of ethical conducts in order to establish a favorable role model in ethical management practices. Compliance in code of ethical conducts for all employees is based on the provisions given under the Social Responsibility Management Procedures and Work Rules as well as Employee Opinion Grievance and Recommendation Operating Guidelines. A grievance channel is provided for anonymous reporting of illegal activities so that management levels and all employees are able to comply with the highest level of ethical standards when performing their duties. Cases of violations of code of ethical conducts are handled following internal work rules according to the severity of the situation. Thus, managements and base-level employees are ensured to abstain from engaging in the acceptance of contracts, bribes, commission, rebate, or any other improper benefits of any form. In 2018, there were no cases or concerns reported through the ethical management grievance channel.

▼ Employee feedback and grievance channel of ethics

	Ren Ai Headquarters	T.I.P. Factory	Y.K.I.P. Factory
Tel, Fax, and E-MAIL	Tel: (06)253-9000 # 1103 、 # 1106 Fax: (06)253-9989 <a href="mailto:mingyu.deng@catcher-group.com">mingyu.deng@catcher-group.com</a> <a href="mailto:suki.wu@catcher-group.com">suki.wu@catcher-group.com</a>		
Suggestion box	1. Building B, canteen (B2F) 2. Building B, anode line (2F) 3. Building B, 4F outside of office	1. Building I, foreign canteen 2. Building C near the card machine 3. Building G near the card machine 4. Building F, canteen (2F)	1. Building of administration, 4F outside of office (4F) 2. Building of canteen near the bulletin board (1F) 3. Building of canteen near the bulletin board (2F) 4. Building of dormitory near the bulletin board (1F)
E-MAIL	<a href="mailto:580@catcher-group.com">580@catcher-group.com</a>		
<div>NEW</div> Employee feedback platform			

Suppliers’ Ethics Grievance Channel

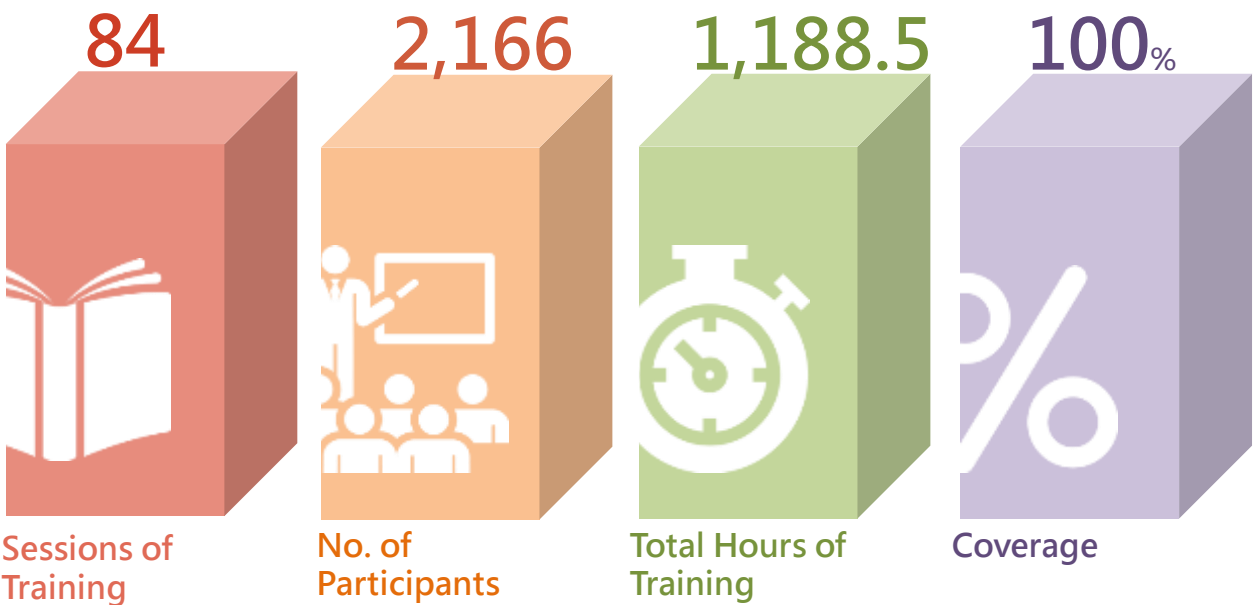
Tel: 06-253-9000\*1103

Fax: 06-253-9989

E-MAIL : [mingyu.deng@catcher-group.com](mailto:mingyu.deng@catcher-group.com)

Catcher periodically conducts ethics risk assessment on all business locations in Taiwan. The assessment result for 2018 indicated no involvement in major risks. Effective accounting systems and internal control systems are already in place for low-risk operating activities (e.g., business integrity and information disclosure). The Audit Office subordinate to the board of directors is responsible for promoting corporate honesty, and making an overall plan of honesty and audit. The head of the Audit Office is responsible for devising annual audit plans and allocating audit assignments. The Audit Office also works with the Labor Condition and Ethical Regulation Management Committee to regularly formulate, revise, and review ethical regulations and policy goals.

In addition to placing high standards upon ourselves, Catcher takes the initiative to raise the awareness of suppliers on anti-corruption concepts and encourage ethical conducts among suppliers. In 2018, 538 partnering vendors had completed ethics awareness training, and 100% of new vendors had signed the Integrity and Social Responsibility Commitment. In this commitment, Catcher clarifies the requirements of honesty. If the supplier violates the requirements, Catcher has the right to terminate or cancel the contract, and punish or claim to the fine according to the commitment, in order to prevent dishonesty behavior at all levels. Such participation demonstrates our suppliers' willingness to co-create a business environment that embraces mutual respect for one another.



▲ 2018 Outcomes of Ethics Training for Employees in Taiwan





## 2.6 Stability and Sustained Operation

Catcher continues to work toward the goal of becoming a world leader in provider of total solutions, and 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 ambition, confidence, and determination to toward long-term sustainable development.

### Legal Compliance\_

Catcher has invariably adhered to foreign and domestic laws and regulations, as well as the supplier rules of international customers. The Company closely monitors major laws and policies in finance, business, environmental, and social aspects that may influence the company's business operations. In addition, relevant management procedures and internal audits are formulated in accordance with laws and regulations to prevent potential legal violations. In 2018, there is no serious illegal incident (the fine is more than NT\$1,000,000).

### Risk Management\_









As the macro environment becomes more complex, risk management becomes the key to sustainable operation, because proper identification and prevention of risks ensure immediate response and reduction of risk-induced loss. Catcher risk identification and management respond to environmental trend, including market develop, regulations, technologies, policies, and exchange rate. Please refer to the 2018 Annual Report ([http://www.catcher-group.com/tw/investor\\_financial\\_psc.aspx](http://www.catcher-group.com/tw/investor_financial_psc.aspx)).

Most importantly, Catcher also takes into account international CSR trends, and forward-looking issues, such as adaptations of climate change, and then adds to the scope of risk management in order to meet stakeholders' requirements. Risks and severity level, probability of occurrence, and extant control mechanisms are evaluated to propose countermeasures for high-risk items and plan short-, mid-, and long-term preventive measures.

In future, Catcher will include ISO22301 Business Continuity Plan (BCP) management system to systematically integrate risk management and corporate operations, which will greatly mitigate the effect of risks on corporate operations and facilitate the adoption of valid response measures for risk mitigation.



## ▼ Adaptation to Climate Change

Item	Description of Potential Impact	Likelihood	Catcher's Corresponding Measures
<b>Drought</b> 	<ul style="list-style-type: none"> <li>Shortage of production water affects insufficient production capacity</li> <li>Shortage of people's livelihood water affects employees and local community residents</li> <li>Financial expenses due to the distribution of water resources</li> <li>Dry weather increases the rate of fire incidence and affects employee safety</li> </ul>	likely	<ul style="list-style-type: none"> <li>Implement water-saving plans to reduce the dependence on water resources</li> <li>Implement daily water conservation plans in the factory</li> <li>Improve the rate of water resource reuse</li> <li>Set up and inspect regularly the fire-fighting equipment</li> </ul>
<b>Heat wave</b> 	<ul style="list-style-type: none"> <li>The rising temperature affects the productivity and health of employees</li> <li>The rising temperature has a negative effect on the equipment</li> <li>Usage and intensity of air-conditioner increases resulting in financial expenses and impact on energy-saving plans</li> </ul>	about as likely as not	<ul style="list-style-type: none"> <li>The temperature of air-conditioner is comfortable</li> <li>Maintain equipment regularly to reduce its sensitivity to temperature changes</li> <li>Establish a renewable energy system in the factory</li> </ul>
<b>Rainstorm</b> 	<ul style="list-style-type: none"> <li>Rainstorm causes flooding which may affect equipment and employees, thereby reducing production capacity and revenue</li> <li>Rainstorm affects the resident quality and safety of local residents</li> </ul>	very likely	<ul style="list-style-type: none"> <li>Set up automatic flood prevention and drainage system in the factory to timely response</li> <li>Establish flood prevention measures with local residents</li> </ul>
<b>Storm tide</b> 	<ul style="list-style-type: none"> <li>Storm tide may cause flooding, thereby damaging equipment, making employees unable to go to work, and reducing production capacity and revenue</li> <li>Threaten the resident quality and safety of local residents</li> </ul>	very unlikely	<ul style="list-style-type: none"> <li>Set up automatic flood prevention and drainage system in the factory to timely response</li> <li>Establish flood prevention measures with local residents</li> </ul>
<b>Ecological change</b> 	<ul style="list-style-type: none"> <li>Ecosystems fail to operate properly, influencing the change of the natural environment and the supply of materials</li> <li>Affect the factory's vegetation, beauty and afforestation</li> </ul>	more likely than that	<ul style="list-style-type: none"> <li>Afforest the plant and increase the rate of shelter</li> <li>Promote green awareness and ecological conservation actions of community</li> </ul>
<b>Air deterioration</b> 	<ul style="list-style-type: none"> <li>Threaten the resident quality and health of employees and local residents</li> <li>Increase the use and purchase of air filtration, leading to financial expenses</li> </ul>	likely	<ul style="list-style-type: none"> <li>Provide air cleaning equipment in the plant</li> <li>Provide employees with proper personal protective equipment</li> </ul>
<b>Water quality change</b> 	<ul style="list-style-type: none"> <li>Affect the availability of production water, Leading to insufficient production capacity</li> <li>Decline quality of people's livelihood water, influencing employees and local residents</li> <li>Increase financial expenditure due to filtration or distribution of water resources</li> </ul>	likely	<ul style="list-style-type: none"> <li>Implement water-saving plans to reduce the dependence on water resources</li> <li>Develop on-site water filtration and treatment system</li> </ul>
<b>Employees' health</b> 	<ul style="list-style-type: none"> <li>Employees' attendance is not excellent, thereby affecting the production capacity</li> <li>Decline productivity of employees</li> <li>Spread infectious diseases in the office/plant</li> </ul>	very unlikely	<ul style="list-style-type: none"> <li>Host health checks for employees regularly</li> <li>Develop a mechanism of infectious disease prevention to avoid large-scale infections</li> </ul>







### Supply Chain Management

#### 1) Policies/Commitments

Through supplier evaluation and audit management, suppliers provide products and services that meet Catcher's expectations. Thus, Catcher will built partnerships with the supply chain.

#### 2) Goals and targets: Build great partnership

	2016	2017	2018
<b>100% Meets the requirements of supplier management of Responsible Business Alliance (RBA)</b>	100%	100%	100%
<b>Ratio of local suppliers: 80%</b>	91%	90.2%	91.6%

Medium-term and Long-term: Continue to increase influence, and cooperate with suppliers to conform to domestic and international CSR regulations. Otherwise, promote assistance plan of supply chain to achieve the goal of supplier optimization.

#### 3) Responsibilities

According to the internal operational management procedure, Strategical Procurement Department is responsible for leading. And other departments of Catcher assist in coordinating.

#### 4) Resources

Dedicated personnel of procurement, Suppliers' online system, Suppliers' conference, Suppliers' audit

#### 5) Grievance mechanisms

grievance channel of suppliers

#### 6) Specific actions of 2018

- Promoted the strategies of sustainable supply chain management

In 2018, Catcher participated in being taught sustainable supply chain by demonstration of "Adapt to International Environmental Standards Program" host by Industrial Development Bureau, MoEA. Catcher developed supplier management strategies through this program and referenced to the requirements of Responsible Business Alliance(RBA). On June 13, 2018, an illustration meeting of corporate social responsibility of suppliers was held by Catcher. Then, Catcher actively screened the top 100 suppliers, including manufacturing and service industries to identify their risks. Moreover, in order to formulate relevant action plans and improve suppliers' compliance, Catcher selected 8 suppliers to implement on-site audits. In this way, Catcher not only boosted the awareness and implementation of international sustainable development trend of the suppliers, but also strengthened the partnership with suppliers. Those efforts did achieve remarkable success.

Catcher specializes in the production and R&D of metal casings and mechanical parts for smartphones, notebooks, hand held devices, and consumer electronics, customizing these products according to customer request. Catcher mainly works with suppliers of electronic parts and mechanical parts. Catcher has cooperated with 538 suppliers in 2018, 91.6% of which are local technology-intensive or labor-intensive enterprises in Taiwan. Catcher will continue to promote localized procurement, ensure stable source of supply, reduce transportation costs, and boost local employment opportunities.



▲ Catcher Held an Illustration Meeting of Corporate Social Responsibility of Suppliers

Regarding cooperation with suppliers, Catcher not only takes into account delivery, quality, and price–performance ratio factors, but also requests suppliers to fully understand Catcher's management systems and its belief with regards to labor (including compulsory labor, child labor, working hour, wages and overtime pay, anti-discrimination, and freedom of association), safety and health, environmental protection, and ethical management. These requirements ascertain the maximization of the positive benefits of CSR. Therefore, Catcher has established and continued to optimize supplier management procedures, conducting comprehensive assessment of the social responsibility practices of new suppliers. The goals of the assessment are to ascertain that our partnering suppliers are equipped with the ability to meet Catcher's CSR requirements.



▲ Supplier Management

When a supplier is sanctioned for violation of relevant regulations by the competent authority or is found to have imposed negative impacts on the society and environment, such supplier must adhere to Catcher's improvement requests. In severe cases, Catcher holds the right to terminate the contract and cancel orders in hopes of achieving the goal of supplier optimization.



# 3 Social Harmony



- 3.1 Establishment of Employee–Employer Relations
- 3.2 Human Resources Management
- 3.3 Training and Development
- 3.4 Safety & Health
- 3.5 Social Participation and Public Welfare



# 3 Social Harmony



## 3.1 Establishment of Employee–Employer Relations

### 1) Policies/Commitments



Catcher not only supports and respects the international labor rights related standards, but promises to implement Responsible Business Alliance (RBA) and the Labor Standard Act. In order to maintain a harmonious working relationship, Catcher takes the initiative to care for employees' needs, and protect employee rights.

### 2) Goals and targets: Provide employees with “assurance”



	2016	2017	2018
Rate of response to employee grievance within 7 days: 90%	100%	100%	100%
Number of labor dispute lawsuits filed: 0	0	0	0

Medium-term and Long-term: Catcher is committed to providing employees with “assurance” and ensuring their rights of work

- All operating activities are in compliance with the standards of international human rights
- Types of Employee Grievances on human rights or gender equality are zero
- Set up a general manager mailbox to establish multiple communication channels

### 3) Responsibilities



Human Resource Department is responsible for ensuring all employees enter into a formal “employment agreement”, formulating and implementing human rights policies, collecting and handling employees' opinions, calling employee welfare committee meetings, conducting food satisfaction survey, implementing employee benefits, and supervising the practices of human rights policies.

### 4) Resources



Human Resource Department is responsible for implementing labor-related matters, providing multiple communication channels, food satisfaction surveys, post-training satisfaction surveys and improvements, welfare providing, and employees' activities (such as exhibition sale, family day, and so on).

### 5) Grievance mechanisms



Employee feedback and grievance channel







▼ 2018 Group photo of Catcher's Family Day



Mr. Lin

I went to the sky trail with my family to see the most beautiful scenery today. Moreover, the Family Day was so funny that I always played while walking around.

Ms. Lee

Thanks for holding Catcher's Family Day. Through this event, the emotion of colleagues and the centripetal force of company are promoted. It is great!

Ms. Lee

I'm appreciate Catcher's kindness to host this Family Day. My husband, my children and I have the opportunity to go to the Ten-Drum. We enjoyed the wonderful drum performance and ate the drum cakes. It feels awesome!

Ms. Wu

We have been busy to work since last year. Catcher held a Family Day to increase the time for employees to get along with their families! I enjoyed a happy time!

▲ Feedback from colleagues

• Family day at Ten-Drum Cultural Creative Park

On May 27, 2018, the family day event – Fun Exploration at Ten-Drum was held at Ten-Drum Cultural Creative Park in Tainan city.

This activity attracted both young and old. According to statistics, this family day attended by 1,500 employees and their family members. Through the 5D drums and music show, various exploration facilities, time trains, etc., employees and their family could experience the art of drums and explore their potential. Therefore, Catcher not only promoted local drum culture, but encouraged employees to achieve a balance between their work and personal lives.



▲ Colleagues took pictures with others happily at the entrance



▲ Unforgettable drums experience

## 6) Specific actions of 2018 (cont.)

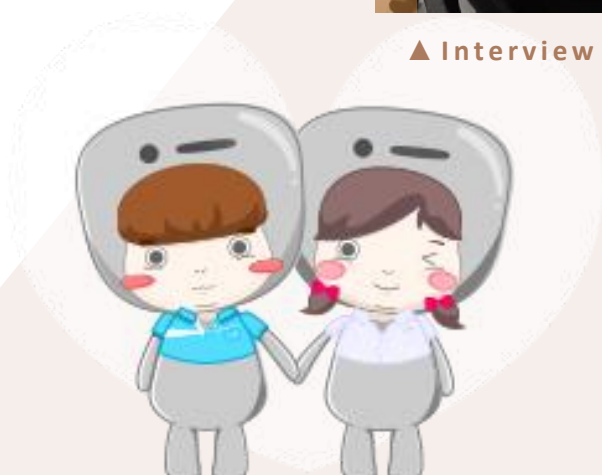


- New core talents' counseling project

In order to assist new employees in adapting Catcher's culture and environment, new employees belong to core departments have been introduced "New core talents' counseling project" since February 2017. This project aims at assigning counselors to provide one-by-one life assistance and work guidance. In addition, after one week of employment, Human Resources Department will assign a dedicated personnel to interview with the new employees, to ensure the implementation status of each department. Moreover, the supervisor of the new employees will also interview with the new employees once every two weeks, to give counseling and feedback to the new employees. The achievement rate of the target object is 93.8%. It is quite obvious that this project improves us to pay more attention to the needs of new employees, creates a stable Employee–Employer Relation, and achieves the purpose of talent retention.



▲ Interview new employees





# 3 Social Harmony



## Establishment of Employee–Employer Relations

### Employee–Employer Communication\_

Catcher emphasizes the importance of labor-management harmony. To show employees that we care, Catcher has established multiple communication channels to collect employee feedback, which can help improve work efficiency and labor condition, facilitate stable business growth, and prevent major incidents impacting company's productivity and labor protect, thereby creating win-win situations for both parties. Our communication channels are as follows:



Communication Channel	Frequency	2 0 1 6	2 0 1 7	2 0 1 8
Labor-Management meetings	At least once every quarter	8	10	6
Employee Welfare Committee meetings	At least once every quarter	6	6	5
Employee feedback and grievance	As needed	10	5	13
Catering committee satisfaction survey	At least once every year	2	2	6
Post-training questionnaire feedback	As needed	502	499	565
Bulletin board and electronic announcements	As needed	--	--	--

▲ Catcher's communication channels and related statistics

# Establishment of Employee–Employer Relations

## Labor- Management Meetings



Catcher has no union organization in Taiwan. It regularly holds labor-management meetings in accordance with the Labor Standard Act and the Regulations for Implementing Labor-Management Meeting. At these meetings, employer representatives composed of executive managers and labor representatives elected from base-level employees communicate face to face to express and share their opinions. Six sessions of labor-management meetings were held in 2018 during which employee-related topics were discussed. There were no incidences of company losses caused by labor disputes. All operating activity regulations are in compliance with the Labor Standard Act. In the event of material changes to business operations (e.g., factory expansion, recruitment, and major operation changes), Catcher will notify employees in advance in pursuant to local laws and regulations, and obtain their consensus to avoid influencing employee rights.

## Employee Welfare Committee



To boost employee morale and promote harmonious labor-management relations, Catcher adheres to the Organization Regulations on Employee Welfare Committee, and cooperates with employees to collectively contribute employee welfare benefits as employee welfare Measures. In 2018, five employee welfare committee meetings were held, where employees and employers were encouraged to collectively discuss matters regarding employee welfare and effective use of welfare resources for elevating employee benefits.



### "Employee Grievance" Channel

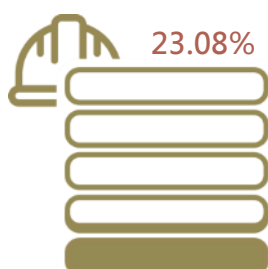


Catcher values employees' opinions. Catcher added an email "[580@catcher-group.com](mailto:580@catcher-group.com)" (Sounds like "I help you") in 2017 and anonymous electronic forms scanned by QR code in 2018 to provide more multiple communication channels. Employees can speak their mind by using employee feedback mailbox, hotline, fax, and the above-mentioned email. Regarding employee grievances, accountable units are requested to provide response and improvements at the first instance. If immediate response or resolution cannot be provided, such grievances are filed, an investigation will be carried out, and a response is set to be provided within a week after the investigation. Therefore, Catcher takes employees' opinions seriously, the rate of case completed is 100% in 2018. All employees can speak freely in a more convenient and privacy-protected way.

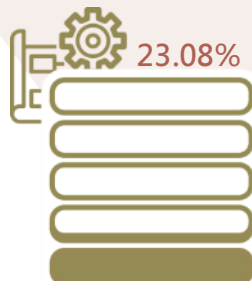
Catcher has established measures for preventing retaliation against employee grievances to facilitate "instant communication, convenience and convenience, fair and responsive handling, and recurrence prevention." The Company also measures the effectiveness of employee grievance handling every year. If any issues are subject to long-term improvement, Catcher will continue to monitor the progress of implementation.



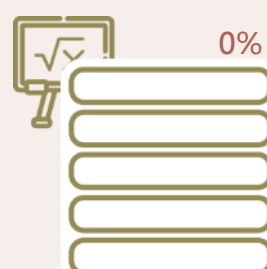
Safety and Health



Equipment Provided



Management System

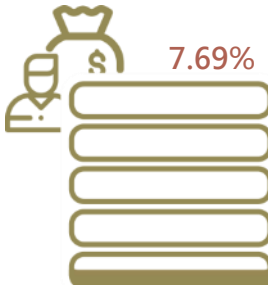


Educational Training

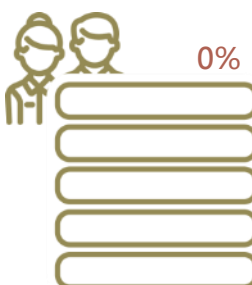
Rate of case completed: 100%



Food Supply



Employee Welfare



Human rights and gender equality




Salary and Performance

### ▲ Types of Employee Grievances in 2018

# Establishment of Employee–Employer Relations

## ▼ Employee Feedback and Grievance Channels

	Ren Ai Headquarters	T.I.P. Factory	Y.K.I.P. Factory
Workplace Violence (body, language, psychology)	(06)253-9000 #2104、#2105	(06)384-2727 #2103、2105	(06)203-9900 #2104、#2118
Catering	(06)253-9000 #2105	(06)384-2727 #2104	(06)203-9900 #2105
Sexual Harassment	(06)2039900 #2101 Fax: (06)2030123 jinnifer.lin@catcher-group.com		
Business Conduct (bribery, commission, rebate)	(06)2539000 #1106		
Suggestion box	1. Building B, canteen (B2F) 2. Building B, anode line (2F) 3. Building B, 4F outside of office	1. Building I, foreign canteen 2. Building C near the card machine 3. Building G near the card machine 4. Building F, canteen (2F)	1. Building of administration, 4F outside of office 2. Building of canteen near the bulletin board (1F) 3. Building of canteen near the bulletin board (2F) 4. Building of dormitory near the bulletin board (1F)
E-MAIL	580@catcher-group.com (I help You)		
<div>NEW</div> Employee feedback platform (scan and then enter into anonymous electronic forms)			



### Catering Supervisory Committee



There are employee canteens in Catcher's Tainan factories. To provide meals that live up to employees' expectation, Catcher has setup a Catering Supervisory Committee comprising office-level manager, caterers, and professional nurses. Food satisfaction survey is conducted every year to grant employees the chance to provide recommendations, which will serve as basis for determining whether to continue working with the catering group. This measure is conducive to improving meal provision.



▲ Employee canteen

Catcher continues to make optimization and improvements by setting up internal educational training courses in conjunction with satisfaction survey mechanism to encourage employees to offer suggestions or their thoughts after training. Thus, employees could express their opinions and simultaneously provide feedback to training organizers, which can act as reference for determining future course improvement direction. Thus, quality of training can be improved to not only enhance employees' work-related knowledge or competency but also enable employees to enjoy attending these training courses.

### Training Opinions and Feedback



▲ Training course

# 3 Social Harmony



## Establishment of Employee–Employer Relations

### Employee Benefits\_

In addition to a competitive remuneration system, Catcher has formulated wide range of welfare measures to retain skilled employees . These measures can put employees at ease to stay devoted to work, continue to improve, and achieve physical, mental, and spiritual balance. The employee benefits Catcher adopted in 2018 except for Holiday bonuses/vouchers and season bonuses are as follows:

#### Fully Subsidized Meals

There are employee canteens in Tainan factories where employees may enjoy free meals. The Catering Supervisory Committee is responsible for controlling the quality of the meals provided, and it inspects the catering company as needed.

Number of  
beneficiaries

4,129

Employee  
average  
satisfaction

85.3



#### Work Uniform for Free

Number of  
beneficiaries

4,129

Uniforms are designed based on direct or indirect work requirements to achieve both comfort and functionality. Every year, new long-sleeved and short-sleeved tops are given to employees for them to replace their old ones.





## Art Performance Tickets for free or discounted

Number of  
beneficiaries

972

Catcher and the Catcher Educational Foundation uphold the spirit of "giving back to our society," and continue to sponsor many art performances. Some art performance tickets discounted or free will be regarded as subscription or rewards for employees to cultivate the artistic culture of employees.



## Care for Foreign Employees

Catcher shows extra care for foreign employees by not only respecting their culture, but also hosting suitable events on special occasions such as celebration of the New Year, Chinese New Year Banquet, or pray-related activities. Sports competition suitable for foreigners are also held to enrich the lives of those working in a foreign country.

Number of  
beneficiaries

1,120



## Departmental meal subsidies

Number of  
beneficiaries

4,129

In order to bring employees into harmony, and increase the knowing between departmental colleagues, Catcher provides subsidies for departmental meals quarterly.



Cash Gift on Birthday, Cash Gift for Relocation, Marriage Allowance, Childbirth Allowance, Funeral subsidy, and Scholarships /student Support for Employees' Children

Number of beneficiaries	3,261	In an important stage of the employee's life, Catcher provides employees with various allowances/subsidies/grants/scholarships to express congratulations or condolences.
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Mini Library

Number of beneficiaries	4,129	In addition to constantly adding to the collection of books in the factories, Catcher has in recent years continued to cooperate with Tainan City Public Library, exchanging 1,000 books in 2018. The rate of borrowing books was about 20%. These books are made available at the factories for employees to borrow and are renewed once in a while so that employees are reminded to read outside of work, cultivate their character, and strengthen their competitiveness.
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Activities for Physical and Mental Balance

Number of beneficiaries	4,129	Catcher arranges a series of leisure activities for its employees so that they can maintain balance between work and life. These activities include holding the family days(families and friends can also participate for free), encouraging employees to establish social clubs and providing subsidies, promoting exercise courses(employees join 3 times can get gift vouchers or movie tickets), and organizing sports competitions.
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Employee Health Checks

Number of beneficiaries	1,900	Every year, Catcher holds employee free health checks and consultations to make employees have awareness of their health information.
Employee average satisfaction	90	

▲ The new gym in Y.K.I.P. factory





## Establishment of Employee–Employer Relations

### Protecting Employee Rights\_

Catcher values human rights and will do its best to prevent infringement of human rights; therefore, the Company strictly adheres to the code of conduct of RBA, and requires all employees to sign the Employment Agreement. Catcher has also developed relevant management procedures such as Work Rules, Social Responsibility Management Procedures, Employee Opinion Grievance and Recommendation Operating Guidelines, Operating Guidelines for (Sexual) Harassment, Discrimination, and Torture Prevention, Grievance, and Punishment, Child Labor and Adolescent Protection Operating Guidelines, and Employee Club Establishment and Subsidy Management Regulations. These procedures serve to protect employees against infringement of the basic labor and human rights and work interests and to establish an excellent workplace environment. Under the regulations of the aforementioned policies, there were no infringement of local human rights in Taiwan in 2018, nor were there reports of grievances pertaining to human rights.

To enhance employees' knowledge on human right policies, Catcher has, since 2014, started including RBA labor code of conducts in training courses for new hires, and also opened up courses on labor and human rights for in-house employees every year. Also, Catcher regularly reports to executive managements and continues to develop practices for human right protection every year. The outcomes of implementation of matters relating to employee rights and interests are summarized below:



**Prohibition of  
Compulsory Labor**

- Pursuant to the law, Catcher signs Employment Agreements with its employees, which states that employees are protected from the use of forced, bonded or debt bondage, indentured labor or involuntary prison labor, slavery or trafficking of persons, and that all work is voluntarily completed and employees are free to leave work at any time or terminate their employment. Catcher also communicates the prohibition of compulsory labor to its partnering workforce agencies to make sure that they comply with the requirements of Catcher and local regulations.

**Prohibition of Use of Child Labor and  
Protection of Adolescents**

- Catcher has defined minimum age requirement (16 years-old). During recruitment, it will verify employees' proof of identity to prevent as much as possible the misuse of child labor. Additionally, the Company has established remedial measures in the event that child labor is misused. For young workers under the age of 18 years, Catcher has defined requirements on nature of work and working hours, while promising them that they will not engage in works that are detrimental to their health and safety. In 2018, there were no records of misuse of child labor in Taiwan.

**Reasonable Working Hours and  
Remuneration**

- Concerning working hours, Catcher adheres to the Labor Standard Act and customer requirements, using work hour control system and meetings to implement control over the amount of time employees spend on working. Catcher has also established competitive remuneration and welfare policies, which are superior to statutory and industry standards. It does not use salary deduction as a form of punishment.

**Freedom of  
Association**

- In conformance with local laws and regulations, Catcher respects the right of employees to form and join trade unions of their own choosing, to bargain collectively, and to engage in peaceful assembly as well as respect the right of employees to refrain from such activities, in order to avoid potential violations or severely endangering employees' right to freedom of association and collective bargaining. Catcher has no union organization, but with the negotiation mechanism of labor-management meetings, employees able to communicate concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment.

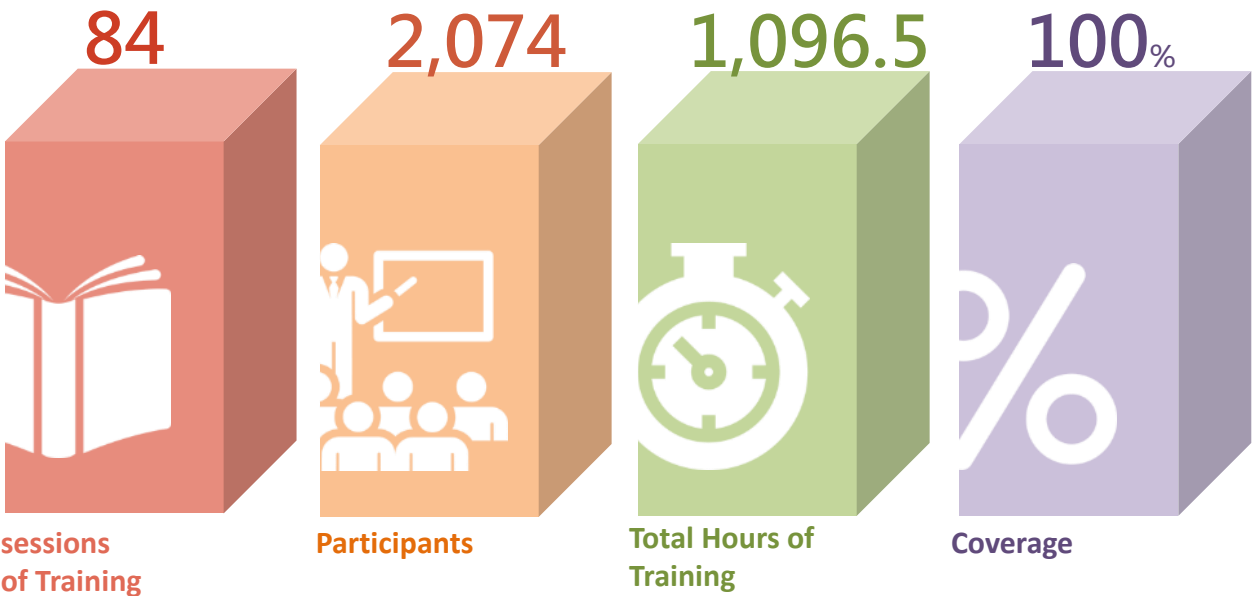


Prohibition of Inhumane Treatment and Discrimination

Catcher has an employee grievance channel in place and protects the complainant against improper retaliation. It is committed to creating a workplace environment free of prejudice, discrimination, harassment, as well as inhuman treatments including violence, abuse, harassment, sexual harassment, corporal punishment, mental or physical coercion or verbal abuse. Catcher also complies with the convention of the International Labour Organization (ILO) regarding prohibition of discrimination based on race, status, language, religion, political affiliation, ethnicity, country of birth, national origin, gender, sexual orientation, color, age, marital status, appearance, facial features, disability, nationality, gender identity, or previous union membership in hiring and employment practices. Employees or potential employees should not be subjected to medical tests or physical exams that could be used in a discriminatory way. There were no incidents of discrimination in 2018.



▲ Labor and human rights training



▲ 2018 Outcomes of Labor and Human Rights Training for Employees in Taiwan



## 3.2 Human Resources Management

### 1) Policies/Commitments



Catcher establishes a perfect management system, and maximizes the benefits of human resources. Catcher is committed to assisting each talented employee in finding their niche.

### 2) Goals and targets: Retain Catcher's talented employees



	2016	2017	2018	Medium-term and Long-term: Catcher is committed to attracting talented people and retaining them for a long time, thereby creating operation success together • Labor risk is estimated to be highly unacceptable level<5%
Number of employees with physical disabilities higher than statutory requirements	Y	Y	Y	
Rate of reinstatement after maternal/parental leave: 60%	100%	68%	70%	
Total number of employees promoted: 8%	8.75%	8.01%	9.15%	

### 3) Responsibilities



Human Resource Department is responsible for organizing the needs of human resource, planning and recruiting talented people, and deciding on remuneration, training, retention, and retirement. And other departments of Catcher assist in proposing the needs of human resource, and implementing management system of human resource

### 4) Resources



Dedicated personnel of recruitment & salary, perfect human resource management system

### 5) Grievance mechanisms



Employee feedback and grievance channel

### 6) Specific actions of 2018



#### • Recruitment of talented teenagers

In response to our customers' demands for production capacity, Catcher provided many different jobs, including R&D, engineering, and administration to continue to expand the scale of operations and talent pool. In 2018, Catcher actively attracted elites and expanded an excellent reputation through joining the campus recruitment expositions, holding recruitment seminars & special lectures, and inviting the teachers and students from colleges to visit Catcher factories.



**7** sessions

## Join the Campus Recruitment Expositions

Number of resumes  
received

662

**12** sessions

## Hold Recruitment Seminars & Special Lectures

Number of  
participants

814

**7** sessions

## Invite the Teachers and Students from Colleges to Visit Catcher Factories

Number of  
participants

464

### ▲ 2018 Outcomes of Campus Cultivation

Talent is the most valuable resource in an organizational operation. For the selected talents, Catcher provides competitive salary, benefits, bonuses, and many opportunities for advancement. Catcher also trains employees according to their different positions, professional skills and knowledge, and plans professional development for outstanding talent, such as task rotation, overseas appointment, cross-functional task assignment, to cultivate employees' ability to solve problems comprehensively so that each talented employee can find their niche and apply their skills.



▲ Professors from N.C.K.U visited Y.K.I.P. factory of Catcher

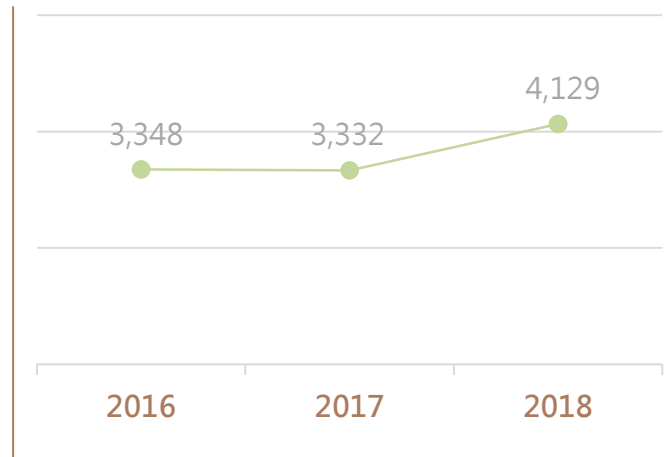


## Human Resources Management

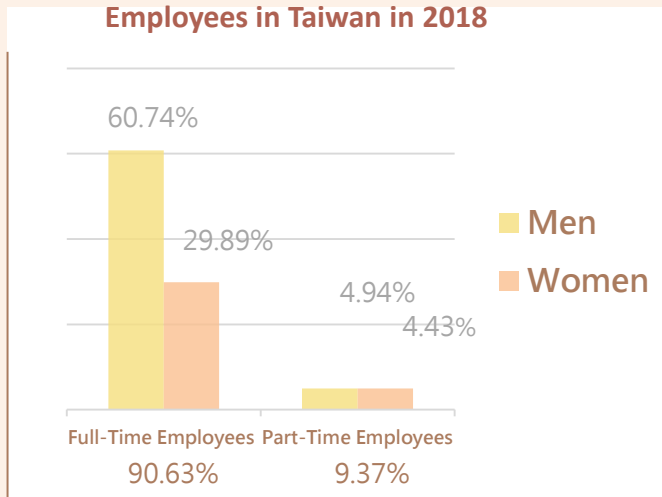
### Human Resource Structure

Employees are Catcher's most precious assets. As at the end of December 31, 2018, Catcher hires 4,129 employees in Taiwan. Compared with 2017, about 21% growth due to our customers' demands for production capacity and the expansion plan. Full-time employees accounted for 90.63% while part-time employees (contract and dispatched workers) accounted for 9.37% of all employees. Particularly, 65.68% of male employees and 34.32% of female employees work full-time and part-time; this male-female difference is attributed to the nature of work involved rather than the giving of precedence to any specific gender.

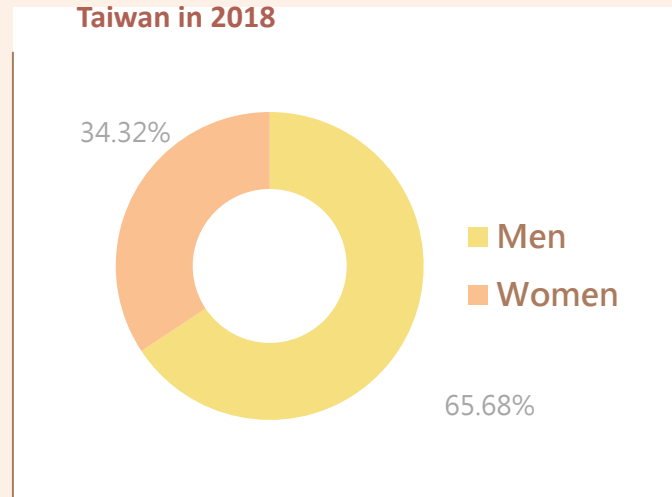
#### ▼ Total number of employees in Taiwan in 2016-2018



#### ▼ Ratio of Full-Time to Part-Time Employees in Taiwan in 2018



#### ▼ Ratio of Male to Female Employees in Taiwan in 2018



Catcher started out in Tainan and has been operating for decades. More than 99.73% of its full-time employees work in the Tainan factories (including Ren Ai Headquarters, T.I.P. Factory and Y.K.I.P. Factory), and because of the special nature of their work, the remaining 1% employees are spread across Taipei to serve investors and customers. Regarding age distribution, almost 80% of the full-time employees are aged 21–40 years, averaged at 32.08 years, with 3.89 years of service experience on average.

Internal employee management is based on the type of job involved (e.g., production line and non-production line of work), taking into consideration the knowledge, skills, and competency require. Therefore, different job positions and educational backgrounds are specified to meet the requirement of company development. Statistics show that full-time employees in 2018 are largely made up of base-line technicians, whereas 7.96% of the employees work full-time, hold Master's degree or higher, and assume post in R&D or other professional management. Under the regulations of performance and promotion systems, Catcher prohibits discrimination, granting all capable employees equal opportunity to promotion. In 2018, the male-to-female ratio of assistant managers and above in Taiwan was approximately 4:1.

Catcher constantly contributes to local employment opportunities, which is evident in our hiring of local personnel (70%) as assistant managers or above to implement talent localization. Moreover, hiring locals facilitates understanding of local needs to enhance our market image. Additionally, to support government initiatives in increasing employment of individuals with physical and mental disabilities and provide these individuals with the opportunity to apply their skills, in 2018, we did better than what is required by law and hired 44 individuals with hearing impairment and physical disabilities, providing disadvantaged groups with suitable job opportunities.

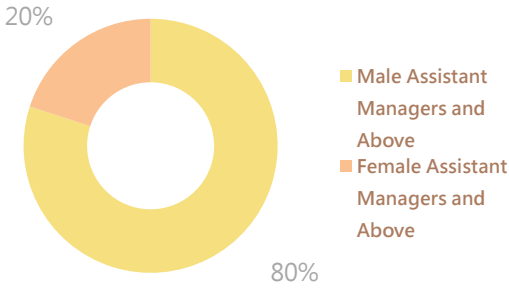


Category	Item	Men (%)	Women (%)	Subtotal (%)
Work Location	Tainan	66.94	32.79	99.73
	Taipei Operations Center	0.17	0.19	0.36
Age	18-20	0.91	0.32	1.23
	21-30	31.40	16.06	47.46
	31-40	27.39	11.73	39.12
	41-50	6.47	3.71	10.18
	51-60	0.83	1.07	1.90
	61-70	0.03	0.08	0.11
Position	Management	6.68	0.99	7.67
	Engineer	13.82	1.55	15.37
	Administrator	2.65	3.18	5.83
	Technician	43.88	27.26	71.14
Education	PhD	0.29	0.03	0.32
	Masters	6.23	1.42	7.64
	College and University	30.36	11.30	41.66
	Vocational High School and Below	30.14	20.23	50.37

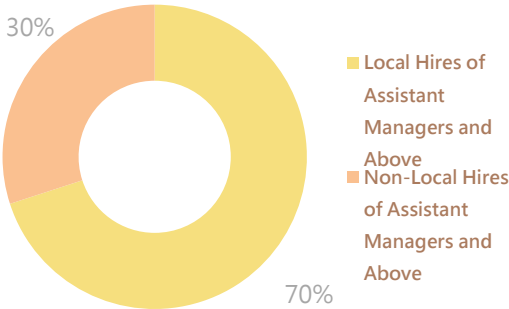
▲ Labor Structure of Full-Time Employees in Taiwan in 2018



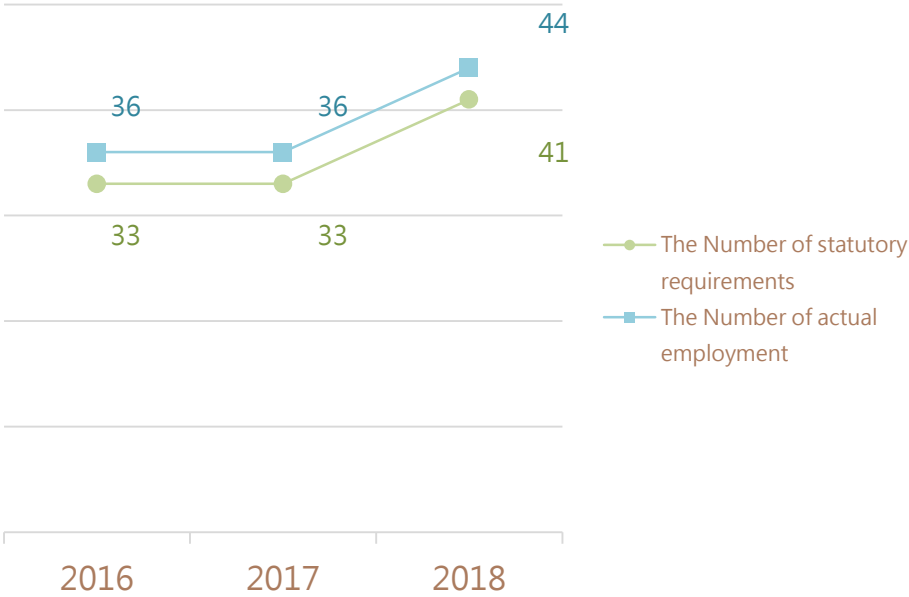
▼ **Ratio of Male to Female Assistant Managers and Above in 2018**



▼ **Ratio of Local Hires (in Tainan) of Assistant Managers and Above in 2018**



▼ **The Number of employment of individuals with physical and mental disabilities in Taiwan in 2016-2018**





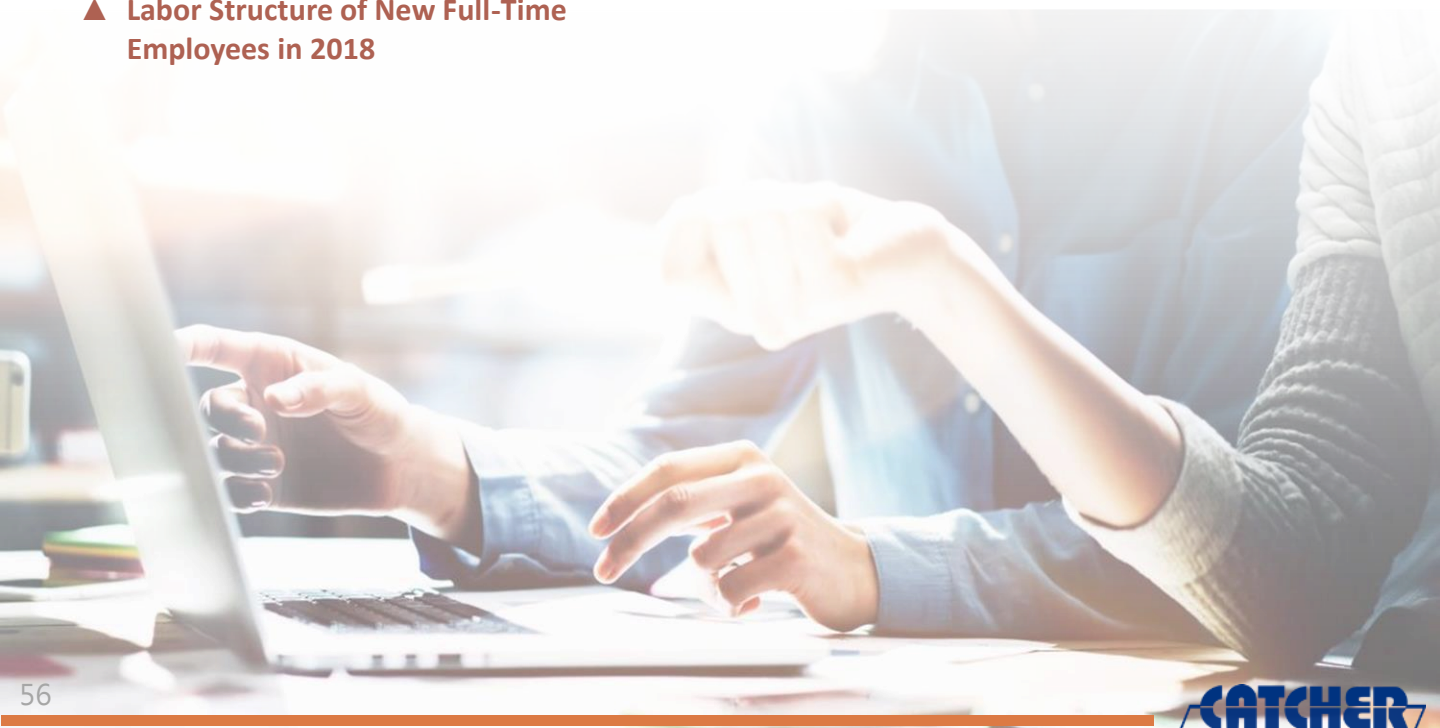
## Human Resources Management

### Talent Turnover and Retention\_

Catcher strictly adheres to local labor laws and the principle of choosing the right people and the right skills. To facilitate our business performance and job requirements, Catcher has hired 1,260 new full-time employees in 2018. Particularly, 68.73% of male employees and 31.27% of female employees work full-time, mostly aged between 21 and 30 years, and are located in Tainan.

Category	Item	Men (%)	Women (%)	Subtotal (%)
Work Location of New Full-Time Employees	Tainan	68.73	30.87	99.60
	Taipei Operations Center	0.00	0.40	0.40
Age of New Full-Time Employees	18-20	1.98	0.79	2.78
	21-30	43.81	22.38	66.19
	31-40	21.43	7.70	29.13
	41-50	1.51	0.40	1.90

#### ▲ Labor Structure of New Full-Time Employees in 2018





In 2018, 592 full-time employees had resigned (66.89% of male and 33.11% of female employees). Comparing with 2016, employee turnover declines to 10%, it is the proof of optimization of management systems, including remunerations, welfares, and work environment. When employees submit their resignation, their affiliated supervisors or the HR department will have a talk with the employee to determine their reason for resigning. This process is aimed at reducing talent outflow. In some cases however, employees are assessed for their capability and intention after the meeting. Depending on the results, they may be transferred to other job posts. Thus, a win-win situation for the company and employees is created.

▼ Labor Structure of Full-Time Employees Who Resigned in 2018

Category	Item	Men (%)	Women (%)	Subtotal (%)
Work Location of New Full-Time Employees	Tainan	66.89	32.94	99.83
	Taipei Operations Center	0.00	0.17	0.17
Age of New Full-Time Employees	18-20	0.34	0.17	0.51
	21-30	37.16	17.23	54.39
	31-40	26.18	12.67	38.85
	41-50	3.04	2.70	5.74
	51-60	0.17	0.17	0.34
	61-70	0.00	0.17	0.17

In order to motivate employees to pursue growth, and evaluate their performance effectively, Catcher sets up an internal management procedure of performance appraisal. At the beginning of the year, the supervisors and the subordinates work together to set goals, track regularly and assess quarterly. The quarterly performance appraisal is based on the comprehensive assessment of attendance, work ability, development potential, work effectiveness, spirit and attitude, relevant reward and punishment records, thereby influencing employees’ adjustment of salary, promotion or bonuses. For those with poor performance, the head of the unit and the Human Resources Department will assist the employees in discussing and planning improvement plans to enhance the performance.

	The Number of Employees in Non-Managerial Positions	Average Annual Salary of Employees in Non-Managerial Positions (Unit: in thousand NTD)
2017	2,311	695
2018	2,342	761

\*Note: The statistics exclude foreign employees in Catcher's Tainan factories.

▲ The Number of Employees in Non-Managerial Positions and Their Salary in 2017-2018\*





## Human Resources Management



### Child Care Applications

Catcher has maternity and paternity leave system in place, and to promote family harmony, Catcher educates employees on how child care leaves are used. In 2018, 130 employees received child care leave, 53.08% of which were on unpaid leave, and 69.84% of employees were reinstated after unpaid child care leave, indicating 46.15% in average retention rate.



#### Application for Child Care Leave

			Total
A. No. of employees on child care leave in the current year (including maternity and paternity leaves)	71	59	130
B. No. of employees that actually applied for unpaid child care leave in the current year	7	46	53
Child care leave application rate (B/A×100%)	9.86%	77.97%	40.77%

#### Reinstatement after Unpaid Child Care Leave

			Total
C. No. of employees expected to be reinstated in the current year	7	56	63
D. No. of people actually reinstated in the current year	5	39	44
Rate of reinstatement after unpaid child care leave (D/C×100%)	71.43%	69.64%	69.84%

#### Retention of Child Care Leave

			Total
E. No. of employees reinstated following unpaid child care leave in 2017	3	23	26
F. No. of employees reinstated from unpaid child care leave in 2017 year and who have worked for one year since	2	10	12
Retention rate after unpaid child care leave (F/E×100%)*	66.67%	43.48%	46.15%

\* Note: Some employees who apply for unpaid child care leave continue to apply after the expiration of the application period, leading to the lower retention rate.



## 3.3 Training and Development

### 1) Policies/Commitments



Consider “diversified training and continuous learning” as Catcher’s educational training policy to promise that employees will be cultivated the ability of comprehensive and diversified problem-solving. Through a holistic lesson plan of training and development, employees will enhance the knowledge, skills and stimulate potential ability, and Catcher's competitiveness will also be enhanced.

### 2) Goals and targets: Diversity and learning



	2016	2017	2018
Hours of training per person on average: 8	11.5 hours	10.45 hours	13.15 hours
Total hours of in-service training: 28,000 hours	33,954 hours	27,979 hours	37,637 hours
Training satisfaction: 90%	93%	91%	94%

Medium-term and Long-term: Provide learning resources to properly integrate training plan into business strategies, improve the functional development of all employees, and create a workplace of right people and the right skills.

- The achievement rate of supervisors participating in management courses: 100%
- Employees receive in-service training courses: 100%
- The achievement rate of estimated courses: 90%

### 3) Responsibilities



Human Resource Department is responsible for planning, organizing, checking and implementing Catcher's annual education and training, planning, implementing and reviewing new recruits and the class training, assisting and checking the implementation of each department, reviewing performance of educational training, as well as maintaining and saving record files. Other departments assist in proposing the needs of educational training, planning, implementing, changing and reviewing training, and supervising employees to receive the training required.

### 4) Resources



Allocate appropriate funds to study resources, such as course, lecturer training, training activities. Otherwise, specialists of educational training are employed to provide comprehensive training support and administrative integration

### 5) Grievance mechanisms



Provides a feedback mechanism for employees and regards the same as employee feedback and grievance’s level. Dedicated personnel is requested to provide responses of improvement to the trainees’ feedback within a week.

## 6) Specific actions of 2018



In 2018, Catcher held an experience camp of summer Interns for the first time. On the first day of the camp, the complete manufacturing processes description and on-site visit were arranged. After distributing to the units, on the job training(OJT) was arranged by the senior colleagues, and the activities of experiential learning were also held. Therefore, the interns understood the importance of teamwork, and shared the experience during the internship period. Not only their link between the workplace and school could be established, but their working attitude could be built up. Catcher did the best to cultivate talents in the industry.

### The Experience Camp of Summer Interns ▶



To maintain innovation and competitiveness, Catcher places a great level of emphasis on employee training and development. By following the principles and regulations of the TTQS, Catcher plans diversified educational training system, and every year, the Company systematically formulates annual training plan for all employees to bridge the gap between the company's business development and employees' work skills and encourage employees to partake in various internal and external training courses. Internal courses are focused on the core and professional competencies of employees, specializing in the learning of in-service training, work instructions, and position transfers. External courses are based on job requirements and include professional seminars and training courses provided by training institutions and well-known universities in Taiwan and overseas. The purpose of these courses is to improve employees' competitiveness in the workplace and enhance the company's management performance.



Overall, through continuous training courses, employees obtain supports from professional knowledge, management skills, and tension relief. Our learning training courses include: orientation training for new hires, training for supervisors, professional function training, internal lecture training, and general education course, all of which provide employee access to suitable learning resources, with the expectation that the professional talents can be trained to meet the needs of the production line or new process development and the rapid development of the technology industry, and employees can also find a point of balance in life.

### ▲ Catcher Received TTQS Certification





## Training and Development

### Orientation Training for New Hires

On the first day of their work, new employees are arranged to attend a day of training courses to inform them of the company's system and rules, corporate value, corporate culture, information security and personal information protection, quality system, process introduction, workplace safety, and CSRs (including labor and human rights, freedom of association, prevention of sexual harassment, integrity management, and anti-corruption) to help employees quickly assimilate in the work environment.



▲ Orientation Training for New Foreign Employees

### Professional Function Training System

Professional techniques and training courses that each department requires are provided. These courses involve principles and theories, troubleshooting, and instructions on machinery operations, such as automated processes and professional skills for entry/basic/intermediary levels. Catcher also arranges seminars on product applications, inviting multiple external vendors in 2018 (including equipment, raw materials, and consumables) to give talks on technology applications and development trends and inspire employees to apply their skills in process and procedural optimization, thereby further improving their work skills.



▲ Professional Function Training Courses

### Training for Supervisors

To strengthen management skills, Catcher offers different competency courses for different stages of management to help supervisors quickly adjust their mentality and capability in the event of a job promotion. In response to the continuous expansion of the factory in Tainan in 2018, Catcher arranged junior managers to attend training courses of team consensus to strengthen their management capabilities. The training courses were designed according to the actual internal cases in order to promote the efficiency of grasping problems and reporting and establish a responsible team. One month after the training Courses, Catcher held a learning and sharing session, attendants exchanged their ideas and experiences confirmed by supervisor.

Since it was established in 2014, the new recruit training programs have invited internal elites to share their experiences in class, on weekly publications, seminar interviews, vitality camps for junior managers, and experience sharing talks, which facilitate increasing professional knowledge, management skills, and employee solidarity to build a pool of talent.



▲ Management Training for Junior Managers



▲ New Recruit Training Programs



## Internal Lecturer Training

To improve the teaching abilities of internal lecturers so that they can fulfill their duties, all internal lecturers must complete a series of internal training courses that focus on the concepts and practices of being a lecturer, and corporate training for internal lecturers. Each person must complete at least 18 hours training to build the required knowledge and attitude of being a lecturer. Therefore, potential lecturers can present their teaching materials in a logical manner, and properly utilize different teaching methods and skills to inspire learner motivation and transfer their knowledge and skills.

In addition to training courses, each new lecturer must give a test run of their lecture before opening of actual classes. Relevant experts and senior lecturers are invited to provide their opinions and feedback, which can help new lecturers prepare for their classes and demonstrate favorable teaching performance.

Total no. of qualified lecturers through internal lecturer training	76
Total no. of employees taught by internal lecturers	17,556
Qualified rate of internal lecturer	68%

Internal Lecturer Training



Thanks Card for Internal Lecturer on 2018 Teacher's Day



## General Education Courses

Catcher organizes general education courses as needed, which are aimed at equipping employees with the basic skills they need for extensive development. These courses include topics on employee care and assistance, health seminars and sports, quality improvement, and travel. The series of courses offer employees the chance to learn things other than their work profession, thereby achieving self-enhancement and balance in physical and mental development.



Travel Lecture

Diverse Sports Course





## 3.4 Safety & Health

### 1) Policies/Commitments



Consider “regulatory compliance, ongoing improvements, disaster prevention, implementation of education, active communication” as our management philosophy to convey the policy of “all employees focus on industrial safety so that we can work safe and sound” thereby continuing to implement occupational safety and health management system.

### 2) Goals and targets: zero occupational injuries



	2016	2017	2018
<b>Safety and health audit improvement rate: 100%</b>	100%	100%	100%
<b>Case management rate of high-risk employees of level-A : 100%</b>	100%	100%	100%
<b>Disabling frequency rate (FR) &lt;1.8</b>	0.71	1.34	2.49*
<b>Disabling severity rate (SR) &lt;30</b>	5.92	26.44	29.70

\*Note: Due to the new manufacturing process development and production capacity enhancement in 2018, the operations of new equipment and the tests of new manufacturing processes were arranged led to disabling frequency rate's rise. EHS Office and employees in their workplace continue to improve this situation by identifying hazards and evaluating the risks. Thus, the frequency of occupational injury will be reduced, and the safety of colleagues will be ensured in the future.

Medium-term and Long-term: Continue to achieve the goal of occupational safety and health management system optimization, and create zero occupational injuries

### 3) Responsibilities



EHS Office and the occupational medicine doctor are responsible for review the employees' workplaces regularly, and make recommendations for improvement, such as engineering, and redistribution of work. All employees review their workplace and propose risk identification and assessment.

### 4) Resources



Dedicated personnel of safety & health, dedicated nursing personnel, all equipment and engineering to prevent risks, health promotion resources, all kinds of educational training

### 5) Grievance mechanisms



Public grievance, employee feedback and grievance channel

## 6) Specific actions of 2018



### • Strengthened the Safety & Health Family Program

Catcher was received an invitation of Labor Affairs Bureau of Tainan City Government to set up the Safety & Health Family Program in September 2017. In 2018, Catcher strengthened the Safety & Health Family Program through sharing & consultation, participation of activities, and enhancement of communication channels. Thus, Catcher achieved the model of mutual cooperation and experience sharing. Catcher assisted the members of the Safety & Health Family Program in improving the workplace and achieving zero occupational injuries. The employees' safety and health could be upheld.



▲ Hands-on Training Meeting of Catcher's Safety & Health Family Program



19 supply chain manufacturers were consulted, and 75 safety and health suggestions were recommended in 2018. The first aid training courses (CPR & AED) were held to share the experience of first-aid.



Catcher participated in safety & health family activities hosted by the authority, including reports of core contact, industrial safety forums, safety and health forums, walking events, great assembly of safety & health family, etc. According to statistics, Catcher attended 8 times totally in 2018.



By the communication platforms such as E-mail or Line, Catcher exchanges ideas of safety & health information and legal requirement with the members of the Safety & Health Family Program timely.



▲ Catcher Held the First Aid Training Course

Catcher implements the OHSAS 18001 and formulates planning and emergency response procedures according to onsite hazard identification and risk assessment mechanisms to reduce the chances of anthropogenic and non-anthropogenic hazards. In addition to employee safety, employee health is also a major concern of Catcher. The Company regularly provides professional medical consultation service, health checks, and suitable health-promoting plans to protect employees against occupational disease and injuries and ensure employee health and safety.



### Safety and Health Promotion Organization\_

Ren Ai Headquarters, T.I.P. Factory, and the Y.K.I.P. Factory have Safety and Health Management Committees in place; quarterly meetings are convened to discuss the implementation effectiveness and improvement practices for various safety and health operations. The committee is composed of members from department managers, labor representatives and EHS. The factory manager acts as the chairman of the committee, and labor representatives make up 34.5% of the committee, which surpasses Article 11 of the Occupational Safety & Health Act. This composition enables the management and employees to communicate safety and health related issues face-to-face.

Furthermore, the factory manager convenes weekly environmental safety and health meetings, during which each factory division engages in discussions on safety issues (safety of mechanical equipment operation, proper rate of fire facilities, measurement of electric disk temperature, noise detection of manufacturing processes, internal and external investigation of occupational injuries, etc.), and health issues (hyperglycemia, hyperlipidemia, and hypertension control, occupational medicine doctor's consultation and training, stop & restart work evaluation, etc.) of the factory, in order to increase communication frequency and improve the efficiency with which problems are handled. These meetings highlight how much Catcher values employees' safety and health.

### Safety and Health Management Practices\_

When planning and executing matters relating to the safety of operating environment, Catcher complies with relevant laws and regulations such as the Occupational Safety & Health Act and its enforcement rules, Labor Health and Safety Facilities Regulation, and Guidelines for Implementation of Labor Workplace Environmental Monitoring. In addition to local regulations, Catcher is also dedicated to staying in line with international development trends and customer requirements. First, we identify and record the activities of different work sites, the raw materials, machineries, equipment, tools, and risk factors involved, and how monitoring is performed. Then, risks are assessed on three dimensions of frequency of occurrence, severity, and risk control effectiveness. Finally, appropriate designs, engineering, administrative control, and continuous training are employed to control the various types of hazard that may arise during machinery operations, use of automated equipment, and handling of chemicals, combustible dust, ergonomic applications. Each factory implements environmental monitoring every year in pursuant to law so as to protect the safety and health of employees and ensure the quality of work environment.

Risk Identification

Risk Evaluation

Risk Control

#### ▲ Steps to Manage Safety and Health

Additionally, to prevent latent risks, dedicated personnel is appointed to conduct daily patrol and inspection for effective control over high-risk operations and common deficiencies. Catcher has an emergency response management procedure and response taskforce in place to facilitate mediation of emergency situations in the event of earthquakes, fire hazards, and chemical leaks. The Company has also joined the National Toxic Hazard Joint Defense System of the Environmental Protection Administration, regularly appointed employees to attend toxic hazard drills, provide mutual support and resource allocation, and increase the company's first-aid capacity. The purpose of these activities are to reduce the scale of disaster impacts and achieve pollution control.



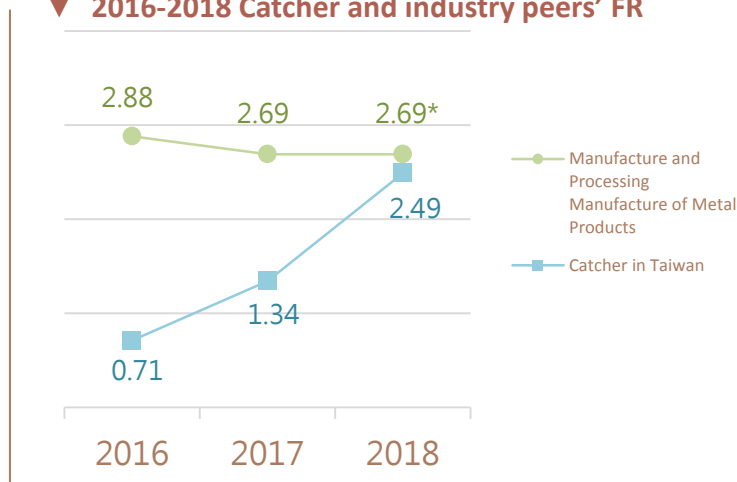
▲ Emergency Response and Disaster Prevention Drill

## Occupational Injury Statistical Analysis and Safety and Health Awareness

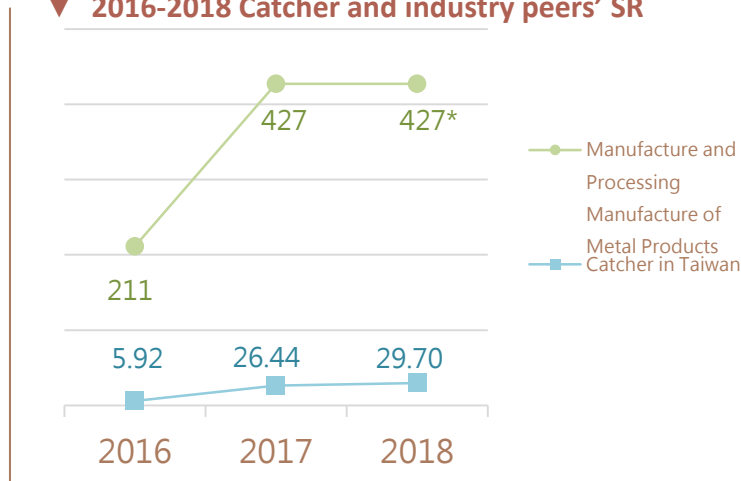
Catcher takes occupational hazard problems very seriously. We appoint dedicated nursing personnel to record and perform statistics on the types of common occupational hazards and the department in which these hazards frequently occur, according to the statistical indicators of the Ministry of Labor. These statistics are used as a basis for developing improvement strategies and training courses. Additionally, management situations are regularly reported to competent authorities and factory managers.

Comparing the Catcher's occupational injury rate with manufacture and processing manufacture of metal products we will find Catcher is lower than industry peers in recent three years. Catcher's factories and its contractors did not report any incidents of death in 2018. Occupational hazards generally involve pinch injury and press injury. Catcher continues to improve through hardware equipment inspection at the scene of the accident and promotion. Contractors did not report any occupational hazards during the period of working for Catcher.

### ▼ 2016-2018 Catcher and industry peers' FR



### ▼ 2016-2018 Catcher and industry peers' SR



\* The FR&SR of manufacture and processing manufacture of metal products is cited from the value for 2017 announced by Occupational Safety and Health Administration, Ministry of Labor, as the value for 2018 had not been released before our CSR report was finished.



## ▼ 2018 Occupational Injury Statistical Analysis

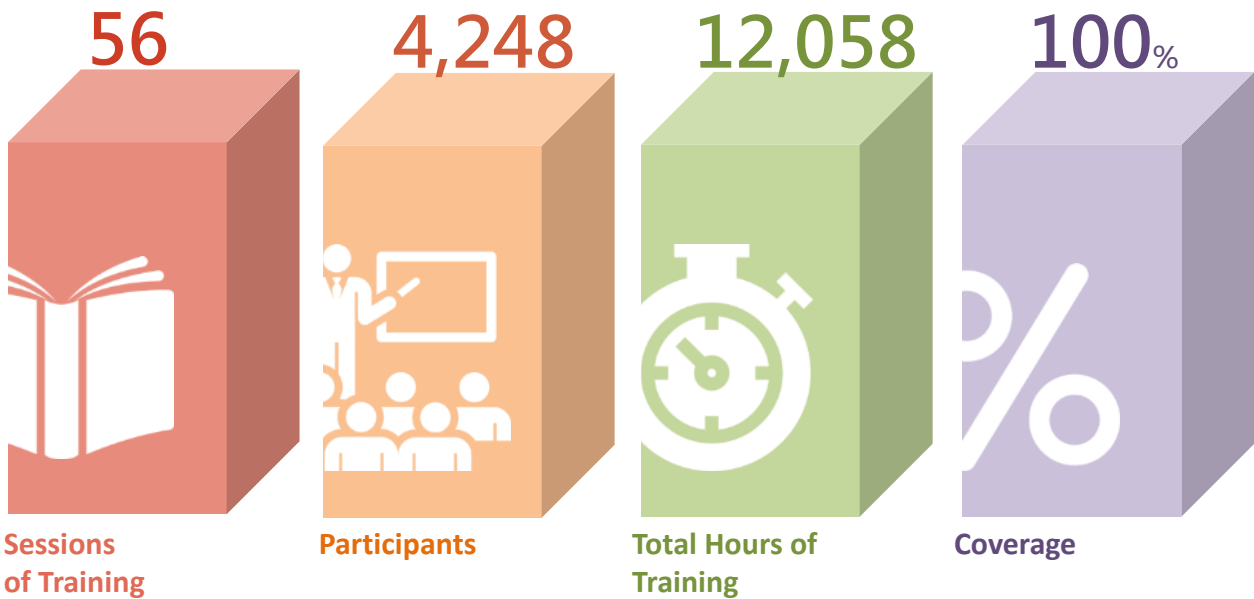
		Tainan Factory		Taipei Operations Center	
		Men (%)	Women (%)	Men (%)	Women (%)
Categories of Injury	Slip and Fall	4.55%	18.18%	0%	0%
	Slash Injury	9.09%	4.55%	0%	0%
	Hit Injury	9.09%	4.55%	0%	0%
	Pinch Injury and Press Injury	22.73%	9.09%	0%	0%
	Chemical exposure	9.09%	4.55%	0%	0%
	Occupational Diseases	0%	4.55%	0%	0%
Injury Rate(IR)		2.00	3.52	0	0
Occupational Diseases Rate (ODR)		0%	7.04%	0%	0%
Lost Day Rate (SR)		14.39	61.99	0	0
Absentee Rate (AR)		0.46%	1.36%	3.73%	3.08%
Total No. of Occupational Deaths		0	0	0	0

Note :

- Categories of occupational hazard exclude traffic accidents occurring outside the factory.
- Injury rate (IR) = No. of disabling injuries x 1,000,000/total work hours (Injury frequency rate [FR]; the number of days lost is calculated 24 hours after the incident; number of days less than one and traffic accidents that occurred outside the factory are not included in calculation)
- Occupational diseases rate (ODR) = Total no. of occupational disease x 200,000/total work hours\*100%
- Lost day rate (LDR) = Total no. of days lost x 1,000,000/total work hours (Disabling injury rate [SR]; the number of days lost is calculated 24 hours after the incident; number of days less than one and traffic accidents that occurred outside the factory are not included in calculation)
- Absentee rate (AR) = No. of hours absent (Days absent due to sick leaves and injury leaves; traffic accidents that occurred outside the factory are not included in calculation) total work hours\*100%



Every year, Catcher continues to arrange safety and health-related training to establish a culture of workplace safety. Compared with 2017, the number of trainees raised in 2018. In 2018, 56 sessions attended by 4,248 employees. Through safety and health awareness, employees are fully equipped to comply with safety and health policies, and therefore, Catcher establishes the correct concepts, and works together toward building a safe workplace.



▲ 2018 Outcomes of Safety and Health Training for Employees in Taiwan

Safety and Health Training ▶



### Health Checks and Health-Promotion Programs\_

Catcher cooperates with professional medical institutions every year to host health checks for employees who handle general and special hazardous operations. The frequency and items of health checks that we offer are superior to local statutory requirements. According to employees' health check results over the years, we found that a majority of employees in all age groups exhibited slightly higher body fat level. Therefore, executive managements launched a diversity of health and exercise courses in 2018, inviting professional training coach to provide lessons at the factory. The topics including kettlebell, physical fitness, boxing, and yoga, 60 sessions attended by 1,606 employees. Besides, there were 2 large-scale ball games (basketball and badminton) held and attracted 304 participants. Thus, Catcher cultivate health awareness and healthy lifestyle among employees and help them fight against obesity and chronic disease. In other words, helping employees to stay healthy is our long-term goal.

#### 2018 Employees' Health Promotion Performance in Taiwan

	Sessions	Participants
Dynamic & Static Course	60	1,606
Large-scale Ball Game	2	304



Diverse Activities and Competitions of Health Promotion in 2018

Protection of Maternity in the Workplace\_

For the female employees responsible for specific job may hazard their health, Catcher evaluates and controls the risks, arranges doctor’s interview, ranks and manages risks, arranges work distribution properly, and other related measures. The implementation is regularly tracked by professional nurses. In 2017, the protection of maternity in the workplace includes risk assessment, risk ranking management, hazard control, and work redistribution according to occupational medical doctor’s advice. In addition, Catcher provide female employees with health guidance, health information, parking spaces, breastfeeding room, and so on, to properly protect maternity and breed health next generation.



▲ Breastfeeding Room in Factory

Promotion of Maternity in the Workplace

Health Risk Assessment	Focus on pre-pregnancy, pregnancy, childbirth, and breastfeeding employees. Catcher implements health risk assessment in the workplace, and ranks and manages risks, and control hazard
Work Redistribution	Female employees classified as the third level of health risk rating will follow the recommendations of occupational medical doctor, such as working environment change, working hours adjustment, and jobs redistribution
Doctor’s Interview	Arrange interviews with the doctor and nurse, provide health guidance, health information
Exclusive Parking Space	Set up Exclusive parking space for pregnant women in each factory
Breastfeeding Room	Build a breastfeeding room in each factory





## 3.5 Social Participation and Public Welfare

Upholding the spirit of "giving back what is taken from society," Catcher is committed to charitable causes and continues to establish partnerships with local residents, disadvantaged groups, and other stakeholders, invest monetary contributions and resources to facilitate social development. Catcher and the Catcher Educational Foundation engage in a wide variety of social events that cover aspects such as talent cultivation, music and art, and social concern. In 2018, both entities sponsored NT\$15,240,925 in the following activities: blood donation, Catcher Technology Cup National Go Board Game Open, and Charity Exhibition Sale. Meanwhile, Catcher is also an active member of chamber of commerce, associations, and national institutions to facilitate communication with external stakeholders and enhance corporate image and influence.

### Participation in External Organization\_

	Membership	Date of Entry	Management positions	Stakeholders involved
Tainan Technology Industrial Park Association of Commerce	General member	Membership No. 71		Government agencies and community residents
Tainan Industry Association	General member	2008/10		Government agencies
Taiwan Electrical and Electronic Manufacturers' Association	General member	2014/4/9		Customers, government agencies
Straits Economic & Cultural Interchange Association	Group member	2013/2/8	Director	Government agencies, news media
Taiwan Light Metal Association	Group member	2012/3/1	Director	Customers, employees
Taipei Computer Association	General member	2013/7		Customers, government agencies
Taiwan Composite Material Industry Association	General member	2014/4/1		Customers, government agencies
Taiwan Mergers & Acquisitions and Private Equity Council	Individual member	2016/10/1		Investors, shareholders
The Third Wednesday Club	General member	2016/5/27		Investors, shareholders
Kaohsiung Personnel Representative Association	General member	2016/7		Employees, government agencies
Tainan City Nurses Association	Registered nurses/Licensed practical nurses	2016/8/11		Employees, government agencies
Great Tainan Nurses Association	Registered nurses/Licensed practical nurses	2011/2/23		Employees, government agencies

Important Activities of Social Participation\_

| Promotion of Volunteer Services

In 2018, Catcher promoted the volunteer services system for the first time. By cooperating with Tainan City Government, Day Care Center, rural school...etc, Catcher encouraged employees to invest in volunteer services during regular work hours or weekends. The volunteer services were participated in by 23 employees, 47 participants and 172 hours in 2018. Employees in the top 3 of service hours of all employees could exchange awards for encouragement. In the future, Catcher will continue to connect with stakeholders, and lead employees into the society to implement the social responsibilities of local enterprises.

2018.7.7   Catcher’s Classroom x Longshan Elementary School in Cigu District

Catcher called volunteers and came to rural school – Tainan Municipal Longshan Elementary School. The volunteers played group's activities, balloons, oyster shells with children. The children of Longshan Elementary School learned the spirit of teamwork and helpfulness through those activities.



2018.9.8   Moon Festival x A Kernel of Wheat Foundation

Catcher cooperated with A Kernel of Wheat Foundation and called on Catcher’s volunteers to come to exercise and play board games with the elders. Moreover, Catcher invited children from Yellow Ribbon Network Association to music playing and sing the songs. The elders of A Kernel of Wheat Foundation had meaningful day on the Moon Festival.



2018.9.29   Tainan City Hall’s Beach Clean-up in Autumn

Catcher called on volunteers to go to Sunset Platform in response to beach clean-up event hosted by the Tainan City Hall. The volunteers picked up the garbage of beach and returned to original features of the coast.



2018.11.10   Catcher’s Classroom x Datong Elementary School in East District

Catcher cooperated with Tainan Municipal Datong Elementary School. The volunteers of Catcher played group's activities, told stories, and played balloons with children. About 60% of Datong Elementary School’s children are disadvantaged, so Catcher wishes them to grow up happily through these educational activities.





## Catcher Technology Cup National Go Board Open



Since 2003, Catcher and Catcher Educational Foundation have hosted the Catcher Technology Cup National Go Board Game Open for 16 years in order to promote balance in academic studies and leisure activities. The 16th game was held at Tainan Municipal Xinying Stadium on April 1, 2018, and participated in by 636 people. Obviously participants grow year by year. Through education on Go, this activity encourages adolescents to engage in legitimate activities and cultivate character, attention, endurance, and logical thinking, thus creating a positive social atmosphere. This event has attracted favorable evaluations.

## Subscription of Vegetables produced abundantly



After cabbages' subscription in 2017, Catcher purchased onions and pineapples from Hengchun Farm and Dalin Farm of Chiayi County to assist farmers in spring and summer of 2018. These onions and pineapples delivered to all employees, local disadvantaged groups and government agencies to share with people, and also solve the urgency of abundant agricultural products.

## Sponsored Young Students to Participate in International Robotics Competitions



In order to cultivate domestic outstanding students' ability of handmade robots and international integration, Catcher sponsored Taipei Fuhsing Private School in 2018. Therefore, these young students could use the venue the closest to the actual competition to practice before a contest. Taipei Fuhsing Private School won the first prize of Pittsburgh new star of FRC Robot Competition in America. Through talent cultivation, equipment provision and training, Taiwanese young students throw into the field of robots to promote the social development.

## Student Aid in Rural Area



Since 2014, Catcher Technology has started to support the plan of "Plant a seed of reading for children" built up by Global View Educational Foundation. Thus the students of 151 elementary schools in rural area of Tainan can read the latest monthly magazines "Future Teenagers". In October 2018, Catcher visited one of the donatory : Madou Elementary School in Madou District in Tainan. Through the interaction with teachers and students, Catcher knew the actual needs of children. Most importantly, Catcher hopes that the local students can convert their knowledge to the power, open their new page and enhance the competitive power.



Blood Drives



Catcher has been working with Tainan Blood Center to host blood donation activities since 2015, where a bloodmobile is stationed inside the factory, and employees are encouraged to donate their bloods and help those in need. Catcher also offered gift vouchers as incentives in hopes of inspiring more employees to donate their blood. The blood donation events were participated in by 617 people and 241,500 cc blood collected in 2018. These activities helped Catcher establish a positive public image.

Art & Literature Promotion

Catcher Educational Foundation is committed to charity, education, and art and literature promotion for many years. We do our best to support various music and art performances. In addition to donation of these performances, Catcher has provided tickets to the employees and disadvantaged groups in recent years. Thus, ordinary people can appreciate these beautiful music and art talents, expand the vision of music and art, and support the fine performers.

- List of 2018 Large-scale Art Performances sponsored by Catcher
  - 2018.1.21 [National Symphony Orchestra] "NSO Blue Cinema"
  - 2018.3.24 [Tainan Art Festival- Greenray Theatre Company] "Condition on Earth-1<sup>st</sup>"
  - 2018.9.1-9.9 [Tainan Symphony Orchestra- Summer Opera] "All Women Think the Same"
  - 2018.10.27-28 [Tainan City Traditional Orchestra] "Paper Airplanes Flying Over the Wide Street"
  - 2018.12.22 [Catcher's Art Night] "Goodbye Madrid"

▼ Catcher Visited and Supported Greenray Theatre Company- "Condition on Earth-1<sup>st</sup>"



# 4 Environmental Harmony

- 4.1 Management System Operation
- 4.2 Environmental Pollution Prevention
- 4.3 Climate Change Strategy





## 4.1 Management System Operation



### Catcher's T.I.P. Factory Has Passed the Cleaner Production Assessment Hosted by Industrial Development Bureau, MoEA

Catcher became the first metal products manufacture passing the Cleaner Production Assessment in 2018. A series of projects promoted include: sustainable strategy and management, green process, green design and innovation, and corporate social responsibility to achieve the purpose of environmental sustainability. In the future, Catcher will root on these outcomes, and expand to the Ren Ai factory and Y.K.I.P. factory to fulfill the social responsibility.

#### Sustainable Strategy and Management

- Carbon/Water Footprint
- Energy-saving and Water-saving Measures
- Green Supply Chain Management

#### Green Process

- Nickel Ion Recovery Project
- Introduction of Heat Exchange Technology
- Reduction of Consumables/Raw Materials' Consumption

#### Green Design and Innovation

- Dust Operation Control
- CNC Tools' System Control
- Automatic Replenishment of Anode Product Line

#### Corporate Social Responsibility

- Diverse Employee Benefits
- Sport Enterprise Certificate
- Local NGO Care
- Promotion of Arts Activities

Catcher has obtained the ISO 14001 Environmental Management System verification since 2009, and every year, it is subject to third-party verification and certificate replacement in pursuant to ISO standard regulations. By employing management systems, Catcher has constructed internal environmental management model to protect the environment, prevent risks, raise environmental awareness, and build a good corporate image, thereby fulfilling its environmental responsibilities. Under normal operation of management systems, the Management Review Meeting in 2018 was convened at the beginning of 2019 to inspect the appropriateness and validity of the company's management systems.

The scope of Catcher's environmental management system includes all Catcher products, production process, and peripheral activities and services, as well as the arising pollution situations, raw material use, pollutant handling, and matters stipulated by relevant laws and policies. To ensure absolute implementation, a Management Promotion Committee has been setup, with the Chairman acting as the highest authority who announces management policies and commitments, and invites all units to elect committee members who can work together to achieve effective management. The formation of such committee demonstrates how much Catcher values environmental management. Additionally, schedule time sheet is planned and implemented, while management review meetings are held periodically to monitor and track implementation effectiveness.

In 2018, Catcher did not receive any judicial or administrative punishment for violating environmental laws or regulations, nor did it receive official reports of environmental grievances, both showing Catcher's capability to produce satisfactory environmental performance, which facilitates normal business operation and reduction of penalty-related financial risks. Regarding strategic planning, the global business environments have seen changes in regulatory requirements, international management system standards, and stakeholder requirements. Moreover, the new 2015 version of ISO 14001 has been announced. In light of these advances, Catcher will build a more integrated management system to reinforce the implementation of our environmental management systems, improve our ability in continuous improvements, and strive toward sustainable governance.

## ▼ Management System Policies

### A. Regulatory compliance : Compliance with and conformance to legal regulations and other requirements as agreed for compliance by the organization

Catcher promises to regularly inspect the addition or amendments of government-related laws and regulations, and verifies the compliance of its legal regulations with statutory requirements to meet the minimum requirement of the environmental management system. Furthermore, Catcher also takes into consideration the needs of its stakeholders as well as the prospects and trends of international environmental and protection practices to compile a list of other requirements that the company agrees to comply with, which are expected to facilitate comprehensive compliance with relevant regulations.

### B. Ongoing improvements : Creating favorable operating environment through pollution prevention, energy conservation, automatic examination, and promotion of resource recycling to continuously improve environmental safety and health management performance

Catcher promises to follow the most recent version of the ISO 14001: 2015 Environmental Management System requirements to build, implement, maintain, and continuously improve environmental management system. Through governmental laws and regulations, stakeholders' requirements, international trends in environmental management and protection measures, as well as risk assessment mechanisms for environmental aspects, Catcher is not only passive toward regulatory compliance but it is also active toward providing feasible preventive measures for environmental issues such as energy saving, greenhouse gas reduction, water resource recycling and sustainability, in order to prevent inflicting irreversible damage to the environment.

### C. Disaster prevention : Preventing the occurrence of occupational injuries, health hazards, diseases, and accidents to protect the safety and health of all employees and partnering suppliers, contractors, and visitors

Catcher promises to not only adhere to the environment-related requirements and regulations stipulated by its stakeholders, but also adopt risk management practices, including risk identification, assessment, handling, and prevention, to prevent the potential risks of air pollution, effluent treatment, waste disposal, and toxic substance management on the company's business operation and to mitigate the negative influence of these processes on the environment. In addition, Catcher also formulates adequate active and passive goals and performance indicators for its environmental management system, and regularly monitors its environmental management performance to understand the effectiveness of its disaster prevention and continuous improvements and to ensure that the company's management process is in line with the goal of its default plans.

### D. Implementation of education : Educate employees and propagate concepts of environmental protection, safety, and health to improve employees' knowledge on environmental safety and health and the responsibilities they should fulfill during daily operations

Catcher promises to build an organizational culture that values the importance of environmental protection and management, infusing it in training programs, case studies, internal meetings, and onsite and system inspections for new recruits to existing employees. In other words, various approaches are constantly employed to strengthen the environmental awareness of supervisors and onsite operators and to realize environmental concepts in daily operations.

### E. Active communication : Building interactive communication channels for stakeholders to facilitate employee participation through communication, inquiries, and information transfer

Catcher is committed to establishing transparent and smooth communication channels for its stakeholders, including the setup of official websites, Facebook fan page, hotline, and designated email for collecting stakeholder suggestions and feedback, which can provide reference for optimization of environmental management systems. Our CSR report is also a crucial channel through which to communicate with our stakeholders and regularly update them on Catcher's efforts and outcomes in environmental protection and management.





## 4.2 Environmental Pollution Prevention

In compliance with the ISO 14001 Environmental Management System, Catcher adopts the Plan-Do-Check-Act (PDCA) Cycle for systematically executing and managing various pollution control and environmental practices to meet local regulations and customer requirements and fulfill the responsibilities it should assume in environmental protection. In 2018, Catcher did not receive any environmental grievances through its formal grievance mechanism.

### Air Pollution

1) Policies/Commitments	
According to the regulations, Catcher implements the necessary control measures and methods, to reduce emissions and improve environmental efficiency.	
2) Goals and targets: Control Air Pollution	
To cope with introductions and changes of the new process, proper air pollution control devices will be set up, and environmental protection permits will be obtained thereby achieving 100% compliance of laws and regulations.	
3) Responsibilities	
According to the internal operational management procedure, Environmental Protection Department is responsible for leading and tracking other departments' situation.	
4) Resources	
Dedicated personnel, regular inspection and maintenance of air pollution control equipment (cleaning tower, dust collector, and water wash station), supervision of fixed pollution source (VOCs emissions declaration, detection), and self-detection of VOCs emissions weekly	
5) Grievance mechanisms	
Public statement, employee feedback and grievance channel, internal environmental protection department	
6) Specific actions of 2018	
<ul style="list-style-type: none"> <li>• <b>Continuous Optimization of Parameter of Painting Line and Equipment Adjustment</b> Regarding the magnesium alloy process in the Ren-Ai factory, Catcher has optimized the parameter of painting line and adjusted equipment since 2017. Therefore, the yield rate of the production line increased 10%, and the volatile solvent usage of the painting reduced about 12.5%, leading to the reduction of VOCs emission.</li> </ul>	

Catcher specializes in surface treatment processes, which emit lower levels of pollutants compared with high energy-intensive industries. Surface processing primarily discharges acid gas, alkaline gas, volatile organic compounds, and particulates. As required by law, air pollution control equipment is installed for each manufacturing process, including cleaning tower, pocket dust collector, and water wash station. Onsite operators are also trained to operate air pollution prevention devices, and the effectiveness of air pollution management is regularly measured and monitored. Otherwise, Catcher continues to monitor and manage the suspended particles (pm 2.5) on our own initiative, paying particular attention to the surrounding environment.







## Waste\_

## Environmental Pollution Prevention

### 1) Policies/Commitments

Through systematic management (from source to follow-up study), Catcher achieves the goal of waste reduction and efficient use of resources. Finally, circular economy will be obtained.

### 2) Goals and targets: Reuse & recycle

	2016	2017	2018
Ratio of reuse of waste > 75% (including waste materials reuse)	91.92%	89.98%	93.00%

Medium-term and Long-term: Achieve the goal of sustainable use of resources, in the future, reach 95% reuse of waste

### 3) Responsibilities

According to the internal operational management procedure, Environmental Protection Department is responsible for leading and tracking other departments' situation.

### 4) Resources

Dedicated personnel of waste storage area of each factory, handheld five-in-one (O2/LEL/CO/VOC/H2S) gas detector

### 5) Grievance mechanisms

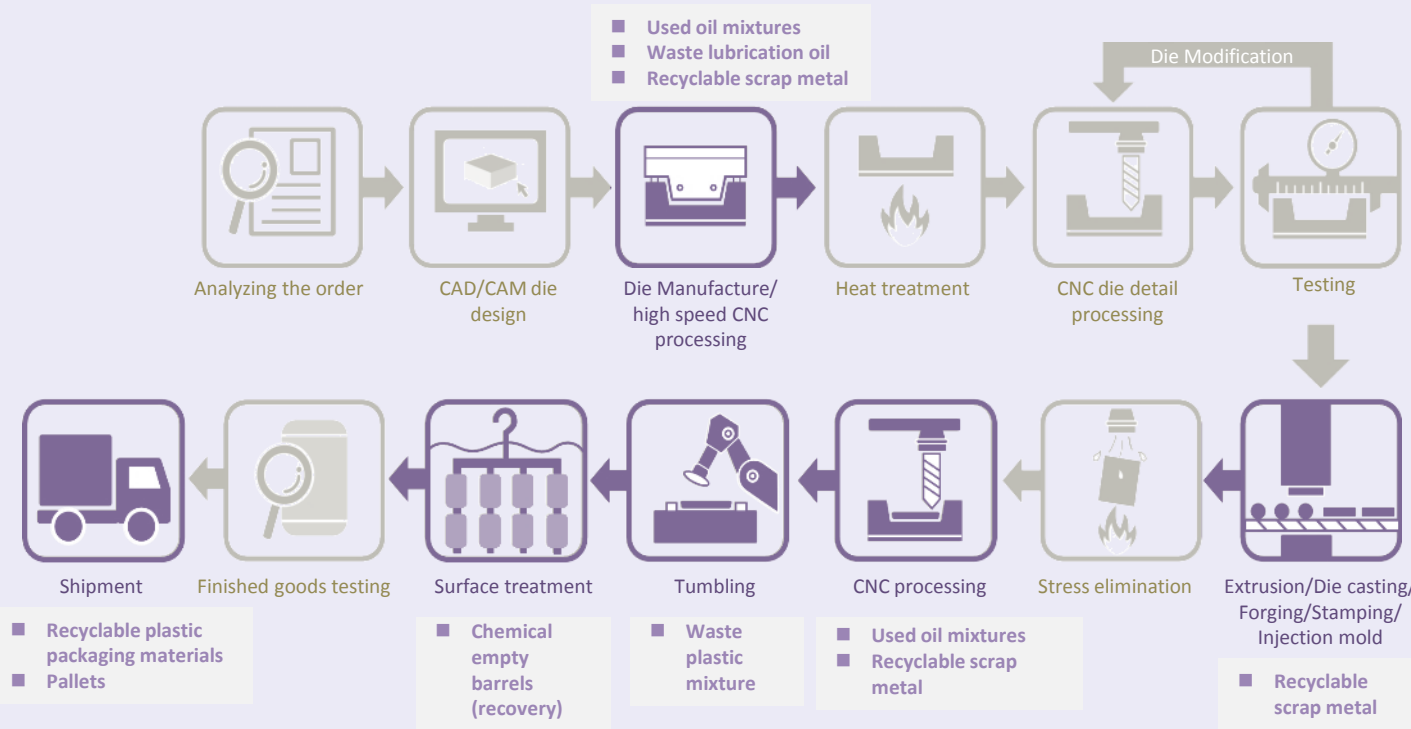
Public statement, employee feedback and grievance channel, internal environmental protection department

### 6) Specific actions of 2018

- Reduce weight of sludge through sludge drying system  
Catcher introduced the sludge drying system to effectively reduce more than 50% weight of sludge produced in the manufacturing process. In 2018, a total of 340 tons of sludge was reduced. Therefore, not only the environmental load of waste treatment was significantly reduced, but the cost of sludge treatment and the burden of cleaning and transportation was reduced.
- Reduce phosphoric acid to achieve waste reduction  
According to the requirements of manufacturing process, Catcher controlled the difference in concentration of aluminum ion of phosphate acid, and planned the use of multi-stage phosphoric acid. Thus, the use and emissions of phosphoric acid could be reduced more than 50%.







▲ Waste Production During the Manufacturing Process



▲ Catcher's Waste Management

Through waste reduction at the source, safe storage, proper disposal, and responsibility tracking, Catcher continues to effectively manage wastes. Regarding waste reduction at the source, Catcher continues to educate employees on how to reduce and classify their domestic wastes, and strengthens the promotion of a paper-free green enterprise by implementing the electronic form signing system to greatly reduce paper use. The 2018 statistics indicated that Catcher's Taiwan factories/offices used 184,154 electronic forms and continued to reduce hazardous industrial wastes in its manufacturing processes. Comparing with 2017, the utilization of electronic forms increases 11.4%.

Safe storage is ensured by carefully distinguishing general wastes from hazardous wastes and storing them appropriately. In addition, fire extinguisher, lighting, or emergency sprinkler facilities have also been installed.





According to waste disposal proposals, Environmental Protection Department confirms the domestic qualified removal, disposal and reuse companies, and then invites the qualified companies to come to the factory to explain their waste disposal work flow. The qualified companies need to provide the report of waste inspection proved by the third party verification unit. After that, Catcher confirms the characteristics of waste with the qualified companies, and approves price, formulates contract and contracts in accordance with legality. Regarding responsibility tracking, Catcher entrusts a third party verification unit with waste inspection every year. And empty cars are confirmed and weighed under supervision, cars are followed randomly, and inspections are requested as needed. If waste disposal companies are found to be involved in illegal activities, they will be subject to inspections of the highest standards to ensure the legitimacy of their waste disposal work flow.

▼ 2017-2018 Waste Statistical Analysis in Taiwan

Item	Treatment technologies	2 0 1 7		2 0 1 8	
		Weight (metric tons)	Ratio (%)	Weight (metric tons)	Ratio (%)
Hazardous Waste	Incineration	15.63	0.17	3.77	0.03
Non-Hazardous Waste	Incineration	568.33	6.12	694.33	5.41
	Landfill	285.93	3.08	183.92	1.43
	Physical Disposal	25.03	0.27	16.33	0.13
	Hot Disposal	35.14	0.38	--	0
	Reuse	8,349.62	89.98	11,936.87	93.00
Total		9,279.68	100	12,835.22	100

# 4 Environmental Harmony



## Environmental Pollution Prevention

### Water Resource and Waste\_

#### 1) Policies/Commitments



Implement wastewater management to achieve the goal of sustainable coexistence with environment and ecology.

#### 2) Goals and targets: Reduce & control



##### Completion rate of control of water discharge quality better than water standards

2016

2017

2018

100%

100%

100%

Medium-term and Long-term: Reduce the use of water and continue to control water quality to minimize the impact of environmental ecology

#### 3) Responsibilities



According to the internal operational management procedure, Catcher's wastewater treatment plant is responsible for leading and tracking other departments' situation.

#### 4) Resources



Dedicated personnel of wastewater treatment plant, nickel on-line analyzers, COD on-line analyzers

#### 5) Grievance mechanisms



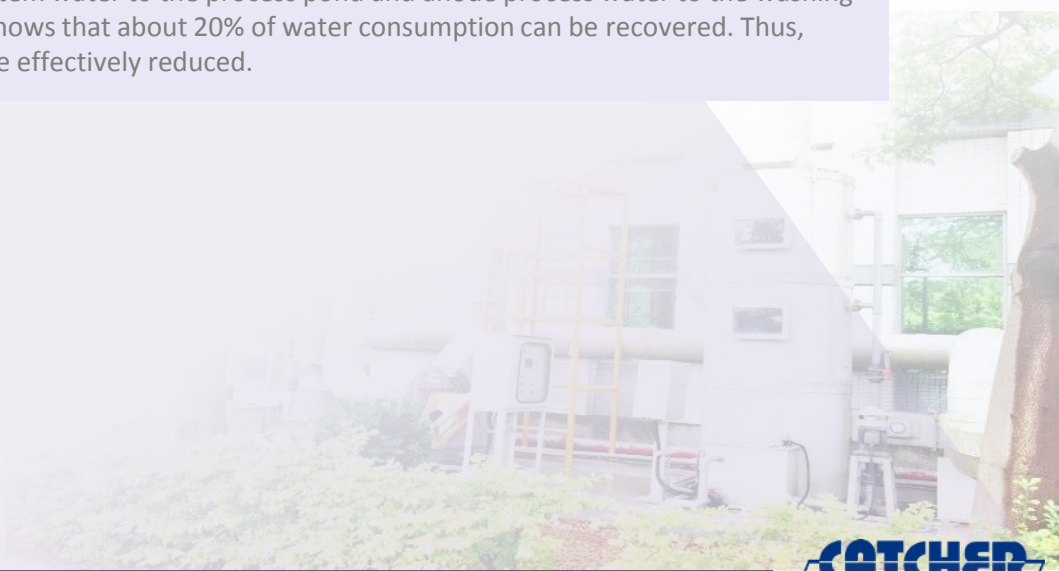
Public statement, employee feedback and grievance channel

#### 6) Specific actions of 2018



##### • Recovery and reuse: wastewater of anode process

According to the water quality of anode process, Catcher planned to recycle wastewater. For example, recovering RO system water to the process pond and anode process water to the washing tower for reuse. Statistics shows that about 20% of water consumption can be recovered. Thus, water consumption could be effectively reduced.



In the management water resources and wastewater discharge, Catcher has invariably been cautious in its water conservation practices to prevent environmental pollution and violation of environmental laws.

**| Periodic Statistical Analysis of Water Usage and Discharge**

In 2018, Catcher used 1,033,704 tons of tap water sourced from water companies. Measurements of water consumption are based on tap water meter data. Water discharges are eventually discharged into groundwater bodies. The volume of discharge in 2018 amounted to 905,924 tons, which was based on the water discharge meter statistics of Catcher. Water meter is externally calibrated at least once a year, suggesting acceptable reliability.

**| Waste Divergence and Water Quality Monitoring**

Catcher has established wastewater related management procedures and standard operating procedures, which mandate that wastewater treatment must follow relevant water discharge standards or control standards. Unlawful discharge is strictly forbidden. If the equipment or facilities at the wastewater treatment plant are non-functional, the cause of the problem must be identified immediately to prevent pollution expansion. If necessary, a portion or the entire production operation can be suspended until the problem is resolved.

**▼ 2018 Wastewater Discharge in Taiwan**

Factory	Destination		Water quality test item				
			Water temperature (°C)	pH value	Suspended solids (SS)(Unit: mg/L)	Chemical oxygen demand (COD) (Unit: mg/L)	Biochemical oxygen demand (BOD) (Unit: mg/L)
Ren Ai Headquarters	Ditch of District Office	Standard	May–September < 38°C October–April < 35°C	6-9	30	100	--
		Test Results	29.4	7.7	6.5	24.8	--
T.I.P. Factory	T.I.P. Wastewater Treatment Plant	Standard	< 42°C	5-9	320	520	320
		Test Results	33.3	5.7	8.8	80.5	18.4
Y.K.I.P. Factory	Y.K.I.P. Wastewater Treatment Plant	Standard	< 45°C	5-9	500	800	500
		Test Results	30.7	6.5	2.8	39.1	8.3

In compliance with environmental protection laws, the plant adopts two discharge systems, a rain gutter for rainwater collection and effluent channel for discharging wastewater into wastewater treatment plant. Catcher generates two types of wastewater: domestic wastewater produced by employees and wastewater produced during manufacturing processes. Domestic wastewater is treated by aeration and biological treatment. Production wastewater is mainly acidic and is generally treated using anodizing method. Specifically, acidic wastewater is neutralized at the wastewater treatment plant, coagulated, settled, and sand-filtered, before mixing it with domestic effluent for subsequent discharge. Every day, dedicated personnel tests the effluents by following discharge water quality standards. The test results showed that testing items such as suspended solids (SS) and chemical oxygen demand (COD) all conformed to and performed even better than statutory discharge standards.



## 4.3 Climate Change Strategy



Catcher fully understands the possible impacts of energy use and greenhouse gas (GHG) emission on the environment. Although it was not included in the list of GHG emissions mandated by the Environmental Protection Administration, Catcher still believes in the need to sustain its business and fulfill social responsibilities, and continues to control energy consumption levels. Since 2015, the Company took the initiative to conduct GHG inventory to determine the GHG emissions inside the factories and find any sources of emission that can be reduced in order to realize the energy and GHG management policies.

### 1) Policies/Commitments

Catcher is committed to promoting energy conservation and GHG inventory & disclosure's information, to control the greenhouse gas emissions. According to GHG emissions, Catcher can plan a reduction project, and then make a contribution to the earth.

### 2) Goals and targets: Minimize the impact

	2016	2017	2018
<b>The GHG emissions of per tons of products are lower year by year (emission unit: tCO2e)</b>	<b>71.419</b>	<b>59.942</b>	<b>58.236</b>

Medium-term and Long-term: Minimize the impact of climate change and global warming on the operation

### 3) Responsibilities

According to the internal operational management procedure, Catcher's Construction Department is responsible for leading and implementing energy management and conservation projects, and tracking other departments' situation.

### 4) Resources

Dedicated personnel of construction, energy-saving equipment and engineering, educational training

### 5) Grievance mechanisms

Public statement, employee feedback and grievance channel

### 6) Specific actions of 2018

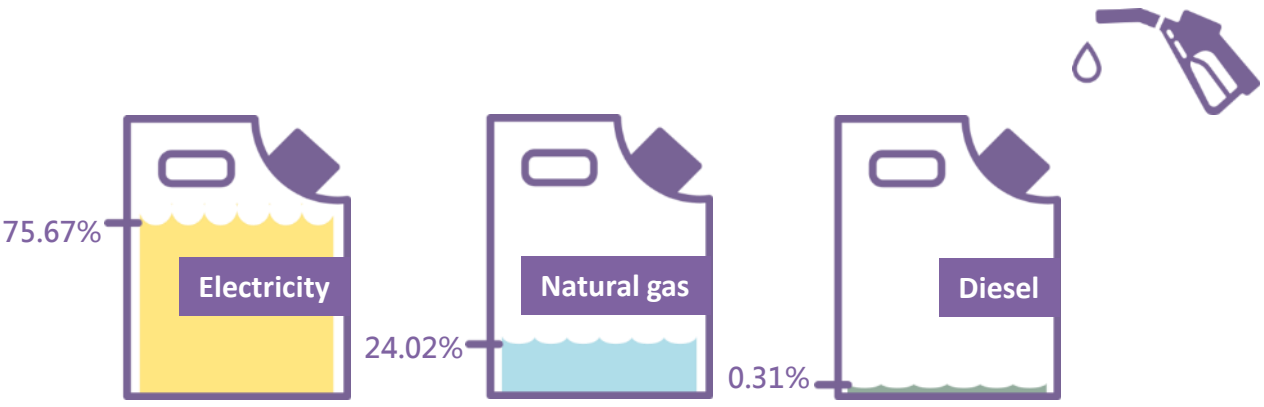
- Setting converters to save energy in wastewater plants

In 2018, Catcher promoted the installation of inverters in the wastewater plant in T.I.P. Factory, including inflow pumps, pumps for leveling tanks and discharge pumps to optimize electricity efficiency and achieve energy conservation. According to statistics, nearly NTD800,000 could be saved in one year.





Ren Ai Headquarters, T.I.P. Factory and Y.K.I.P. Factory each established its own Inventory Promotion Taskforce to execute GHG inventory and management. The taskforce is chaired by the Chairman of Catcher. In reference to the ISO 14064-1 Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals and the EPA GHG emission reporting operating guidelines, we chose 2015 as the baseline to ascertain the sources of emissions at the factories. The scope of quantification includes direct GHG emissions (Scope 1) and indirect GHG emissions (Scope 2). According to statistics, the main form of non-renewable energy used by Ren Ai Headquarters, T.I.P. Factory and Y.K.I.P. Factory in 2018 was electricity, natural gas, and gasoline and diesel. The total amount of energy consumed was 98,149,780,000 kcal of energy, most of which was electricity at 74,266,504,000 kcal followed by natural gas at 23,579,664,000 kcal. These calculations are based on the meter data provided by the electrical power company and natural gas company, petrol reimbursement forms of Catcher, and the 2017 energy statistics manual provided by the Ministry of Economic Affairs Bureau of Energy. In 2018, Catcher did not use renewable energy sources, and there were no electricity, heating, cooling, and steam sold.



▲ 2018 Non-Renewable Energy Consumption Ratios in Taiwan

The total emissions of three factories in 2018 were calculated to be 54,226.530 tons of CO<sub>2</sub>e, the direct GHG (Scope 1) emission sources contributed to 6,385.084 tons of CO<sub>2</sub>e, and energy indirect GHG (Scope 2) emission sources contributed to 47,841.446 tons of CO<sub>2</sub>e. Obviously, the GHG emissions of per tons of products are lower year by year because energy-saving programs have been successively launched at our factories, indicating that we have saved on both energy consumption and cost. In future, Catcher has continued to disclose carbon emission information on its official website ([http://www.catcher-group.com/tw/csr\\_esh\\_more.aspx?ID=9](http://www.catcher-group.com/tw/csr_esh_more.aspx?ID=9)) and in its CSR reports. We will also acknowledge the fact that our main source of GHG emission is purchased electricity, and implement various power-saving measures and ways to increase electricity efficiency, such as managing power use and replacing our lighting systems. The scope of implementation will include the production line, office buildings, and dormitories in Taiwan. Catcher will remain committed in practicing energy-saving and carbon reduction to protect the earth from top to bottom.



# 5 Appendices

5.1	GRI Standards Indicators Index Reference Table
5.2	United Nations Global Compact Comparison Table



## 5.1 GRI Standards Indicators Index Reference Table

GRI Standard	Disclosure	Page/Notes	Omission & Reasons for Omission
GRI 102: General Disclosures 2016			
1.Organizational profile	102-1Name of the organization	16	--
	102-2Activities, brands, products, and services	16	--
	102-3Location of headquarters	16	--
	102-4Location of operations	19	--
	102-5Ownership and legal form	16	--
	102-6Markets served	16	--
	102-7Scale of the organization	16, 19	--
	102-8Information on employees and other workers	52-55	--
	102-9Supply chain	33-34	--
	102-10Significant changes to the organization and its supply chain	Building D in Ren ai Factory was completed a construction project	--
	102-11Precautionary Principle or approach	31-32	--
	102-12External initiatives	Catcher adheres to the regulations of the RBA (Responsible Business Alliance) and UN Global Compact, and utilized RBA & UN Global Compact as reference criteria for the Company's Social Responsibility Management Procedures.	--
	102-13Membership of associations	71	--
2. Strategy	102-14Statement from senior decision-maker	4	--
3.Ethics and integrity	102-16Values, principles, standards, and norms of behavior	28-30	--
4.Governance	102-18Governance structure	20-21	--

## 5.1 GRI Standards Indicators Index Reference Table

GRI Standard	Disclosure	Page/Notes	Omission & Reasons for Omission
GRI 102: General Disclosures 2016			
5.Stakeholder engagement	102-40List of stakeholder groups	10	--
	102-41Collective bargaining agreements	Catcher requires its employees to sign an employment agreement form which stipulates their rights and obligations to protect both employees and employer	--
	102-42Identifying and selecting stakeholders	10	--
	102-43Approach to stakeholder engagement	11-12	--
	102-44Key topics and concerns raised	13-14	--
6.Reporting practice	102-45Entities included in the consolidated financial statements	5	--
	102-46Defining report content and topic Boundaries	14	--
	102-47List of material topics	13	--
	102-48Restatements of information	None	--
	102-49Changes in reporting	None	--
	102-50Reporting period	5	--
	102-51Date of most recent report	5	--
	102-52Reporting cycle	5	--
	102-53Contact point for questions regarding the report	93	--
	102-54Claims of reporting in accordance with the GRI Standards	5	--
	102-55GRI content index	88-91	--
	102-56External assurance	5	--



## 5.1 GRI Standards Indicators Index Reference Table

GRI Standard	Disclosure	Page/Notes	Omission & Reasons for Omission
GRI 103: Management Approach 2016			
Management Approach	103-1Explanation of the material topic and its Boundary	24, 28, 33, 36, 50, 59, 63, 78, 79, 82, 84	--
	103-2The management approach and its components	24, 28, 33, 36, 50, 59, 63, 78, 79, 82, 84	--
	103-3Evaluation of the management approach	26, 29-30, 34, 47, 76	--
Material Topics 2016			
201:Economic Performance*	201-1Direct economic value generated and distributed	Please see Catcher's 2018 Annual Report ( <a href="http://www.catcher-group.com/tw/investor_financial_psc.aspx">http://www.catcher-group.com/tw/investor_financial_psc.aspx</a> )	--
202:Market Presence	202-2Proportion of senior management hired from the local community	55	--
205:Anti-corruption*	205-1Operations assessed for risks related to corruption	30	--
	205-3Confirmed incidents of corruption and actions taken	28-29	--
206:Anti-competitive Behavior*	206-1Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	28-29	--
302:Energy*	302-1Energy consumption within the organization	85	--
303:Water*	303-1Water withdrawal by source	83	--
305:Emissions*	305-1Direct (Scope 1) GHG emissions	86, lease see Catcher's 2018 GHG Inventory Report- Executive Summary ( <a href="http://www.catcher-group.com/tw/csr_esh_more.aspx?ID=9">http://www.catcher-group.com/tw/csr_esh_more.aspx?ID=9</a> )	--
	305-2Energy indirect (Scope 2) GHG emissions		--
306:Effluents and Waste*	306-1Water discharge by quality and destination	83	--
	306-2Waste by type and disposal method	81	--
308:Supplier Environmental Assessment	308-1New suppliers that were screened using environmental criteria	33-34	--

# 5.1 GRI Standards Indicators Index Reference Table

GRI Standard	Disclosure	Page/Notes	Omission & Reasons for Omission
Material Topics 2016			
401:Employment*	401-1New employee hires and employee turnover	56-57	--
	401-3Parental leave	58	--
402:Labor/Management Relations*	402-1Minimum notice periods regarding operational changes	40	--
403:Occupational Health and Safety	403-1Workers representation in formal joint management–worker health and safety committees	65	--
	403-2Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	67	--
405:Diversity and Equal Opportunity	405-1Diversity of governance bodies and employees	52-55, Please see Catcher's 2018 Annual Report ( <a href="http://www.catcher-group.com/tw/investor_financial_psc.aspx">http://www.catcher-group.com/tw/investor_financial_psc.aspx</a> )	--
406:Non-discrimination	406-1Incidents of discrimination and corrective actions taken	49	--
407:Freedom of Association and Collective Bargaining	407-1Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	33-34, 48	--
408:Child Labor	408-1Operations and suppliers at significant risk for incidents of child labor	33-34, 48	--
409:Forced or Compulsory Labor	409-1Operations and suppliers at significant risk for incidents of forced or compulsory labor	33-34, 48	--
412:Human Rights Assessment	412-2Employee training on human rights policies or procedures	49	--
414:Supplier Social Assessment	414-1New suppliers that were screened using social criteria	33-34	--
415:Public Policy	415-1Political contributions	28	--
418: Customer Privacy*	418-1Substantiated complaints concerning breaches of customer privacy and losses of customer data	26	--

\*Note: Catcher’ s material CSR issues in 2018

## 5.2 United Nations Global Compact Comparison Table

Category	The Ten Principles	Page/Notes
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	47-49
	Principle 2: ensure that they are not complicit in human rights abuses	47-49
Labor	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	40-43, 47-49
	Principle 4: the elimination of all forms of forced and compulsory labor;	47-49
	Principle 5: the effective abolition of child labor; and	47-49
	Principle 6: the elimination of discrimination with respect to employment and occupation	47-49, 53-55
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges;	76-77
	Principle 8: undertake initiatives to promote greater environmental responsibility; and	76-86
	Principle 9: encourage the development and diffusion of environmentally friendly technologies	76-86
Anti-corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	28-30



**Thank you for taking the time to read this report. Please do not hesitate to contact us should you have any suggestions and words of encouragement.**

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