Introduction

The first GIGABYTE Sustainability Report was published in 2010 and this is the fourth report to be published to date. In keeping with our philosophy of "Concern about the Society and Fulfilling the Obligations", GIGABYTE continues to develop our indicators to realize economic, social and environmental benefits. This report enables GIGABYTE to report to our stakeholders on our business operations, corporate governance, employee relations, business ethics, social concern and environmental protection. The report will hopefully inform stakeholders about the ongoing efforts and accomplishments achieved by GIGABYTE towards sustainable development.

Scope

The report covers the sustainability performance of GIGABYTE Group's global operations between January and December, 2013. The indicators in the report encompass subsidiaries in Taiwan, China and other overseas regions.

Guidelines

The report follows the framework of Global Reporting Initiative's Sustainability Reporting Guidelines (GRI G3.1) as well as ISO 26000 and the United Nations Global Compact in disclosing the outcomes of GIGABYTE's corporate social responsibility commitments, strategies and management policies during the reporting period. The financial data disclosed in this report come from the publicly available annual report signed by chartered accountants. The organizational greenhouse gas emission inventory and reduction data were independently verified by third party auditor SGS. The data covers the Xindian Headquarters and Taoyuan's Nanping site, as well as the Dongguan and Ningbo sites in China. For more information, please refer to section 8.3

Publication

The Sustainability Report is published by GIGABYTE every year and made available on the sustainable development page at (http://csr.gigabyte.tw/). To protect the environment and realize paperless operations, the report is available in electronic form only and can be downloaded as a PDF file from the official page.
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Contact

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1. From the Chairman

GIABYTE continued to grow at a steady pace in 2013 thanks to the hard work of all employees, the support of our customers and investors, as well as the affirmation of different stakeholders. It takes the consensus and acceptance of all employees to form a sound corporate culture. As "integrity" is truly the foundation of sustainable development, GIGABYTE makes it clear to the management and all employees that they must remain true to this ideal and never forget their own responsibilities and influence. In line with our philosophy of "Upgrade Your Life", GIGABYTE has embraced the international trend toward sustainable development and spared no effort when it comes to fulfilling our corporate social responsibilities. Our efforts are aimed at leading all GIGABYTE employees and the general public towards a sustainable future based on the balancing of the environment, society and economy.

People are the most important asset in corporate governance, so the onus is on us as a company to build a friendly, welcoming work environment, to organize health seminars and employee health exams, and to establish a comprehensive development regime. GIGABYTE received government recognition in many areas of assessment during 2013 including 2nd

place in New Taipei City's high-quality nursing rooms, and Taoyuan County Government's gold employment award. These all testified to GIGABYTE's determination to create a good work environment for employees through a myriad of ways. Employee quality of life is also important to GIGABYTE. Various art and cultural seminars are hosted at different times to help employees relax and enrich their lives amidst the hectic pace of technology R&D. In 2013, we organized our first road run which nearly a thousand employees and their families took part in. Apart from strengthening the bond between employees this also encouraged employees to get in the habit of exercising.

As a leading brand, it is our mission to "leverage our core competencies and fulfill our social responsibility". Founded in 2002, "GIGABYTE Education Foundation" is dedicated to technology and innovation education, promotion of art & cultural activities, helping disadvantaged groups and participating in charity events. Our IT expertise is used to help IT-disadvantaged groups in order to narrow the urban-rural IT divide. The "Great Design Competition" is also hosted every year to provide young industrial design students with a real-world platform for

technology innovation. At the same time, we promote direct-selling of agricultural produce to protect farmers' interests and provide employees with safe food. This results in a win-win outcome for both. We even mobilized employees for the "Love at Gigabyte" charity fundraiser to support the Children's Hearing Foundation providing early intervention for disadvantaged families, make donations to single-parent families and Tzu Chi's long-term care families, and providing living stipends to students from bereaved families. The micro-donations bring warmth to society and continued to spread the spirit of charity among the needy segments of society and was honored and awarded "2013 Social Education Public Service Award" by the Ministry of Education.

The effects of climate change impose many challenges for businesses seeking sustainable development. GIGABYTE is therefore moving forward on sustainable development in a number of ways. We are working closely with suppliers to set up an environmental management system, ensuring that our products conform to green product guidelines and to protect the human rights of workers. In 2010, we launched the "Green Action Plan" to promote green product innovation activities, invite celebrity

speakers, hold environmental education seminars and support international environmental events. We also incorporated all kinds of environmental knowledge into our corporate risk management and green product design to convert environmental knowledge into green competitiveness. In 2013, GIGABYTE embraced the ideal of "Planting Trees for Earth" by building green spaces for eco- and energy sustainability in the form of "G-HOME sustainable rooftop" on top of our corporate buildings. Due to our strong performance in energy and resource conservation in recent years, in 2013 GIGABYTE received the "Outstanding Achievement Award in Energy Conservation and Carbon Reduction Action Mark" from the Taiwan Environmental Protection Administration. In addition to the four assessment standards of "Energy conservation and carbon reduction equipment improvement measures, energy conservation and carbon reduction self-management measures, energy conservation and carbon reduction education and future improvement measures, and disclosure of environmental protection activity information", we also participated in the "Carbon Disclosure Project (CDP) Supply Chain Program". Our score proved to be higher than the supply chain average, demonstrating GIGABYTE's effective implementation of energy-saving and carbon reduction. We are now looking forward to making further carbon reductions in the future.

Through all of this GIGABYTE has remained firm on our commitment to product quality and customer services. We are striving to improve the efficiency of energy and resource use, implement clean production, strengthen green supply chain management, develop low-carbon technology as well as promote green products and consumption in order to forge a green brand that consumers can trust. The environmental and ecological development is important to us and we seek to achieve a symbiotic balance with planet Earth. By integrating sustainable development with our core business operations, the true influence and benefits of business can be realized. Through innovation and technology, GIGABYTE will make our world a better place.

President Dandy Pei-Chen Yeh

2. GIGABYTE's CSR Commitment

2.1 Green Sustainability Development Committee

In 2005, GIGABYTE set up the "WEEE/RoHS Committee" in response to the EU WEEE and RoHS directives. The mission of the committee was to introduce measures for compliance with environmental legislation, as well as promote environmental issues and environmental education within the Group. To expand the promotion of green issues, the committee was renamed the "GIGABYTE Green Sustainability Development committee" in 2009 and sustainable development was enshrined as the goal of future management in order to make a contribution to environmental, social and economic sustainability. Each month, the committee organizes inter-business and inter-site conferences for promoting sustainable development initiatives within GIGABYTE.

The current chairman of the committee is our company CEO. The convener is the head of the Office of Sustainable Development while the deputy conveners are the heads of each business unit, R&D managers at subsidiaries as well as the head of the General Engineering Division. The mission of the committee is to realize clean production, low-carbon technology and zero pollution through balancing economic development and environmental conservation, technology and humanities, and the opportunities of today and the future generations. The integration of environmental education

resources in technology is used to emphasize sustainable development in education so that employees understand the impacts of business activities on the environment and society. The business philosophy and the management model can then be used to reduce the negative impacts in order to care for the environment and society. In this way, we can live in harmony with planet Earth, our home, and work together to realize sustainable development for the 21st century.

The Gigabyte Green Sustainability Development committee is organized as follows:

GIGABYTE Green Sustainability Development Committee

Chairman CEO

Convener: Head of Sustainable Development office
Deputy Conveners: Head of at each Business Unit
Head of General Engineering Division
Head of R&D at each subsidiary

GIGABYTE Education Foundation

| President of Subsidiary | President of each BU | Director of Group Resource Management Center | COO of Group Operation Management Center | Director of Customer Service Center |

2.2 CSR Direction and Targets

The direction of CSR policy at GIGABYTE springs from caring about humanities and strives to improve energy and resource efficiency, eliminate hazardous substances, and achieve the targets of zero waste and zero pollution. We aim to implement clean production, strengthen sustainable supply chain management, and continue to promote sustainable development based on the highest ethical standards. We develop low-carbon technology, design green products and work to build a green brand. Employees are encouraged to make "technological innovation, stable quality" their standard for caring about environmental and ecological development in order to live in symbiosis with planet Earth.
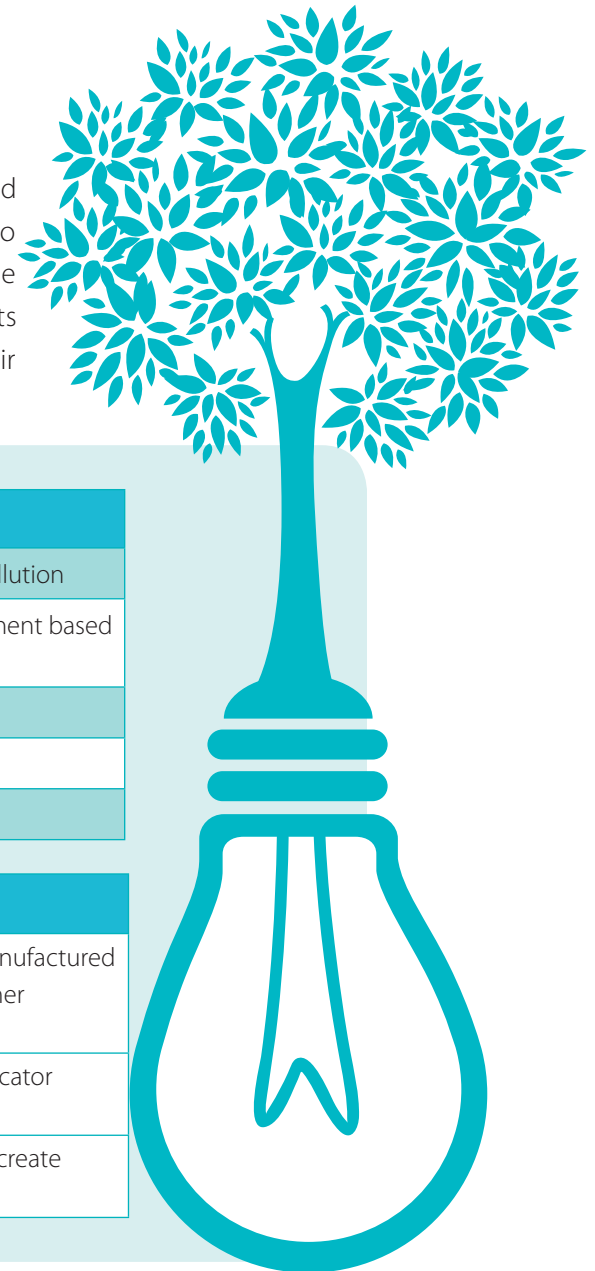
Direction of CSR Policy at GIGABYTE
Improve energy and resource efficiency, eliminate hazardous substances and achieve the targets of zero waste and zero pollution
Implement clean production, strengthen green supply chain management, and continue to promote sustainable development based on the highest ethical standards
Develop low-carbon technology, design green products, promote green consumption and create green brands
Care about the environment and ecological development, achieve symbiosis with planet Earth
Care about humanities and society

Short, Medium and Long-term Targets of GIGABYTE's CSR and Sustainable Development	
Short-term Targets	Provide a tangible implementation of environmental safety and commitments; guarantee that manufactured products can satisfy customer and environmental requirements; educate all employees on customer expectations of the product environmental management system.
Medium-term Targets	Establish an organizational greenhouse gas (GHG) and product carbon footprint performance indicator system to effectively reduce products' carbon emissions and environmental impact.
Long-term Targets	Promote corporate social responsibility (CSR) and develop environmentally friendly products that create customer value with fulfilling the company's CSR as the goal.

3. Company Overview

3.1 About GIGABYTE

Established in 1986, GIGABYTE Technology Co., Ltd. is the world's leading mainboard maker. We focus on the development of critical technologies and provide comprehensive, attentive after-sales service. Our group-based business model has successfully expanded our product lines to include notebook computers, tablet computers, desktop computers, computer peripherals, network communications products, servers and mobile phones. We strive relentlessly to satisfy consumer needs and build a complete digital lifestyle. With "Innovative Technology and Reliable Quality" as our watchword as well as localized marketing and service strategy at our side, GIGABYTE has successfully marketed the "GIGABYTE" brand around the world. We are now one of the world's tech companies as well as a pioneer in innovative mainboard and graphics card products.

Company Profile

Company Name	GIGA-BYTE Technology Co., Ltd.
Capital	NT$6.27 Billion
Revenue	NT$51.1 Billion
Date Established	April, 1986
Products and Services	Mainboards, graphics cards, computer chassis, power supply, cooling products, computer systems, servers, network communication products, multimedia and computer peripherals, notebook computers, tablet computers, portable devices, smart phones
Headquarters	No. 6, Bao Chiang Rd. Hsin-Tien Dist., New Taipei City 231, Taiwan

3.1.1 Core Values

Upgrade Your Life
Excellent Service and Support

"Upgrade Your Life" embodies the GIGABYTE spirit as well as our commitment to customers and consumers. GIGABYTE has always provided customer-oriented innovations with an emphasis on products that offer outstanding performance, exceptional quality, superb craftsmanship and a friendly interface. The industry-leading core technologies developed by GIGABYTE enable our products to provide an exceptional and breathtaking user experience.

3.1.2 Global Service Locations

GIGABYTE's production sites are located at Nanping in Taiwan as well as Dongguan and Ningbo in China. Overseas subsidiaries include the U.S., Germany, the Netherlands, the U.K., France, Russia, Poland, India, Japan, Spain, Mexico, Egypt and Australia. To create a comprehensive service network that offers attentive, total after-sales services, we have set up over one hundred service locations covering Western Europe, Eastern Europe, China, Northeast Asia, Southeast Asia, Australia, India, the Middle-East, North America and South America. These provide customers and consumers with the most responsive and professional service. To improve customer satisfaction, we also offer a 0800 toll-free number and online technical support to answers technical inquiries in real-time. Our consumer-oriented business philosophy starts with product development. GIGABYTE's 5th generation Ultra Durable mainboards and next-generation Ultra-Durable graphics card for example

all use the highest quality parts to ensure that DIY computer enthusiasts enjoy the best protection for their system. GIGABYTE is even offering 4-year warranty with free upgrades for our all solid-state capacitor mainboards. This was not only a first in the industry but also demonstration of GIGABYTE's faith in our product quality and commitment to protecting consumers' interests.

3.2 Market Overview

- **Continued Growth in Global Tablet and Smartphone Users in 2013**

  Market research firm IDC reported that in 2013 PC shipments decreased by 9.8% due to competition from tablets and smartphones, the biggest

Global Service Locations

Europe

- UK
- Bulgaria
- Czech
- France
- Germany
- Holland
- Hungary
- Israel
- Poland
- Romania
- Russia
- Spain
- Turkey
- Ukraine

Middle East & Africa

- Dubai
- Egypt
- Saudi Arabia
- South Africa

Asia & Oceania

- Australia
- Bangladesh
- Hong Kong
- India
- Indonesia
- Japan
- Korea
- Malaysia
- Myanmar
- Philippines
- Singapore
- Thailand
- Vietnam

Taiwan

- Taipei
- Hsintien
- Taoyuan
- Hsinchu
- Taichung
- Tainan
- Kaoshiung

North America

- USA
- Mexico

South America

- Brazil
- Peru
- Argentina

China

- Baotou
- Beijing
- Canton
- Changchun
- Changsha
- Changzhou
- Chengdu
- Chongqing
- Dalian
- Dongguan
- Fuzhou
- Guiyang
- Hangzhou
- Harbin
- Hefei
- Jinan
- Jingzhou
- Kunming
- Lanzhou
- Lhasa
- Longyan
- Nanchang
- Nanjing
- Nanning
- Ningbo
- Océ
- Qingdao
- Quanzhou
- Seaport
- Shanghai
- Shantou
- Shenyang
- Shenzhen
- Shijiazhuang
- Suzhou
- Taiyuan
- Taizhou
- Urumqi
- Wenzhou
- Wuhan
- Wuxi
- Xiamen
- Xian
- Xuzhou
- Zhengzhou
- Zhongshan
- Zhuhai

decline in history. Negative growth will persist in global PC shipments for 2014 as well. From a market perspective, emerging markets have always been the growth engine for PCs. The increasing rates of penetration for PC in these markets with large populations have contributed to overall growth, but the emerging markets have also been affected by a sluggish economy and changing priorities in equipment purchasing due to major changes in technology. In the medium term, we hope to see the emerging markets recover and perform better than developed markets. Growth will be limited however, and the past periods of high growth will not be repeated. The desktop PC market performed better overall than the declining notebook market. As Microsoft XP operating system begins to fade out of sight, shipments are expected to be more robust in the second half of the year.

- **The New Age of Cloud Computing**

  The proliferation of cloud technology has brought about increased diversity in devices and applications. Both the high-performance and lightweight PC markets are continuing to develop rapidly to bring users more digital content, information applications and multimedia entertainment. The jump in requirements for hardware performance and 3D multimedia applications means that top brands such as Intel, AMD, NVIDIA and Qualcomm are all working flat-out to develop new platform products that will effectively meet all of the different market requirements. In the mid- and down-stream sectors, the rapid development of cloud computing means that hardware products are now gradually transitioning to application services with light, thin, low-cost equipment as the carriers to provide users services on demand. A variety of cross-equipment services will develop rapidly as well.

To welcome the new age of cloud computing, GIGABYTE is continuing to release new, light, slim, convenient, energy-saving and easy-to-use product solutions. Balanced software and hardware development will be used to satisfy the demands of the market and users, and then make it a part of product design in order to create a brand that keeps up with global trends

3.3 Business Activities

GIGABYTE began as a computer component manufacturer but evolved over time to provide customers with a greater variety of computer peripherals to choose from. In recent years, we have expanded our product line to own-brand notebooks and mobile phones. We are also working to establish a reputation of "Excellent from GIGABYTE". In the future, we will continue to strive for innovation and transformation in the hopes of creating a better for all through high quality products that expand the imagination and exceed all expectations. Product lines include:

- **Components :** Motherboard, Graphics Card, Chassis , Power, Cooler
- **Desktop PC :** Desktop PC, Thin Client, All-in-One PC, Media Box
- **Peripherals :** Keyboard, Mouse, Speaker, Headset, Enclosure, TV Tuner Dongle, USB Charger
- **Server & Networking :** Server Motherboard, Server Barebone, Embedded Motherboard, Workstation, NAS, Wireless Products
- **Portable PC :** Laptop, Slate PC, Tablet
- **Mobile Communications :** Smartphone, Feature Phone, Mobile Phone, Smart Internet Devices

GIGABYTE products

Mobile Product

Smart Phone   Slate PC & Devices   Laptop

Desktop Product

All-In-One PC   Thin Client   Mini PC

Server & Communication

Embedded Motherboard   Server Motherboard   Server Barebone   Home NAS

PC Components & Peripherals

3.4 Business Development

3.4.1 Market Position

GIGABYTE's main product is the mainboard and the Institute for Information Industry reported that GIGABYTE is the world's second largest mainboard maker. The largest market is Asia and together with domestic sales accounted for 55.98% of all sales. Europe and North America are the second and third largest markets with 26.69% and 10.54% of all sales respectively.

Mainboard sales around the world

Region	Ratio (%)
Asia	50.86
Europe	26.69
North America	10.54
Other	6.54
Domestic	5.12

3.4.2 R&D and Technological Innovations

GIGABYTE has led the industry in product R&D and innovative technologies every year with 1423 patents secured between 2001 and 2013. For mainboards, graphics cards, notebooks and peripherals, GIGABYTE made safety, environmental protection, low-energy, power-saving and high-performance our goals to continue making breakthroughs in performance and quality. We have also developed cloud service solutions in response to recent cloud developments and applications.

Patents in Past Years
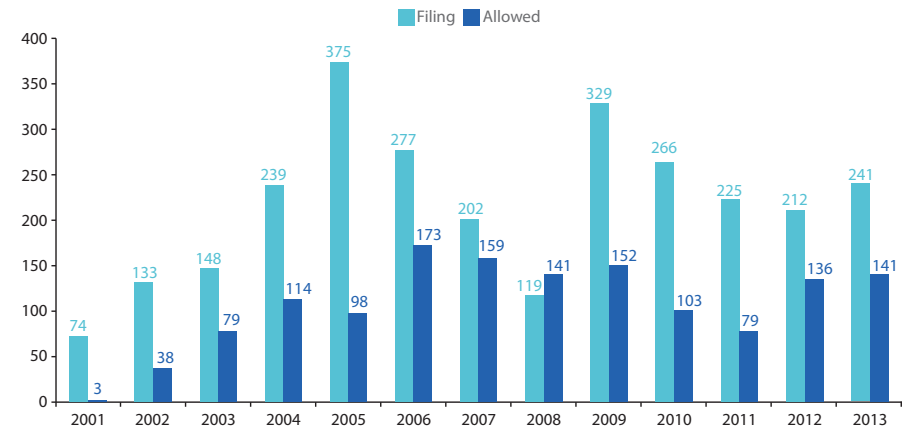
- **Continuing to be World No.1 in Mainboard Technology**

   The new mainboard series featuring our proprietary Amp-Up Audio technology is far ahead of our competitors in terms of function, performance, quality and support. The all-new G1.Sniper 5 mainboard is proof of GIGABYTE's support of DIY and marked the first time in the world that gamers can enjoy exceptional audio quality through the amplifier chip integrated into the mainboard. This product series also received the design & innovation award at COMPUTEX 2013, recognizing GIGABYTE's efforts in design and innovation as well as proving that our unique component design satisfies the needs of elite gamers on gaming and computer performance.

- **"Triangle Cool" Technology Boosts Graphics Card Cooling Performance by 21%**

  In keeping with our tradition of delivering extreme quietness, cooling and performance in graphics cards, GIGABYTE made a breakthrough in cooling this year by releasing the new WINDFORCE 3-fan 2-slot cooling system for 450W graphics cards. Three smart PWM inclined fans and cooling fins just 2-slot in height enable a 2-slot cooling system to deliver the chilling power of a 3-slot cooling system. The addition of our proprietary "Triangle Cool" technology and 6 composite heat pipes come together to become GIGABYTE's unique 3-dimensional anti-turbulence architecture. This not only makes WINDFORCE more visually attractive but also delivers 21% more cooling performance than the reference design, providing gamers with the best quality gaming platform and the smoothest performance.

- **Boundless Creativity Fuses Tablet and Notebook**

  Gigabyte notebooks have always been renowned for developing high-performance products. This year, GIGABYTE released the all-new P series ultra-slim e-sports notebook, U series high-performance slim notebook, S series business & entertainment tablet, and Q series everyday multi-tasking notebook. The GIGABYTE P35K 15.6" e-sports gaming notebook deliver the very best in gaming performance by bringing together the new NVIDIA® GeForce® GTX 765M discrete graphics card, 4th generation Intel® Core ™ i7 processor and an ultra-slim chassis just 21mm in thickness to challenge the throne of the thinnest notebook on the planet. Additional features such as swappable CD drive/hard disk, 1080p Full HD IPS ultra-widescreen high-definition display, stereo sub-woofer and audio optimization software technology stunned the gaming community with

  unprecedented flagship-level e-sports specifications, exceptional design and craftsmanship, making it without doubt the thinnest e-sports gaming machine in the world! The GIGABYTE U21M 11.6" touch notebook with rotatable display is a study in design aesthetics with a weight of just 1.49kg and a slim 20mm thick chassis. Inside it comes with a high-performance 4th generation Intel® Core ™ processor, a hybrid hard disk with up to 1TB of capacity, and standard peripheral ports. The rotatable multi-touch screen and HDMI video support combines tablet and notebook through boundless creativity and provides users with options that far exceed their expectations.

- **Light and Compact with Exceptional Performance - the BRIX Micro PC**

  GIGABYTE's brand new BRIX micro PC combines a super compact form-factor and fashionable design. BRIX is currently the smallest x86 Micro PC barebones system on the market and is available with different models of high-performance Intel® Core ™ processors to satisfy different usage requirements. The outstanding performance, comprehensive peripheral ports and support for high-definition dual-display output means that BRIX is not just the best option for building small HTPCs, but can also be used in home, office and school computing environments. It is also more than capable for commercial display functions such as outdoor digital signage. The GIGABYTE GB-AF21TS 21.5" AIO inherits the strengths of the Thin Mini-ITX, supports 4th generation Intel® Core® processors, and a bezel-less multi-touch screen for use with Windows 8. The minimalist design incorporates a removable cover and swinging heat sink to simplify maintenance and the task of assembling an AIO.

- **Less is More - Aivia Neon Laser Pointer Mouse**

  The Aivia Neon touch-charge air presenter mouse, winner of the Reddot 2013 Design Award, exemplified the design philosophy of "Less is More". By combining the advantages of the wireless mouse and presenter mouse, it offers you the freedom of intuitive operation in office, conference room, classroom and living room! The Aivia Uranium e-sports macro display wireless mouse is not only a wireless mouse that offers a first-class grip, but also comes with GIGABYTE's patented Macro Station receiver. Players can use the OLED display on the Macro Station to adjust and select their current macros at any time without having to jump out of the gaming screen. The macros are stored in the receiver so the Aivia Uranium wireless mouse is not only more energy efficient but also provides the same signal quality as a wired mouse that e-sports gamers expect.

3.4.3 Business Strategy

GIGABYTE has long been actively engaged in R&D and we invest at least 3% of our revenues each year to this end to ensure that we control the software and hardware technologies critical to our future growth. Efforts are focused on creating new product value and sustainable brand development. Apart from winning top international awards such as iF and Reddot in recent years, the GIGABYTE brand has also been showcased at the Office of the President and the Taoyuan International Airport as a representation of Taiwanese brands. These provide ample demonstration of GIGABYTE's prowess in branding.

- **Short-Term Plan**

  The market is now dominated by strong demand for personalized video and multimedia applications. Combined with cloud technology, this means demand is high for tablets of all sizes and touch control. GIGABYTE plans to release products related to cloud technology and slim aesthetics that will satisfy user demand for always-on access to cloud services. These will make GIGABYTE the leading brand in the market. On the product front, with introduction of new products, GIGABYTE will create complete product lines that cover the flagship, high-end, mid-range and entry segments. Products will be targeted at selected markets in each country in order to satisfy the needs of different users. GIGABYTE will also strengthen our product performance and value in order to boost our profit margins. Innovative and differentiation marketing, as well as alliances with upstream international name-brand vendors (e.g., Intel, AMD, NVIDIA, Qualcomm) and top brands in other industries (e.g. software vendors), will be used to boost brand exposure and profile. In channel development, we will strengthen our cooperation with general distributors, set targets for marketing strategies and then put them into action. We will also gradually expand our reach to include distributors in order to reinforce our supply and demand chain as well as provide the appropriate service and support. Regarding services, we will enhance our customer satisfaction activities in order to improve brand loyalty through swift and effective customer service.

- **Long-term Plan**

  GIGABYTE will continue to uphold our brand spirit of "Upgrade Your Life" and continue to release products that are both attractive and competitive

while also expanding our product lines and market position. We will aggressively upgrade the market position of our existing product lines and at the same time, leverage the trend towards cloud technology and personal digital living to identify more diverse and innovative products. These will open up new market opportunities, expand our markets, increase our customer base, and generate new revenues and greater profitability for the company in the long-term. GIGABYTE will continue to focus on cloud computing trends and demands as well as green technology. We hope to build on customers' trust in GIGABYTE's R&D, quality and support, and many support locations around the world are provided to satisfy customer needs and create more opportunities for company's growth. Customers' confidence in GIGABYTE R&D, quality and service is the driving force for us receiving more orders for IT products. Extended partnerships have now been formed with several strategic partners in Japan and Europe already.

- **Future Business Environment**

  A number of favorable and unfavorable factors in the domestic and overseas business environment are expected to have an effect on company operations in 2014, including:

  - The US is bringing its 5-year QE policy to an end, indicating that the American economy is now officially in recovery and will drive global economic growth.
  - China is accelerating its economic reforms and loosening interest rates.
  - Japan is increasing its consumption tax by 3%, which may have an impact on consumer confidence.
  - Tensions in Ukraine may impact on living and energy costs in Europe.

This will in turn impact on customer orders.
- The suspension of No.4 Nuclear Power Plant construction in Taiwan may affect manufacturing costs due to uncertainty over power supplies in the future or electricity rates.
- Taiwan's slow progress in FTA agreements compared to other competing nations will indirectly affect business competitiveness.
- The recent drop in the RMB exchange rate and the manipulation of exchange rates by the People's Bank of China is affecting business hedging and profits.

In the face of these unfavorable factors, the global economy will continue to be dominated by the US and China in 2014. GIGABYTE will continue to make China our key market and reduce the impact of unfavorable factors through continued development and solid management.

Developments in IT products in recent years have changed existing ways of life and industry development. Mobile and cloud technology have become important areas of development. For our existing core products, GIGABYTE is striving to develop innovative, value-added products that are environmentally friendly and energy-saving. In response to current trends, we have also made progress in developing cloud services. GIGABYTE is now maintaining our advantage in IT product R&D, manufacturing and quality, while also making innovation and adapting to new trends our growth strategy. Our goal is to realize sustainable development, create profits, share with our investors, benefit all mankind and give back to society.

3.5 Financial Information

GIGABYTE issued a dividend of NT$3 per ordinary share for 2013 in 2014.

During 2013 global industrial production and trade remained sluggish. Prices remained flat, and the international financial market continued to experience upheavals with the global economy shrinking even faster. Developed nations did show signs of growth while developing countries ran into more difficulties. Of the three major economic entities, China, the U.S. and the E.U. saw a slight recovery in domestic consumption, so the economic indicators turned the corner. Our industry was not only affected by the weak global economy but also by the continued improvement in cost vs. performance of notebooks and the crowding out effect of handheld devices (tablets and mobile phones). Although these have led to a contraction in the desktop PC market, GIGABYTE continued to win over consumers in 2013 by focusing on high-quality and high-specification products. Motherboard and VGA shipments by international brands amounted to 19,840,000 pcs and 4,117,000 pcs respectively, an increase of 8% and 11% from the previous year. Improved profitability in other business units saw GIGABYTE profits reach new heights. The 2013 operating income of $46.718 billion was up $4.575 billion from $42.142 billion over the same period last year, representing a growth of 10.86%. The net profit after tax of $2.356 billion was up $807 million from $1.548 billion over the same period last year, an increase of 52.10%. More detailed disclosure on financial information can be found in the GIGABYTE 2013 Annual Report. http://www.gigabyte.tw/gigabyte.aspx?s=36

Financial information for the GIGABYTE Group

Item	2013	2012	Change	Change (%)
Operating Income	46.718 billion	42.142 billion	+4.576 billion	+1.086%
Gross Operating Profit	7.213 billion	6.326 billion	+0.887 billion	+1.402%
Net Profit after Tax	2.356 billion	1.548 billion	+0.808 billion	+5.210%

Item		2013	2012
Financial Structure (%)	Debt Asset Ratio (%)	30.84	31.63
	Long-term Capital Ratio (%)	1,035.02	951.38
Debt-paying Ability	Current Ratio (%)	199.70	210.71
	Quick Ratio (%)	112.30	122.09
Profitability (%)	Return on Assets (%)	7.69	5.29
	Return on Equity (%)	11.18	7.59
	Profit Margin (%)	5.04	3.67
	Earnings Per Share (NTD)	3.76	2.48

3.6 Awards

GIGABYTE has not only long been one of Taiwan's top 100 exporters, but is also committed to product innovation. We have embraced sustainable development to develop a series of energy-saving and high-performance products that satisfy customer requirements. We are also the recipient of many awards from international media and leading agencies every year. As of 2013, GIGABYTE has received over 11,806 awards. The many accolades represent recognition of our company's excellent product quality and business direction.

In 2012 GIGABYTE won the "Industrial Sustainable Excellence Award" that is considered the highest honor in the industrial community. The rigorous judging process examined products, technology, service, sustainable development, business management and other areas. Our outstanding performance in the environment & resources, business management and technology aspects was recognized with this sustainability award and made us a role-model for the rest of the industry.

- **2013 Reddot Product Design Award, Germany**

The 2013 Reddot Product Design Award in Germany is one of the top four international design awards and serves as a barometer to the industry and global market. The triumph of "GIGABYTE Aivia Neon" touch-charge laser presenter mouse demonstrates GIGABYTE's innovation ability to the world. With "Less is More" as its design concept, the Aivia Neon with a 1200 dpi laser tracking engine is not just a light wireless mouse but also a dynamic presenter mouse that allows you to build a professional image in the office. To recharge the Aivia Neon, just put it in contact with its USB receiver!

2013 Awards

Date	Award / Organizer	
2013-03	GIGABYTE Aivia Neon Touch- Charge Laser Presenter Mouse	Red Dot Design Award, Germany
2013-04	GIGABYTE P2542G Gaming Notebook, GTX680 Super-OC Graphics Card	Silver Award, Taiwan Excellence Awards
2013-06	COMPUTEX G1.Sniper 5 and Z87X-OC Force Mainboard	Computex 2013 Design & Innovation Awards
2013-11	Bronze Award, "Taoyuan Heart, Employment Service ~ Gold Employer Awards"	Taoyuan County Government
2013-12	2nd Place, High-Quality Nursing Rooms	Public Health Department, New Taipei City Government
2013-12	GIGABYTE achieves 100% win rate at Taiwan Excellence Awards	Taiwan Excellence Awards
2013-12	Outstanding Achievement Award in the Office Category of the "Energy Conservation and Carbon Reduction Action Mark"	Environmental Protection Administration, Executive Yuan

- ### Garnering the Top 3 Awards at Computex 2013

  As a top global mainboard, graphics card and hardware solutions maker, GIGABYTE has garnered three awards in the 2013 COMPUTEX, including two design & innovation awards presented by the Taiwan External Trade Development Council (TAITRA), Computex's organizer, as well as the Best of Computex award presented by Tom's Hardware, the world-renowned 3C review website.

- ### Winner of 2 Computex d&i Awards

  The judging for the 2013 COMPUTEX d&i Awards was a joint effort between show organizer TAITRA and the International Forum Design (iF). iF is considered to be the most authoritative and influential organization in the field of industrial design. The best products were selected by a panel of professional judges after detailed analysis and extensive discussion. In the parts category of the COMPUTEX 2013 d&i Awards, GIGABYTE's G1.Sniper 5 and Z87X-OC Force mainboards both caught the eye of the judges to emerge from the pack.

- ### Tom's Hardware's Best of Computex 2013 Awards: Systems and Components Innovation" Category

  GIGABYTE also received another honor at COMPUTEX 2013 in the form of the "Systems and Components Innovation" award presented by Tom's Hardware, the world-renowned 3C review website, for the Z87X-OC mainboard. An outstanding effort by the GIGABYTE R&D team produced an innovative product design and excellent cost-price ratio in the GIGABYTE Z87X-OC mainboard that enabled overclocking enthusiast to reach unprecedented heights.

- ### Winner of the "Taiwan Excellence Award"

  The Taiwan Excellence Award is hosted by the Ministry of Economic Affairs and Taiwan External Trade Development Council (TAITRA) to promote great quality Taiwanese products in different categories. All selected products are judged in the five criteria of "R&D innovation", "Design", "Quality", "Marketing" and "Made in Taiwan" before they are awarded the "Taiwan Excellence" mark. In keeping with our philosophy of "Excellent from GIGABYTE", we have developed products that are energy-saving, environmentally friendly, aesthetically pleasing and user-friendly as well. By responding to the latest trends in the industry and market through creative and different products, all seven handpicked GIGABYTE products emerged from a pack of more than 2000 submissions to win the award. This translated into a 100% award rate and two of the products were also shortlisted for the silver award, demonstrating GIGABYTE's commitment to "Innovative Value, Superb Quality". Even more importantly, GIGABYTE was able to showcase to the international community its commitment to the philosophy of "Made in Taiwan" by keeping mid- and high-end mainboards, graphics cards, notebooks and other products requiring sophisticated manufacturing processes in Taiwan.

Past global awards received

- ## **Outstanding Achievement Award of 2013 "Energy Conservation and Carbon Reduction Action Mark" from the Environmental Protection Administration**

In 2013, GIGABYTE headquarters received the "Outstanding Achievement Award of Energy Conservation and Carbon Reduction Action Mark" in the office category from the Environmental Protection Administration (EPA) of the Executive Yuan. The "Energy Conservation and Carbon Reduction Action Mark" assessment is divided into four parts, these being "Energy conservation and carbon reduction equipment improvement measures", "Energy conservation and carbon reduction self-management measures", "Energy conservation and carbon reduction education and future improvement measures", and "Disclosure of environmental protection

activity information". The extent that energy conservation and carbon reduction measures were implemented by applicants was then reviewed by industry, government and academic experts. Those that achieve a score of over 80 after an on-site inspection by industry experts and academics were then entitled to receive the "Energy Conservation and Carbon Reduction Action Mark", which is valid for two years. The top two companies in each category were also presented with the Outstanding Achievement Award. In 2013, GIGABYTE received strong praise from the review committee and received this honor with nearly full marks. The judges were particularly impressed with GIGABYTE's efforts in "Energy conservation and carbon reduction self-management" and "Energy conservation action", these being:

"Energy conservation and carbon reduction self-management": Building the first green rooftop in Taiwan based on the concept of sustainable ecology that combines wind, light, human-powered electricity production and rainwater recovery system.

"Energy conservation action": Sorting of garbage, promotion of vegetarianism, various water and power-saving measures, and active promotion of environmental education.

3.7 Intellectual Property

Systematic management at GIGABYTE has produced excellent results in intellectual property (IP) management. For trademark licensing, our legal staff now has a computer system for tracking our trademark applications and licensing in each country. The system also monitors for the deliberate violation of GIGABYTE trademark rights by third parties. This protects GIGABYTE against trademarks infringements by or against us.

Our patent personnel's comprehensive patent searching and analysis provides more effective protection of our company's IP and business interests by giving researchers a full picture of existing technologies during new R&D projects so they do not infringe on other companies' IP. We are encouraging researchers to contribute their creativity and consider it an honor to acquire patents through our patent incentive scheme and internal education. Since the scheme's implementation, the numbers of patent applications and patents granted have increased significantly at GIGABYTE.

At the same time, our legal personnel is always on-hand to answer IP-related questions that GIGABYTE employees may encounter in business and help them manage legal risks during projects.

The IP management model described above not only enables the efficient use of management resources, but is also effective in protecting our IP and business interests. This not only further enhances our competitive advantage but also provides more concrete protection of our intangible efforts, leading to greater profits, more business value and better brand image for GIGABYTE.

3.8 Association Membership

GIGABYTE is committed to improving the efficiency of energy and resource usage as well as eliminating the use of hazardous substances. To realize the target of zero waste and zero pollution, we have joined the Climate Savers Computing Initiative as well as Taiwan Electrical and Electronic Manufacturers' Association and Taipei Computer Association. Membership of these organizations enables GIGABYTE to continue making a difference in the environment and society by upholding high ethical standards in sustainable development.

4. Stakeholder Engagement

4.1 Stakeholder Communication

To realize the goal of sustainable development and fulfill our corporate social responsibility, GIGABYTE has established transparent, effective and multilateral channels of communication with all of our stakeholders to understand their needs and expectations of GIGABYTE. These serve as important references during the formulation of our CSR policy and related projects. GIGABYTE Group's stakeholders include government agencies, customers, employees, shareholders, investors, suppliers, communities and other non-profit organizations. We believe that each stakeholder has a different set of expectations from our responsibilities, so we use a variety of methods and channels to communicate with each stakeholder and convey to them GIGABYTE's sincerity and determination to embrace sustainable development.

GIGABYTE Communications with Stakeholders

Stakeholder	GIGABYTE's Role and Responsibility	Method of Communication
Government	• Observe laws and regulations • Pay taxes • Provide advice on lawmaking • Cooperate with promotional activities • GHG reduction, energy resource management	• Join industry organizations to set up a platform for stakeholder communication • Participate in legislative public hearings • Provide promotional resources as necessary
Customer	• Provide quality products and services • Improve customer satisfaction • Cooperate with the customer to realize environmental and social responsibility targets	• Conduct customer satisfaction surveys • Organize technical workshops and seminars • Carry out environmental/social responsibility surveys and improvements required by customers
Employee	• Provide a quality work environment • Provide reasonable compensation • Provide career development and training • Protect basic human rights • Corporate governance	• Provide employees with an e-mail for communication • Provide employees with a message board • Organize regular employee health exams • Provide internal and external training • Regular/extraordinary meetings by each organization
Shareholder	• Correct and timely disclosure • Provide appropriate return on investment • Corporate governance	• Regular general shareholders' meetings • Publish annual reports • Hosting of communication and small-scale investor conferences at different times
Supplier	• Provide reasonable transaction pricing • Inform them on GIGABYTE's CSR practices • Assist us with green procurement and CSR	• Provide an electronic communication platform • Organize suppliers' meetings • Consult on green procurement specifications
Community	• Prevent environmental and safety accidents • Provide employment opportunities • Respect local culture and customs • Participate in local charitable activities	• Provide a communication platform • Examine environmental pollution indicators regularly • Draw up emergency response plans • Establish a foundation to co-organize related activities
Non-Profit Organization	• Respond to issues of interest • Participate in public welfare and environmental protection activities • Establish the GIGABYTE Education Foundation	• Establish communication platform • Participate in relevant organizations and forums • Support relevant activities

4.2 Identifying Stakeholders' Material Issues

GIGABYTE communicates with stakeholders through a variety of means and channels. Material issues to stakeholders are compiled and analyzed to highlight the issues relevant to each unit. The issues are then sorted into major issues, secondary issues or ordinary issues by materiality. Major issues are given priority in the annual work plan or targets.

- **Stakeholder Identification**

  GIGABYTE defines stakeholders as internal and external groups or individuals that affect or are affected by GIGABYTE. According to this definition, GIGABYTE's stakeholders include government agencies, customers, employees, shareholders, suppliers, communities and other non-profit organizations.

- **Stakeholder and Issue Analysis**

  Once the stakeholders have been identified, individual communication platforms are set up between GIGABYTE and stakeholders based on their level of influence and issues. Diverse and systemic communication channels are also established through the responsible internal units to compile economic, social and environmental issues of interest to stakeholders. The level of interest and potential impact on the company are then used for the materiality analysis and classified as significant issues, secondary issues and ordinary issues for inclusion into the annual work plan.

- **Stakeholder Projects**

  The results of the above analysis are incorporated into the routine operations or annual plan of the relevant GIGABYTE units or inter-departmental projects set up in order to support our company's sustainable development strategy.

- **Stakeholder Interaction**

  GIGABYTE interacts with each stakeholder in a different way to make effective use of company resources and create a relationship of mutual benefit. During the interactions with stakeholders, we set different performance indicators for each issue depending on the stakeholder that are regularly reviewed to drive continued improvement.

Results of Materiality Analysis for Stakeholder Issues

Stakeholder Interest

Impact on Company

C4
C13
A9
A2
B10
A1
A3
B1
C14
C5
B12
C3
A8
A11
B8
C12
B3
B7
B9
A4
C7
B13
B2
B14
A13
A6
C1
C2
C16
C15
B6
B15
C10
B5
C8
C11
A7
B16
B4
A10
C9
B11
A12
C6
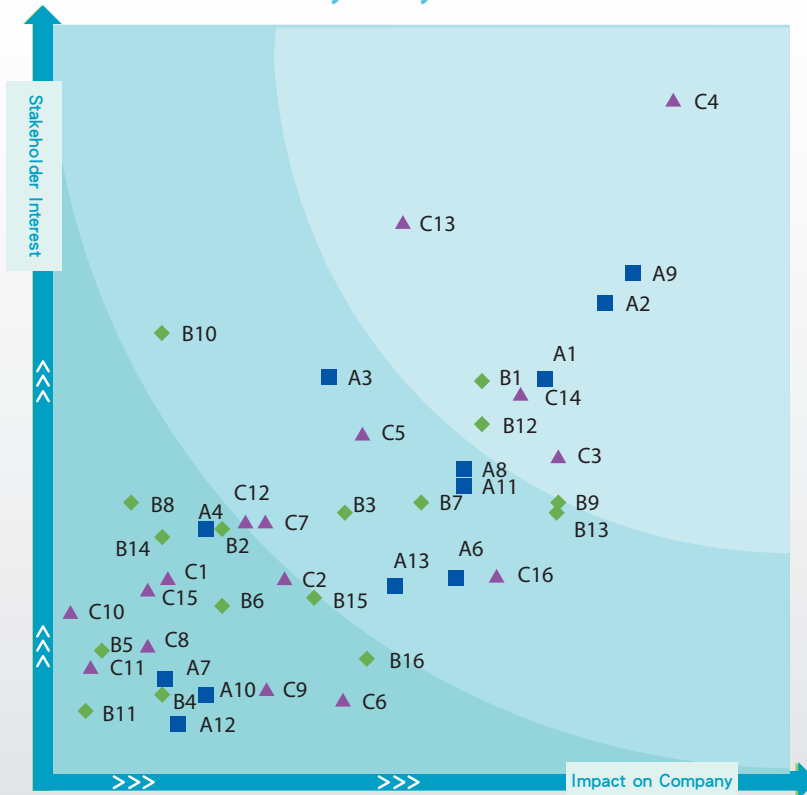
Ordinary issue   Secondary issue   Significant issue

A1 Corporate governance	B1 Use of raw and recycled materials	C1 Employee hiring
A2 Ethics and integrity management	B2 Energy resource reduction	C2 Employee turnover
A3 Business strategy and overview	B3 Energy-saving products	C3 Labor relations
A4 Climate change risks and opportunities	B4 Water resource management	C4 Occupational safety and health
A5 Welfare program	B5 GHG management and reduction	C5 Employee career development and training
A6 Legal compliance	B6 Nature conservation	C6 Human resource management and assessment
A7 Indirect economic impact	B7 Waste management	C7 Diversification and equal opportunities
A8 Brand management	B8 Pollution prevention	C8 Human rights management
A9 Innovative R&D capability	B9 Product hazardous substance management	C9 Conflict metals management
A10 Disclosure	B10 Product carbon footprint	C10 Community
A11 Green product innovation	B11 Product plastic and water footprints	C11 Anti-corruption/Anti-bribery
A12 Employee code of conduct	B12 Green technology R&D	C12 Regulatory compliance
A13 Employee remuneration and profit-sharing	B13 Eco-design	C13 Product responsibility
	B14 Environmental legislation compliance	C14 Customer service
	B15 Internal environmental education	C15 International organization and participation
	B16 Environmental costs	C16 Corporate culture building and bonding

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

-us.aspx) and CSR mailbox (csr@gigabyte.com) on the GIGABYTE website to help us learn your opinions. Dedicated staff sort and forward questions and suggestions by scope and type to the appropriate business units for response.

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

Stakeholders' Material Issues Index

Issue	Description
Occupational health and safety	7.7.1 Labor occupational safety and health
	7.7.2 Workplace health
	7.8 Happy workplace, Upgrade Your Life
Innovative R&D capability	3.4.2 R&D and Technological Innovation Results
	8.5 Green products
Product responsibility	6.3 Hazardous substance management
	8.3.6 Classification of smart phone products
	8.2 Quality and environment management
	8.5 Green products
	8.6 GIGABYTE green classes
Ethics and integrity management	5.2 Ethics and business conduct
Corporate governance	5. Corporate governance
Use of raw and recycled materials	8.5.2 Raw materials
	8.5.4 Product packaging
Customer service	6.5 Customers
Green technology R&D	8.5 Green products
Labor relations	7. Employees

5. Corporate Governance

GIGABYTE operations are transparent and we have progressively defined company rules based on corporate governance principles, such as "Rules and Procedures of Shareholders Meeting", "Board of Directors' Procedural Rules" and "Procedures for Handling Material Internal Information". Shareholder rights are important to us. GIGABYTE is not just led by a professional and committed management team. We have meet shareholders and society's expectations on fulfilling our social responsibilities while satisfying the spirit of the corporate governance principles for public companies. Our organizational chart is shown below.

Corporate Governance Organization

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                    ┌─────────────────┐
                    │  Shareholders'  │
                    │     Meeting     │
                    └─────────────────┘
                             │
                    ┌─────────────────┐
                    │      Board      │        ┌──────────────────────┐
                    │     Meeting     │────────│   Internal Audlt     │
                    └─────────────────┘        └──────────────────────┘
                             │                 ┌──────────────────────┐
                                               │ Remuneration Committee│
                    ┌─────────────────┐        └──────────────────────┘
                    │   Office of the │        ┌────────────────────────────────────────┐
                    │       CEO       │────────│ Green Sustainability Development Committee│
                    └─────────────────┘        └────────────────────────────────────────┘
                                               ┌──────────────────────┐
                                               │ Board of Employee Welfare│
                                               └──────────────────────┘
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| Group Resource Management Center | Customer Service Center | Graphics Card BU | Motherboard BU | Network & Communications BU | Mobile Products Business Center | Mobile Phone Products BU | Manufacturing BU | Operations Management Center |

| GIGAZONE | G-Style | GIGABYTE Communications |

Functions of major GIGABYTE departments

Unit	Functions
Office of the CEO	Coordinate the company's business strategy as well as map out development objectives and direction.
Auditing Office	Investigate and assess the viability, suitability and effectiveness of company systems.
Group Resource Management Center	Responsible for the integration and management of the GIGABYTE brand, human resources and overseas operations.
Operations Management Center	Coordinate the company's management of financial, accounting, investor relations, budgeting, domestic/overseas investments, general affairs, legal affairs as well as computer system software/hardware maintenance and sustainable development.
Manufacturing BU	Responsible for the production and manufacturing of computer mainboards, graphics cards and network & communications products as well as assembly of PC systems.
Motherboard BU	Responsible for the design, R&D and sale of mainboards.
Network & Communications BU	Responsible for the design, R&D and sale of server, network & communications, ODM customer and digital products.
Graphics Card BU	Responsible for the design, VGA, R&D and sale of multimedia and graphics card products.
Mobile Products Business Center	Responsible for the design and R&D of notebook products.
Mobile Phone Products BU	Responsible for the design and R&D of mobile phone products.
Customer Service Center	Responsible for the after-sales service and support of all GIGABYTE products.

5.1 Board of Directors and Management

GIGABYTE complies with the relevant principles on corporate governance set out by the Company Act, the Securities and Exchange Act and other relevant laws and regulations of the Republic of China. We respect shareholders' rights and conduct regular reviews of internal controls. The leadership of the chairman assists the Board of Directors in fulfilling its responsibility to be an independent, diligent and professional Board of Directors. The current chairman is Mr. Yeh, Pei-chen.

GIGABYTE convenes regular board meetings with voice recording and minutes kept as required by law. The attendance of directors and supervisors are also on record. Directors are expected to excuse themselves where a conflict of interest may exist. All important decisions made by the Board are disclosed on the Market Observation Post System website as required by law. To improve the governance of the Board of Directors, GIGABYTE has drawn up the "Board of Directors' Procedural Rules" in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" proclaimed by the competent authorities. The current GIGABYTE management team is as follows:
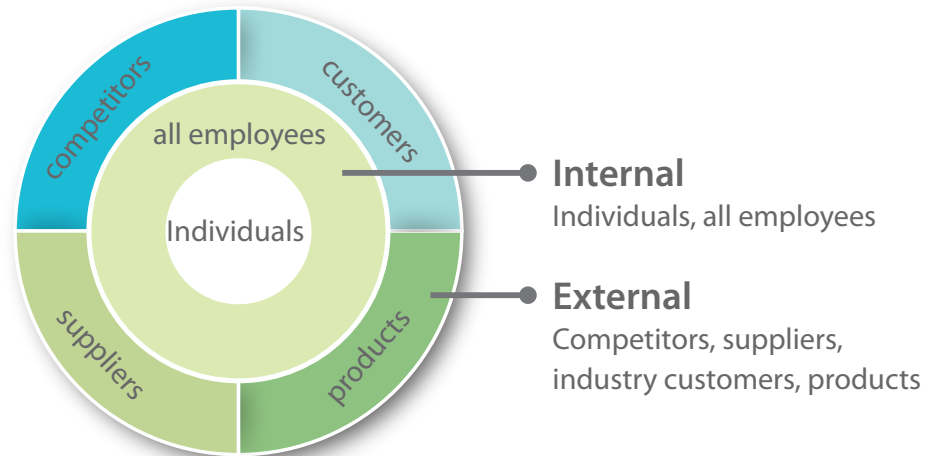
Directors and Supervisors

Title	Name
Chairman	Yeh, Pei-Chen
Vice Chairman	Ming Wei Investment Co., Ltd. Representative: Liu, Ming-Hsiung
Director	Shi Jia Investment Co., Ltd. Representative: Ma, Meng-Ming
Director	Yuei-yeh Kai Fa Investment Limited Corp. Representative: Tseng, Chun-Ming
Director	Shi Da Investment Limited Corp. Representative: Ko, Tsung-Yuan
Supervisor	Xi Wei Investment Co., Ltd. Representative: Chen, Hui-chou
Supervisor	Wang, Hui-Min
Supervisor	Pan, Chi-Hsiu

5.2 Ethics and Business Conduct

5.2.1 Ethics

"Honesty and Integrity" has always been one of GIGABYTE's core values and is also essential to business sustainability. Our company has always followed sound practices while refusing to engage in speculation or illegal business. "Honesty and Integrity" defines the code of conduct for all employees and consists of three tiers: individual, internal (all employees) and external (competitors, customers and products).

Internal
Individuals, all employees

External
Competitors, suppliers, industry customers, products

GIGABYTE Code of Conduct

Scope	Code of Conduct
Individuals	• Make honesty and integrity the principle of individual conduct
Internal	• Follow all company rules and if there are no applicable rules, insist on following the principle of honesty and integrity. • Be a part of the team by being consistent in word and deed, not taking credit for other people's work, not passing the blame, and setting an example. Be ready to correct or remind other employees of improper behavior. • Do not discuss the company's confidential information including business intelligence, technical information, intellectual property and business secrets with people who do not have the need to know. • Put the company's interests first when carrying out your duties. Do not engage in any behavior that may harm the company's interests. • The disclosure of company information should be complete, fair, correct and timely. Do not spread unverified rumors out of malice. • Uphold principles and do not engage in plagiarism as an employee. All intellectual property such as patents, trademark and copyright of all inventions, new types, trademarks and publications are to be respected and are the property of GIGABYTE.
External	• With customers: Maintain a professional attitude of integrity and reason during customer contact. Communicate business management and product support information to customers truthfully. • With products: Ensure that products comply with the law. All external marketing and product labeling must be consistent and legal.

5.2.2 Employee Code of Ethics

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

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

• Legal Compliance, Ethics and Integrity

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

- **Equal and Safe Work Environment**

  GIGABYTE hopes to provide employees with an equal and safe work environment. Every employee should treat all other employees equally and without discrimination on the basis of race, gender, color, sexual preference, language, religion, political affiliation, place of origin, nationality, physical or mental handicaps or marital status. There should be no bias in the recruitment, testing, hiring, assignment, placement, performance evaluation or promotion of employees unless it is due to the nature of the work and a proper reason can be offered. There should be no discrimination based on gender or sexual preference. Employees may not engage in any discriminating or harassing behavior (including sexual harassment as defined in the Gender Equality in Employment Act) during the performance of their duties.

- **Avoiding Conflicts of Interest**

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

- **Gifts and Hospitality**

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

- **Confidentiality**

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

5.2.3 Anti-corruption and Anti-bribery

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

（1）Personnel involved with purchasing, general administration and outsourcing should select the most competitive products or services in terms of quality, price, delivery date and after-sales service while upholding the principles of integrity, impartiality and professional ethics. Personnel are prohibited from soliciting suppliers for rebates or other improper benefits. Employees and their families are strictly

prohibited from accepting cash or gifts with a value of more than NT$1,500 from suppliers, or accepting their hospitality in any form. Any gifts accepted out of etiquette should be reported to the General Manager for confiscation or conversion to company lottery prizes.

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

5.2.4 Personal Information Committee

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

Personal Information Committee

- Personal Information Committee The Convener
- Legal Consultant General Legal Affairs and Intellectual Property Office
- Liaison
- PIPA training and education
- Personal Information Inventory and Management
- Planning and Improvement
- Internal Audit
- IT Support
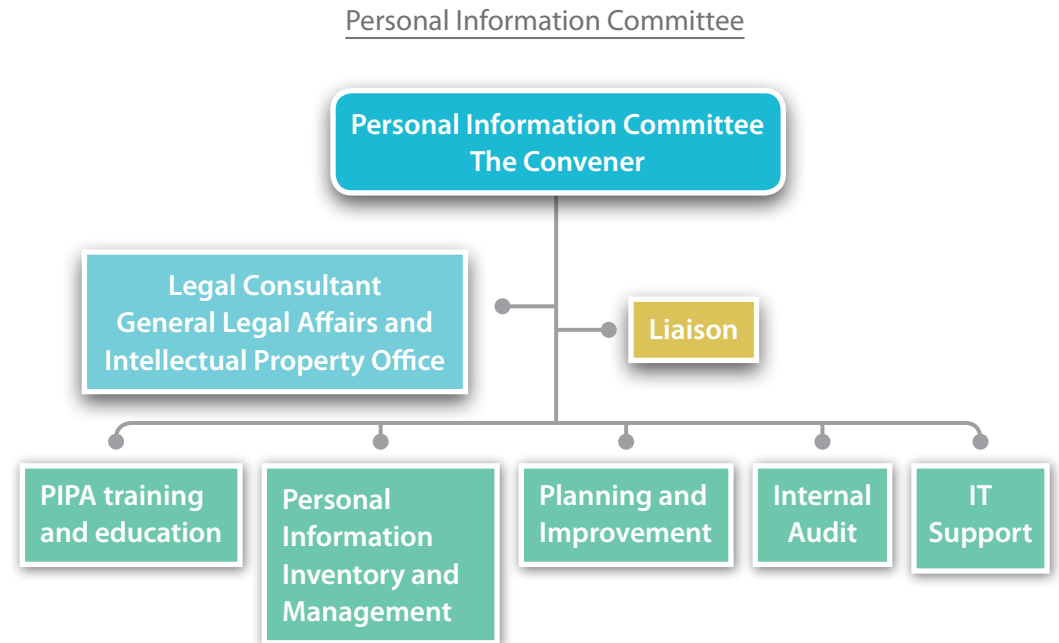
Personal Information Committee Roles and Functions

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

5.3 Internal Audit and Risk Management

5.3.1 Internal Audit

Internal Audit at GIGABYTE is an independent unit that reports directly to the Board of Directors. In addition to reporting regularly to the supervisors on auditing affairs, the head of Internal Audit is also required to make a report to the Board of Directors each quarter. The "Guidelines Governing the Internal Audit System" drawn up by the Audit Office specifically states that Internal Audit is an independent and objective verification and consultation activity for creating value and improving organizational operations. Internal Audit assists the organization with evaluating and improving risk management, control and governance in a systematic and disciplined manner so the organizational goals can be achieved. Internal Audit assists the Board and management with checking and reviewing the flaws of the internal control system as well as measuring operational performance and efficiency. Also, Internal Audit provides improvement suggestions to ensure the effectiveness and continuous implementation of the internal control system as well as provide groups for improvement.

The head of internal audit has set up a risk-based internal audit plan to determine the relative priority of internal audit activities and ensure that they are consistent with organizational goals. The internal audit serves as the promoter and guide in the process of risk management. The role of internal auditors within the corporate governance structure is to provide risk management, maintain a sound control environment and provide validation

services. Internal Audit has therefore been upgraded from its traditional supervisory role to internal consultants on risk management. Risk-oriented internal audit functions include:

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

5.3.2 Risk Management

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

- **Financial Risk**

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

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

- **Operating Risks**

  - Shareholders' meetings and small investor conferences on company operations are convened on a regular basis to increase financial transparency. We also use our core competencies to host social integration events to fulfill our responsibility as a part of society.
  - For national policies and legislation, the responsible units keep close track of important polices and legislative changes. Our company's internal systems, processes, and business activities are adjusted as necessary to ensure smooth company operations.
  - For the EICC Code on labor rights and ethics, the relevant internal units keep close track of regulatory changes and adjust the associated systems as necessary. Risk assessments and risk reduction initiatives are also practiced. An "Employee Code of Ethics" has now been drawn up to define the rules of conduct, rewards and disciplinary action in order to reduce business ethics risks (see 5.2.2 Employee Code of Conduct).
  - For further information, please refer to the GIGABYTE Annual Report

(GIGABYTE Investor Relations page: http://www.gigabyte.tw/gigabyte.aspx?s=36)

• Crisis Response Management

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

Crisis Response Management Procedures

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

• Authorized Economic Operator

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

Internal AEO Webpage and Certificate

• **Climate Change Issues Management**

At the same time, we have dedicated personnel monitoring climate change management related issues and the conclusions reached by annual United Nations conferences on climate change. Close attention is paid to potential carbon risk issues with international consensus taken into account when defining the company's environmental policies and targets. In 2010, group-wide energy conservation and carbon reduction education was carried out through the "GIGABYTE Green Sustainability Development Committee" and "Green Action Plan". By ensuring that

employees understand and can respond to potential problems, these can be incorporated into the company's management and new product planning. Relevant measures such as testing product performance in extreme climates or coping with rising fuel, water and electricity prices can all be taken into account during planning as well. The "Green Product Innovation - Innovation · Value · Sustainability" initiative has been held since 2012 with "Going green is free" as the theme. Employees are encouraged to design green products that possess "Innovation, Value, Sustainability". The event focused on GIGABYTE product innovation, but is not limited to production processes or green innovation in the office. A "simple and streamlined" approach is adopted to eliminate unnecessary "quantity" and improve "quality". As innovation is the engine of business progress and also sustainable development, "innovative thinking" can transform products into eco-products of even greater value and quality.

5.4 Regulatory Compliance

GIGABYTE currently has business sites in key cities around the world. To ensure GIGABYTE can understand and comply with local laws in a timely manner, Legal Affairs Department not only closely watches regulatory developments in each country but also hires experienced, professional local legal consultants to provide updates and professional opinions on local legislation.

GIGABYTE's legal staff also stays up to date on the latest legal developments and important court decisions in Taiwan, the U.S. and the EU. They also attend quality seminars and conferences in Taiwan and overseas to learn about the latest legal trends and related information. This ensures that

Legal Affairs personnel are up to speed in their professional knowledge and enables GIGABYTE to take appropriate measures when necessary to ensure optimal legal compliance when laws are changed.

For new local laws such as the Personal Information Protection Act and amendments to the Patent Act, GIGABYTE organizes education and training courses to help employees understand the new laws and areas of compliance.

5.5 Remuneration Committee

To ensure a sound compensation scheme for company directors, supervisors and executives, at the end of 2011 GIGABYTE established the "Remuneration Committee" in accordance with Article 14, Paragraph 6 of the Securities and Exchange Act and the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stocks is Listed on Stock Exchange or Traded over the Counter". The Committee has a membership of three and is appointed by the Board. One member serves as the convener and the term of appointment is the same as the Board of Directors. In June, 2012, Mr. Yang, Zheng-Li, was appointed the convener of the 2nd Remuneration Committee. The role of the Committee is to evaluate

and provide recommendations on the annual/long-term performance targets and remuneration policy of company directors, supervisors and executives from a professional and objective perspective. This is to ensure that the company's remuneration complies with the relevant laws and is sufficient to attract talented personnel. The Committee also advises the Board on related decisions. The Remuneration Committee is convened at least twice a year but extraordinary meetings may be called when necessary.

5.6 Political Contribution

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

6. Sustainable Supply Chain

GIGABYTE considers suppliers to be our long-term partners in building a stable, sustainable supply chain. GIGABYTE tier-1 suppliers are required to set up an environmental management system and all have now achieved ISO 14001 certification. With regards to products, all suppliers must conform to our Eco Product Requirement. Suppliers must also state their compliance with GIGABYTE guidelines on lead-free process, lead-free product, halogen-free process and halogen-free products in respect to EU's RoHS and REACH directives. In addition to product quality, delivery time, cost and service, suppliers are asked to pay attention to human rights and global environmental issues so they can work with GIGABYTE to build a sustainable supply chain and fulfill our CSR.

Supplier Code of Conduct and Responsibilities

Sign Declaration

Supplier code of Conduct

Environmental Management System Pass ISO 14001 Certification

GIGABYTE Green Product Specification

CSR

Lead-free process, Lead-free product, Halogen-free process, Halogen-free product

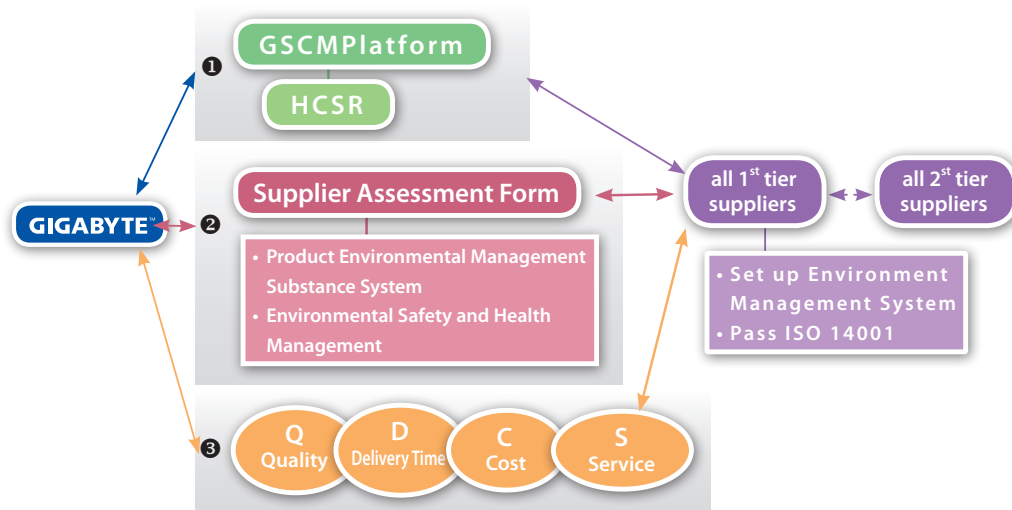**Protection of human rights and the global environment**

6.1 Supplier Management

Supplier management is implemented through the three dimensions of system implementation, product specification, review and assessment. GIGABYTE Group requires tier-1 suppliers to set up an environmental management system and all tier-1 suppliers have now passed ISO 14001 certification. The auditing of key Tier-1 suppliers makes suppliers take seriously the management of their own upstream suppliers in order to realize the goal of sustainable supply chain management. As part of supplier assessments, supplier must fill out assessment forms on "Product Environmental Management Substance System" and "Environmental Safety and Health Management". In addition to basic assessment criteria (such as quality, pricing, delivery time and service), suppliers must conform to GIGABYTE's "Harmful Chemical Substance Requirements" (HCSR) and sign a declaration of conformity. For components, GIGABYTE set up the "Green Supply Chain Management" (GSCM) system to work closely with suppliers in a systemic manner and link to the relevant regulatory review and approval processes. Through effective communication, tracking and management, components that contain restricted chemical substances are eliminated from the supply chain. All suppliers can use the GSCM platform to stay up to date on the latest specifications issued by GIGABYTE.
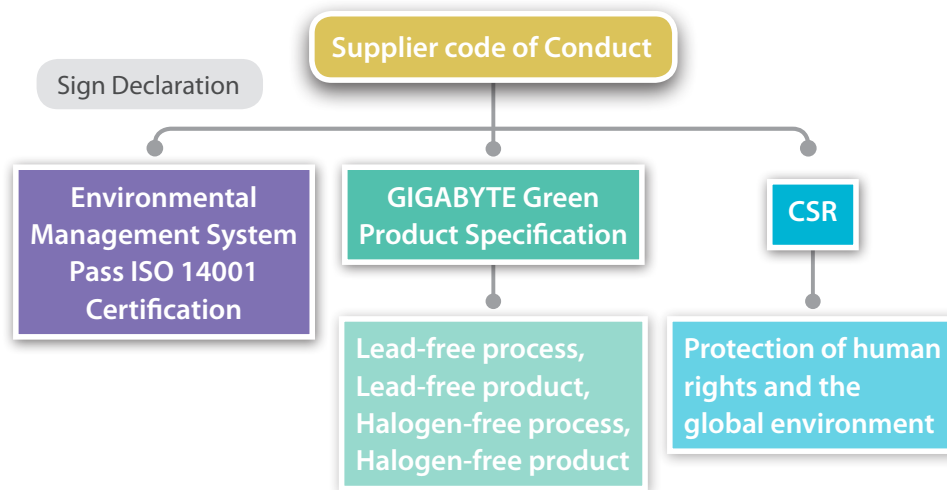
Relationship Chart for Supplier Management System and Platform

conforming to the standards on business ethics, environmental protection, safety and health, labor rights and working conditions as well as non-use of "conflict metals".

Supplier "Declaration of Conformity"

6.2 Supplier Code of Conduct

6.2.1 Supplier Labor Rights and Electronic Industry Code of Conduct

Labor rights in the electronics industry's supply chain have been an important issue for the Electronics Industry Citizenship Coalition (EICC) in recent years. Apart from promising to uphold the highest ethical standards in our compliance with the local laws and the Electronic Industry Code of Conduct (EICC), GIGABYTE expects all suppliers in our supply chain to sign the "EICC Declaration of Conformity" and commit to

6.2.2 Non-Use of Conflict Minerals

GIGABYTE uses our website and long-term supply contracts to inform on suppliers in our supply chain that we do not support or use "conflict minerals" mined from conflict zones, illegal mining operations or poor working conditions. We also require our suppliers to ensure that the components they provide to the GIGABYTE Group are free of "conflict

minerals" as well. We hope that self-regulation of the supply chain will make a difference and require our main metal component suppliers to provide documentation on the sources to ensure that no "conflict metals" are used.

6.3 Hazardous Substance Control

GIGABYTE became the first system brand vendor in the world to pass IECQ QC 080000 certification in 2005. Lead-free production processes were adopted for our products, and a green material management system

Green Supply Chain Management System

was introduced to establish a green supply chain. Green Supply Chain Management (GSCM) is used to integrate component suppliers and link to the relevant regulatory review and approval processes. Through effective communication, tracking and management, components that contain restricted chemical substances are eliminated from the supply chain. All suppliers can use the system platform to check the latest version of HCSR issued by GIGABYTE Group as well as the relevant green product specifications.

Product suppliers are required to conform to the GIGABYTE Technology Group Guideline for the Management of Harmful Chemical Substances Requirements (HCSR), RoHS, WEEE and other regional pollution prevention

or waste disposal-related environmental regulations. For environmental laws or substance management regulations specified by GIGABYTE such as the Substance of Very High Concern (SVHC) defined by the EU REACH legislation or Level B and Level C substances defined in the HCSR, suppliers should cooperate with inspections and voluntarily report the results. Suppliers must also sign the Certificate of Non-use for the Controlled Substances as well as a declaration of conformity on SVHC in EU REACH legislation.

6.4 Fair Trade and Green Procurement

GIGABYTE's dealings with suppliers are governed by the principle of "Fair Trade and Green Procurement". Apart from purchasing materials at a reasonable price to avoid suppliers using hazardous substances to cut costs, we require all purchased products to conform to GIGABYTE's HCSR to reduce the risk posed by hazardous substances to human and the environment. To ensure that suppliers understand GIGABYTE's CSR and sustainable development practices, we strengthen communication with suppliers and enable assistance to be provided where necessary through the GSCM platform, everyday communications and supplier conventions before each policy or measure is implemented.

6.5 Partner Excellence Award

GIGABYTE hosts suppliers' conferences at different times to help suppliers understand our expectations on quality, environmental issues and sustainable supply chain management. We have also used the end of year supplier banquet to build up quality consensus for five straight years to emphasize the importance that GIGABYTE places on sustainability issues. To

thank our supplier partners for their longstanding support and contribution, outstanding suppliers are recognized through the "Partner Excellence Award" and "Best Partner Award".

2013 Annual Supplier Banquet Album

6.6 Supplier Sustainability Award

GIGABYTE invests time and manpower in sustainable management while also influencing suppliers to follow our example in embracing and fulfilling CSR. To enhance our suppliers' sustainable development ability, GIGABYTE has developed the "Supplier CSR Self-Assessment Tool". The self-assessment mechanism helps suppliers effectively fulfill GIGABYTE's requirements on CSR management, anti-corruption/bribery, employee's basic human rights, prohibition on child labor, occupational safety & health, environmental protection, supply chain responsibility as well as social and local contributions at all levels. Since 2012, the "Supplier Sustainability Award" has been presented to commend on suppliers for excellent CSR performance and their contributions to the sustainable development of the environment and society.

The Six Assessment Dimensions of Supplier Sustainability Award

6.7 Customer

All GIGABYTE business activities are based on the philosophy of "Total Quality Assurance and Customer Satisfaction". We not only insist on innovation, care and service but also on green product R&D and innovative design. We use our expertise to help protect the planet and strive to implement all of the relevant environmental management standards. Our management systems relating to quality, environment, occupational health and safety, and hazardous substance are all aimed at realizing the targets of continuous improvement. We extend product service life by producing high-quality products. We reduce unnecessary energy use and waste to make the most of the Earth's resources, and deliver maximum customer satisfaction as our goal.

6.7.1 Customer Service

GIGABYTE provides after-sales service in more than 100 service locations from four main regions around the world. We have also set up a dedicated customer service website describing the services we provide, including repairs, repair progress queries, product warranty and technical support, to make it convenient for customers to find product support and troubleshooting information. We provide a toll-free technical support hotline for users in Taiwan to quickly resolve any product questions they may have. As a result, our rapid service center achieved an average satisfaction rating of over 98% between 2010 and 2013. We also host customer relationship building promotions at different times to thank consumers for their support, such as the "G1 Sniper A88X Extreme Sound Experience for Gaming Fans" and "I love GIGABYTE, I'm loving it!"

Service website for consumers in Taiwan: http://service.gigabyte.tw/

6.7.2 Customer Privacy Protection

GIGABYTE protects customers' personal information during repairs by practicing the following privacy protection measures.

Customer Privacy Protection Measures
1. Our company's ISO process requires all copies of customer repair forms to be sealed and sent back to the head office for destruction every 6 months.
2. Telephone support records are only available on the intranet and access is controlled by account permissions. The records cannot be accessed from outside the network.
3. For e-mail correspondence, system access is controlled through employee accounts. The data can only be accessed by specific network connections and cannot be accessed from outside networks..
4. Peripheral sales are handled over the telephone to prevent leaking of personal details through online transactions.

6.7.3 Power Bank Labeling

The media reported in 2013 that the test results of branded power banks by the Consumer Protection Committee (CPC) did not match their labeling. This was due to differences in understanding on labeling requirements. The industry uses "battery cell capacity" on the labeling while the CPC used the "overall power bank discharge capacity". A difference exists between the two as the efficiency of cell voltage conversion and discharge is not 100%. In response to consumer concerns, GIGABYTE now labels products with both the "battery rated capacity" and "battery actual capacity" for consumer's reference.

7. Employees

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

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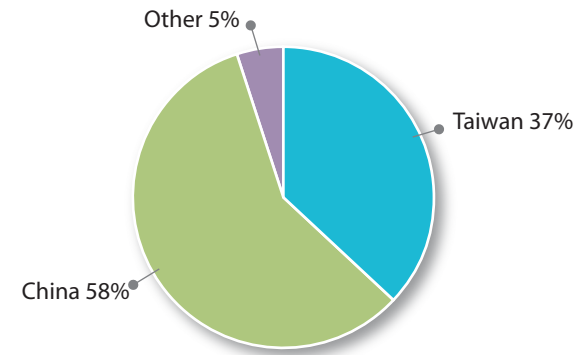
7.1 Employment

At the end of 2013, the GIGABYTE workforce totaled 7,782. When divided by region, Taiwan employs 2,851 people (36.6%), China 4,538 people (58.3%) while other regions accounts for 393 (5.1%).

No. of Employees - By Region

	No. of Employees in 2013	Ratio (%)
Taiwan	2,851	36.6%
China	4,538	58.3%
Other	393	5.1%
Total	7,782	100%

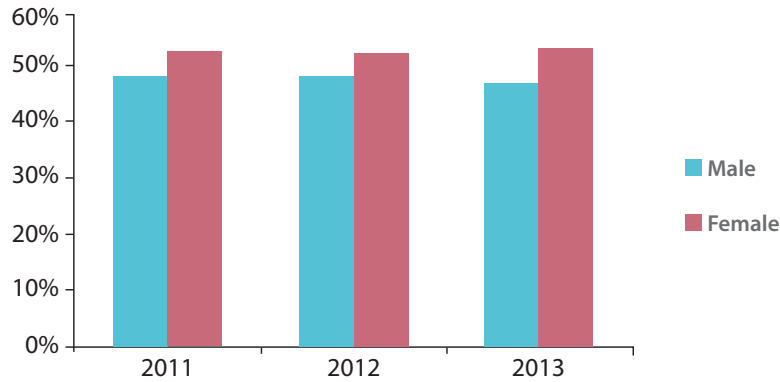Geographic distribution of GIGABYTE employees

The total workforce of 7,782 is divided into 3,421 specialists and 4,361 production workers. Of the 3,421 specialists, 53.1% are women and 46.9% are men. When sorted by role, 22.9% are in R&D, 27.8% are in marketing, 10.7% are in administration and 10.1% are in customer service. Of the 4,361 production workers, 1,032 are in Taiwan and 3,329 are in China. Foreign personnel accounts for 9.6% of all managers and specialists.

Gender distribution of GIGABYTE employees

	2011	2012	2013
Male	47.80%	47.9%	46.9%
Female	52.20%	52.1%	53.1%

Gender distribution of GIGABYTE employees

7.1.1 Employee Structure

For the gender distribution of GIGABYTE employees sorted by employment types, 47% are male full-time employees 53% are female; 2.8% are male temporary workers and 0.4% are female; 0.1% are male contractors and 0.3% are female; 0.8% are male part-time workers men and 0.6% are female. The 0.9% in R&D substitute service are all men. GIGABYTE began applying for national defense service between 2004 and 2007. National defense was changed to R&D substitute service in 2008 and GIGABYTE has been allocated 5 ~ 13 draftees each year.

### Gender distribution of GIGABYTE employee types – by employment types

Employment Types	Male	Female
Full-Time	51.7 %	42.4 %
Temporary	0.4 %	2.8 %
Contractor	0.3 %	0.1 %
R&D Substitute Service	0.0 %	0.9 %
Part-Time	0.6 %	0.8 %
Total	53%	47%

In terms of academic background, the majority of GIGABYTE employees (67.2%) hold a college degree. Due to the popularity of the in-service education, the proportion of employees with a Master's degree or higher has increased every year. The average age of employees is 35.7 years and average years of service is 7.4 years. As the production lines employ a higher proportion of female workers, there are more female employees than male employees at GIGABYTE. Managers at the section level or above account for 20.5% of all employees.

Distribution of education level among GIGABYTE employees

| Education	2009	2010	2011	2012	2013
Doctorate	0.2%	0.2%	0.2%	0.2%	0.2%
Master	10.3%	11.2%	11.7%	12.9%	13.5%
Undergraduate	66.8%	67.1%	67.5%	67.1%	67.2%
High School or lower	22.7%	21.5%	20.6%	19.8%	19.1%

Distribution of education level among GIGABYTE employees

High School or lower
19.10%

Doctorate
0.20%

Master
13.50%

Undergraduate
67.20%
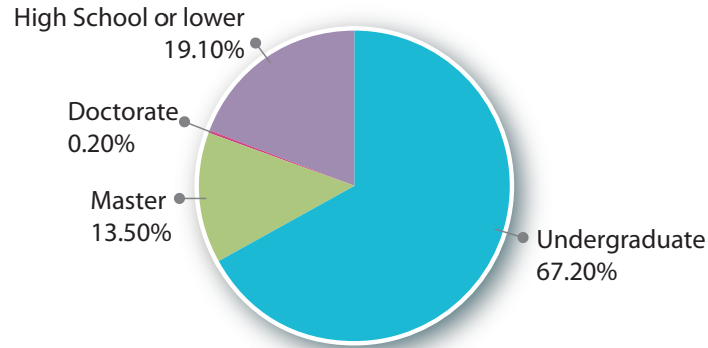
Average age and years of service of GIGABYTE employees

Item /Year	2009	2010	2011	2012	2013
Average Age	34.1	32.47	35.1	35.4	35.7
Average Years of Service	5.94	4.66	6.89	7.13	7.4

Average age and years of service of GIGABYTE employees
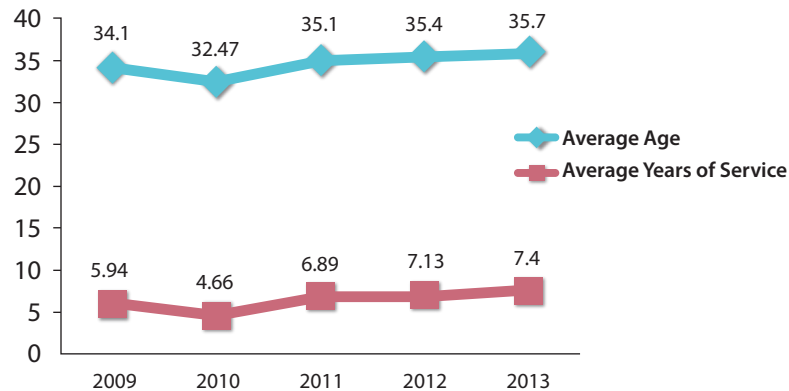
7.1.2 Employee Turnover

In 2013, GIGABYTE welcomed 457 new employees. The reporting rate was 38.3% for men and 61.7% for women. A total of 424 employees left the company with 44.1% being male and 55.9% being female. Most of the new arrivals and departures in 2013 were women. GIGABYTE encourages employees to find a balance between work and leisure. Apart from offering flexible working hours to help employees deal with family matters, employees may also apply for unpaid parental leave and related subsidies as allowed by law to aid in employee retention. Over the last two years, 40% of employees on average returned to work after applying for unpaid parental leave.

Gender distribution of GIGABYTE employee turnover

	Male	Ratio	Female	Ratio	Total
New Employees	175	38.3%	282	61.7%	457
Departing Employees	187	44.1%	237	55.9%	424

Unpaid Parental Leave and Returning Employee Statistics for the Last 2 Years

Item	Gender	Persons
(1) Actual no. of applications for unpaid parental leave in 2013	Male	3
	Female	26
(2) No. of employees expected to return from unpaid parental leave in 2013		20
(3) Actual no. of employees returning from unpaid parental leave in 2013		8
(4)No. of employees that stayed for at least 1 year in 2013 after returning from unpaid parental leave		6
Return rate = (3) / (2) = 40% Retention rate = (4)/No. of employees returning from unpaid leave in 2012 = 22.2%		

7.1.3 Employee Retirement

In 2013, 10 employees retired from GIGABYTE. The average length of service is 16 years and the longest is 17.5 years. GIGABYTE hosted a send-off party and retirement ceremony for employees that reached retirement age. During the event, the president presented the employees with a commemorative plaque and gift to thank them for their contribution over the years. The retiring personnel also gave speeches thanking the company for providing great benefits and a wonderful working environment, as well as their managers and colleagues for their support. The retirement ceremony ended on a very heart-warming note.

員工退休歡送會

Relationship with GIGABYTE

In mid-February, 1997, I saw a GIGABYTE recruitment notice in a newspaper. I went to the interview feeling rather hopeful and very excited. The stars must have smiled on me because it was January 9 according to the Lunar Calendar, the day for "Worshipping the Heavenly Master". I passed the interview with flying colors and my passion for my work saw me spend the next 16 years of my working life as part of the GIGABYTE family.

Deepest Impression of GIGABYTE

I joined GIGABYTE shortly after the opening of the Pingjhen Plant and everything was just about to get off the ground. I reported to the DIP section and had the good fortune to start from the small solder pot. I went through the 921 Earthquake at the plant, changed from the day shift to the graveyard shift, and endured the trial of the "Kamikaze Overtime Team". To me, these were all challenges and they also taught me how to overcome the difficulties and get the job done. During this time, I always had the help of my colleagues as well as my managers' forbearance, support and unstinting instruction. I feel very grateful for all of this.

Reason for Retirement

A human lifetime is just a few decades and my 16 years at GIGABYTE seemed like the blink of an eye. I joined GIGABYTE in mid-age and my children weren't even married. Now, they all have their own happy families and I am a grandmother now. My children are all very good to me as well so it's time for me to take it easy at home. I have been working at GIGABYTE for quite some time now so the company is like my home and the employees are like family. Leaving a familiar environment to start a brand life makes me feel a little sad and nostalgic. Nevertheless, I will take it on the chin so I decided to retire. I will now spend my days surrounded by my grandkids and make the best use of my time.

To all of my managers and colleagues, I wish you all happiness at home, good health and success in all endeavors. Take care…

Yours faithfully,

Pao-ju

7.1.4 Recruitment

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

In 2013 GIGABYTE employed a total of 32 disabled people as part of our program for disadvantaged group. The percent of the disabled employees exceeded the 1% quota set by the "Physically and Mentally Disabled Citizens Protection Act". For employing more disabled, middle/old-age and unemployed personnel than required by law, GIGABYTE received Labor Bureau subsidies throughout 2013.

At all of our sites around the world, we provide employees with a comfortable office environment, excellent employee benefits and open channels for communication in accordance with local government regulations and cultural customs. Such a pragmatic approach effectively inspires employees to greater creativity and productivity.

7.1.5 Prohibition on Child Labor

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

7.1.6 Performance Management and Development

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

7.1.7 Human Rights

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

We offer a variety of communication channels. A labor-management conference is hosted every quarter to communicate with employees and promote harmonious relationship between labor and management. We have also set up employee message boards and suggestion boxes with dedicated personnel assigned to respond to feedback. These measures ensure obstacle-free internal communications.

7.2 Employee Development

Employee learning and development is very important at GIGABYTE. The upper management takes an active role in all management and core competency courses by making introductory remarks and conclusions after courses in order to provide maximum encouragement and support to employees. As part of the GIGABYTE vision of "Upgrade Your Life", we not only cultivate employee innovation and professional skills but also take an interest in enhancing employees' living aesthetics and cultural sophistication. These efforts have played a crucial role in helping GIGABYTE maintain its market leadership. At the end of 2013, GIGABYTE conducted a total of 24,437 hours of training. Management training totaled 5,811 hours while specialist training totaled 18,626 hours with 55% of the training hours going to men and 45% to women. The numbers highlight GIGABYTE's level of commitment to education and training.

Training Hours by Competency

	Headquarters			Nanping Plant			Total Hours
	Male	Female	Hours	Male	Female	Hours	
Management	2,326	1,086	3,412	1,138	1,261	2,399	5,811
Specialist	3,825	2,395	6,220	6,398	6,008	12,406	18,626
Total	6,151	3,481	9,632	7,536	7,269	14,805	24,437

7.2.1 Training and Development Plan

GIGABYTE provides employees with courses on management skills, core competencies, professional skills and general knowledge skills based on the needs of their position. These are supplemented by subsidies for optional external training and language classes to ensure that employees receive full company support in self-development. All employees are required to take courses on "Quality Consciousness", "Brand and CIS", "Supply Chain Safety Policy", "IT Security Management Policy" and "Labor Safety & Health Training". As the GIGABYTE Group is a leading international brand, all employees are expected to understand the company's quality consciousness, brand identification, risk management and safety.

GIGABYTE Training & Development Plan
New employee orientation: Help new employees become a part of the GIGABYTE family as soon as possible
Apart from completing one day of orientation training, Headquarters also arranges a half-day tour for new employees to visit at Nanping plant and attend a presentation, in order to help them understand the company's operations and practices better. Every new employee is also assigned a personal mentor before arrival to help them settle in at the company as well as learn about their surroundings and corporate culture.
Management skills training: A series of courses designed for each level of management to strengthen management skills
Our management skills training includes annual executive bonding conference, middle and upper management training, divisional manager workshop and new manager training. The course subjects are tailored to each position and the company's overall development strategy. All training, teaching materials and extended activities are carefully reviewed and planned to help managers improve their management ability.
Core competency training: Cultivate prerequisite general skills and consensus
Core competency training focuses on two core themes: "Enhancing quality consciousness" and "Problem solving and analysis". GIGABYTE follows a philosophy of "Continuous Cultivation" in the comprehensive and continuous promotion of these two competencies. The quality course was first introduced at Taiwan Headquarters in 2009 and has since been expanded throughout China. A total of 3,900 people were trained in 2013.
Professional training: Strengthen technical expertise and product-related skills and knowledge
Our professional training includes product knowledge and professional skills needed by each unit. These include courses on equipment engineering, product support, legal affairs & IP, and financial accounting.
General knowledge: Sharing of information on issues such as lifestyle and careers with all employees
Our general knowledge training covers employee lifestyle and career, aesthetics & culture and practical skills. The "Upgrade Your Life" Workshop is hosted every month and invites leaders of society through the GIGABYTE Education Foundation to share their personal experiences with GIGABYTE employees and expand employees' horizons.
Language training: Subsidized language training courses to improve internationalization capability
As a transnational enterprise and international brand, GIGABYTE encourages employees to expand their international horizons. In addition to general knowledge and management instruction, subsidies are also available to encourage employees to learn foreign languages.
External training: Subsidies for external training courses to acquire the latest industry information and technologies
For specialized or unusual new topics or technologies where no suitable resources are available within the company, employees may opt to attend a suitable external training organization at the company's expense. The employees can then share what they learned within the company.
E-Learning: Select any course without time or space constraints
Courses taped with permission as well as online courses recorded by internal instructors are available through the "E-Learning Center". This provides GIGABYTE employee channels with more diverse channels for learning as employees can choose whatever subjects they are interested in and go through them at a convenient time.

7.2.2 Evaluating Training Benefits

Apart from providing diversified training plans, GIGABYTE has also put a great deal of effort into evaluating training performance. A strong emphasis is placed on students applying what they learned, refining their skills and making positive behavioral changes in order to provide a reference for future training. To this end, we have designed different forms to improve training benefits. Through preliminary coursework or reading, students can preview and familiarize themselves with the training content. After the course, in addition to student feedback we also ask students' direct supervisors to observe their subsequent performance and keep human resources department updated. If the student's behavior shows no signs of significant improvement, then they are asked to retake the course again next year. Other initiatives include the annual quality extension event, monthly elevator articles, and the weekly themed column on the HR website. Employee training results are enhanced through these different formats and channels.

Human Resources - Career Booster Station

7.3 Remuneration

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

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

7.4 Employee Care

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

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

7.5 Employee Welfare Committee

GIGABYTE has established the "GIGABYTE Employee Welfare Committee" in accordance with the "Employee Welfare Fund Act". The Committee provides employee benefits such as Dragonboat Festival/Mid-Autumn/Birthday/ Annual shopping coupons, subsidies for employee marriages/births/ children's education/clubs/travel and also organizes large-scale events such as celebrity lectures, family days, annual banquets and end-of-year lottery draws. The Committee also organizes group buys for recreational activities and has set up 10 clubs to help employees find a balance between work and leisure. A further 5 clubs were added in 2013.

The Employee Welfare Committee currently has 39 members and includes representatives from both Taiwan and China sites. Apart from the five honorary members, all Committee members are elected for one-year terms. A chairman is elected by popular vote among Board members and one director is appointed for each site to help organize employee welfare affairs.

Employee Welfare Committee webpage

7.6 GIGABYTE Statement on Labor Investigation

GIGABYTE values the opinions and voices of our employees. We are committed to establishing an open and transparent communications channel for promoting harmonious labor relations. We carried out the technology industry overtime improvement and health promotion program, and cooperated with inspections. To balance employees' wellbeing and business competitiveness, GIGABYTE hosts labor relations meetings every three months to review the existing roster system. The issues of working hours and the handling of overtime were also raised for discussion. Apart from convening managers to brief them on relevant legislation, employees were also reminded about complaints channels and an automated warning function added to the overtime application process. This encouraged managers and employees to engage in two-way communication and review of the overtime process. The official response from the Labor Affairs Department indicated that GIGABYTE did not violate the relevant provisions of the Labor Standards Act and was cleared by the labor investigation. The results showed that GIGABYTE complied with the government's efforts to enforce labor legislation and lived up to our commitment to CSR.

7.7 Workplace Safety and Health

7.7.1 Workplace Safety and Health

All company production processes conform to labor safety & health regulations, have passed OHSAS 18001 occupational health and safety

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

• Emergency Response

GIGABYTE has adopted a proactive approach on measures and responses for industrial safety & health incident prevention, emergencies and fire safety. These are intended to prevent man-made or natural emergencies, protect personnel safety, as well as prevent or reduce their impact. Emergency response measures include: emergency response procedures for fires, chemical spills, quarantine, food poisoning and earthquakes. Emergency response drill and safety training were conducted with 4,013 people participating in 2013.

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

 • Firefighting Exercise: Each plant site conducts a firefighting exercise

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

Firefighting exercise at Ningbo plant

Firefighting exercise at Dongguan plant

Solvent spill emergency response exercise at Nanping plant

Solder furnace emergency response exercise at Nanping plant

First Aid Training

• Occupational Injury Statistics and Analysis

GIGABYTE tracks the Disabling Frequency Rate (FR - disabling injuries per 1,000,000 work hours in the workplace) and Disabling Severity Rate (SR - average number of days lost per 1,000,000 work hours in the workplace) as the two main indicators for occupational injury statistics as required by the Council of Labor Affairs (CLA). The occupational injury statistics for the four GIGABYTE plants in 2013 were as shown in the table below.

Occupational safety and health management has long been a priority at GIGABYTE, so we carry out risk assessments and draw up crisis response management procedures for the effective reduction of occupational injuries. In accordance with the "Regulations Governing the Management of Occupational Safety and Health Management Organizations and Self-Inspections", workers make up more than one-third of the safety and health committees.

Occupational injury rates at the four GIGABYTE plants in 2013

Plant	Occupational Injury Rates
Xindian	FR：0.00 / SR：0.00
Nanping	FR：0 / SR：5.85
Dongguan	FR：0.00 / SR：0.00
Ningbo	FR：2.26 / SR：6.22

Note: Disabling Frequency Rate (FR): Number of disabling injuries x 1,000,000/total work hours

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

7.7.2 Workplace Health

• **Employee Health Exams**

Healthy employees are the key to a happy enterprise. Health exams protect the rights of both the employer and employee. Health exams are also used to determine if an employee is suffering from occupational or infectious diseases, making it crucial in maintaining employee health. One of the key factors in a sustainable enterprise is retaining quality employees. To attract and retain quality employees, the business itself must not only possess development potential but also provide a health and high-quality work environment. GIGABYTE not only provides general physical health examinations for new employees but also annual health exams for employees with the necessary level of seniority. Those with abnormal readings have a repeat examination arranged at the hospital by the Medical Office and their condition tracked through the health management system. 1,153 people from Headquarters, 804 people from the Nanping plant, 440 people from the Dongguan plant and 524 people from the Ningbo plant took part in the health examinations in 2013.

• **Health Promoting Activities**

To promote health education, employee health and proper health concepts, GIGABYTE invites health experts to given internal health seminars and educate employees correct health concepts. We routinely publish health awareness information to remind employees to pay attention to health in their everyday lives. We also cooperate with nearby hospitals and clinics to organize different kinds of cancer screening events. Apart from making it convenient for employees, this also helps employees pay attention to their health early. In 2013, GIGABYTE hosted a total of 8 health seminar and 9 health promoting events. 8 health articles were also published. A total of 1,339 people took part in the health promoting activities.

2013 Health Promoting Events List

Health Seminar	Health Promoting Event
Exercise and Health	Mother's Day Breast Cancer Screening
Stress Relief for the Hands	Cholesterol, Blood Pressure, Blood Sugar and Oral Examination
Love Yourself for a Beautiful Life	Father's Day STD Screening
Slim Down for Health and Happiness	HPV Vaccination
The Effects of Testosterone on Health	Flu Vaccination
Open the Release Valve on the Pressure Cooker	Hepatitis A and B Vaccination
Let's Lose Weight Together	Free Mammogram Referrals
Keeping Metabolic Syndrome at Bay	Intestinal Cancer Screening
	Free Bone Density and Body Fat Examination

• Health Defense Station

To promote the "Health Self-Management for All Event", GIGABYTE clinic set up a Health Defense Station in the B1 cafeteria of the company Headquarters to provide electronic blood pressure meters, scales and personal health management forms that employees can use to safeguard their own health. Employees can use the station to measure their blood pressure and body weight each day, with the clinic actively calling employees to check on their results and provide them with the correct information on health management.

• 2nd Place for Quality Nursing Room from the New Taipei City Health Department

As part of its program to improve breastfeeding rates, the Health Department of New Taipei City Government organized the "Quality Nursing Room Competition" to encourage government agencies and businesses to create a high-quality environment for nursing, create a nursing-friendly city and provide babies with healthier and natural nutrition. A total of 113 organizations took part in the competition and were divided into three categories depending on the type of installation. By law, the parent friendly category does not need to create a nursing room, but the establishment of a nursing environment received an honorable mention. GIGABYTE was the only business to be shortlisted in the competition. The Health Department hoped that GIGABYTE's participation and contribution would serve as a role-model to other tech companies for promoting a friendly workplace.

2nd Place for Quality Nursing Room from the New Taipei City Health Department

7.8 Happy Workplace, Upgrade Your Life

A fitness center and aerobics classroom is provided in B1 of the Xindian Headquarters. Several aerobics and yoga classes are now hosted several days a week. There are currently 15 clubs, including Golf Club, Xindian Badminton Club, Baby Love Club, Go Green Club (Volunteering Club), Boxercise Club, Triathlon Club, Body Sculpting Aerobics Exercise Club, Baseball and Softball Club, Basketball Club, Eye Taiwan Cycling Club, Photography Club, Nanping Badminton Club, Ballroom Dancing Club, Crafts Club and Ukulele Club. Family days are organized on a regular basis to encourage employees to venture outdoors. There is also an Art & Culture Gallery that features rotating exhibitions of artworks. A variety of different celebrity, music, art and health workshops are held as well to refine employees' hearts and minds so they can achieve a balance between work and leisure.

7.8.1 2013 "Running Passionately for Health" GIGABYTE Road Run

The "Happy Workplace, Upgrade Your Life" philosophy at GIGABYTE emphasizes balance in employee work and life. Employees are also encouraged to get in the habit of exercising. In 2013, the Welfare Committee organized the first "Running Passionately for Health - 2013 GIGABYTE Road Run" at the Bitan Scenic Area in Xindian where GIGABYTE Headquarters is located. Fun "Cosplay" and family categories were also included with suppliers invited to send teams. The events' fun format awakened the participants' interest in health and encouraged employees, their family members and suppliers to get in the bait of exercising for health.

Running Passionately for Health - 2013 GIGABYTE Road Run

7.8.2. Club Activities

GIGABYTE Headquarters has now formed 15 clubs including the Golf Club, Xindian Badminton Club, Baby Love Club, Go Green Club (Volunteering Club), Boxercise Club, Triathlon Club, Body Sculpting Aerobics Exercise Club, Baseball and Softball Club, Basketball Club, Eye Taiwan Cycling Club, Photography Club, Nanping Badminton Club, Ballroom Dancing Club, Crafts Club and Ukulele Club. The clubs help employees diversify their interests and also send teams to take part in outside competitions.

Baby Love Club

Crafts Club

Triathlon Club at the MIZUNO Marathon Relay

Softball Club

7.8.3. Celebrity Workshops

GIGABYTE sometimes invites celebrities in different fields to give speeches. The life stories and values shared by the celebrity become food for thought that enrich life. The following celebrity speakers were invited in 2013.

Topic	Speaker	Host Position
The Power of One - Spreading the Love	Shen, Hsin-ling	Young Lady Charity Worker
Energetic Family, Successful Life	Ryau, Meng-shya	Associate Professor at Graduate institute of Education, National Cheng Kung University
Global Change and Changing the Globe: Environmental Protection Inspiration and Action	Wang, Chin-shou	Professor at National Tsing Hua University
New Opportunities through CSR	Cyril Chu	Charity Traveling Author, CSR Consultant
How I Shop - The Eco-Aware Shopping Method	Liu Ka-shiang	Poet, Nature Observer and Author
The Loach Story	Liu Cheng-kang	Director, Taiwan Native Fish Conservation Society

7.8.4. Art & Cultural Activities and Subsidies

Arts and cultural activities enhance general public aesthetics and promote the arts in society, and GIGABYTE has been a long-term supporter of the arts through a variety of methods. Through activities such as exhibitions in Upgrade Your Life Gallery, art & culture appreciation, Upgrade Your Life seminars, recreational art & culture activities and more, we encourage employees to purchase and participate in various art & cultural events. These concrete ticket sales and audience support performing arts groups, while increasing employees' options and quality of recreation, cultivate artistic spirit, and ultimately forge a corporate culture that embraces humanitarian concern.

• Upgrade Your Life Seminars

Workshop Topic	Speaker	Host Position
"Percussion Chameleon"	Cheng, Ya-shing	Assistant Professor, Department of Music, National Tainan University of the Arts
Deciphering Miro	Hui, Feng	Senior Volunteer Guide at National Palace Museum, National Museum of History and C.K.S. Memorial Hall
A Restless Artistic Soul - Summer Jazz Party	Shen, Hong-yuan	Producer and Host of the "Taipei Jazz " program, Philharmonic Radio Taipei

Feature 1 "Flight of Hope" GIGABYTE Group Sports Carnival

To encourage employees to get in the habit of exercising for physical and mental wellbeing, GIGABYTE Group hosts a sports carnival in May each year with soft, aerobic competitions for both sports and recreation. The carnival consists mainly of fun, relaxing sporting competitions with employees working together outdoors to complete the events. Employees are also encouraged to bring their family members, providing them with an opportunity to balance work with family life as well as bond with their colleagues.

The 2013 GIGABYTE "Flight of Hope" Sports Carnival was held at Nanshi Elementary School. In keeping with the concept of sustainable development, small local farmers and charities were invited to set up a green market that enhanced the visibility of environmental friendliness and social welfare. GIGABYTE also hoped that this will give more employees and their families the chance to meet directly with environment friendly and charity service groups, supporting the ideals through their actions. Between the aerobic competitions, students from Nanshi Elementary School were invited to give

arts performances, showcase their skills, and let employees relax. The organization and management of this year's sports carnival was supported by GIGABYTE's volunteering employees, demonstrating their enthusiasm for public affairs and service.

Employee Corporate Volunteer

Health, Family, Teamwork

2013 GIGABYTE Sport Carnival Stakeholder and Design Philosophy

Energizing the community and integration of core school philosophy

Local community & School

Local farmer market & charilities

Promotion of philosophy and increased visibility

"Flight of Hope - 2013 GIGABYTE Sports Carnival" Photo Album

Nanshi Elementary School is near the GIGABYTE "Nanping Plant" and was founded over a century ago. Its century of history and culture has nurtured many GIGABYTE employees and their children to make an important contribution to local development. To fulfill the ideal of sustainable development, the "2013 GIGABYTE Sports Carnival" chose to host a distinctive sports carnival that creates value with the local community and school.

Nanshi Elementary School is also a "National Model Eco-Education School", so the 2013 sports carnival drew on this feature by organizing the "Eco-Pioneer Challenge" crewed by the Nanshi Elementary School and the "New Star Cradle" performance.

You can help him become independent

There are unsung groups and individuals in society who look after the disadvantaged, provide the physically/mentally handicapped with a refuge, offer opportunities to the disadvantaged to learn a skill so they can return to the workplace and make a contribution to their families and society. As long as they never give up, it does not matter if they are slow. Charities were invited to GIGABYTE's "Flight of Hope" sports carnival as well to encourage employees to support the needy through their actions so they can build up self-confidence and face the challenges of life head-on.

The Green Market

Great Local Taste that is Healthy and Safe

Taiwan's decreasing acreage under cultivation and the youth drain in the countryside have seen Taiwan transforming itself from an agricultural exporter to importer. Food self-sufficiency is now just 32%. Since joining the WTO, the amount of rice paddies left fallow now exceed 50% of the total if abandoned acreage is not counted. Add to that the effects of climate change and food security is now a national security issue.

The situation led a group of small farmers who love the land and environment to rethink today's environment and society. They continued to look after themselves and the environment by using organic, natural, pesticide-free and synthetic fertilizer-free farming methods that are better for the land. With a philosophy of local production and local consumption, they reduce the carbon mileage of food by promoting the eating of local foods and using of local products. By strengthening the bond between people and the land, they make a priceless contribution to the environment and society. No value can be set on the healthy diet they offer consumers.

These small farmers used their limited resources to set up the Green Market. By sharing their knowledge, experience as well as working together and trusting each other, they ensure that this emerging force is passed on. In 2013, the GIGABYTE sports carnival invited local farmers in Taoyuan to set up the Green Market. The move brings GIGABYTE employees and small farmers closer together, provides local producers and consumers with a platform for direct contact, and allows consumers to enjoy a green, healthy and environmentally friendly lifestyle. At the same time, it allows producers to look after the land and manage the green earth in a sustainable way.

Local Farmers and Charities

Local Farmer Name	Charity Name	
Tianshou Farm	Eden Coffee Shop	Taiwan Blind Foundation
Sunten Organic Farm	The Garden of Hope Foundation	Chensenmei Social Welfare Foundation
Dragon Rice	Taoyuan County Masseurs Union	Development Center for the Spinal Cord Injured
Yunduan Farm	Syin-Lu Social Welfare Foundation	
Midori Handmade Ice Cream	Longevity Engineering Association	Vocational Training Center for Intellectual and Developmental Disabled Crossroads Cafe
Gold Sister	Eden Foundation - Blind Massage	
Food & Beverage Vocational Teacher	Indigenous Peoples Bureau of Taoyuan County Government	
Asiaplant	Sunshine Social Welfare Foundation Rehabilitation Center	
Fufon Organic Tea	Taoyuan County Physically Handicapped Association	

Feature 2 G-HOME - Sustainable Eco-Roof

In keeping with our philosophy of a "Happy Workplace, Upgrade Your Life", GIGABYTE developed the "G-HOME Sustainable Eco-Roof" project in 2012 to help employees balance work and life. By covering the roof with green lawn and native vegetations, a micro-habitat was created for animals, insects and butterflies. This not only increased bio-diversity but also offered employees a place to relax away from work.

G-Home Philosophy and Features

• G-Home Philosophy

1. **Promote employee health: Green space for LOHAS, sharing, respect and spiritual experience**
2. **Plant trees for Earth: Return the urban jungle to nature**

The G-HOME Sustainable Eco-Roof concept was based around three core concerns: employee, life and environment. It serves as a GIGABYTE green lifestyle map for balancing work, life and leisure.

GIGABYTE's advances and innovations can all be attributed to the tireless contributions of our employees. In today's world, we know that promoting employee health is not just a corporate responsibility but also the driving force behind corporate growth. Apart from providing a good work environment, there should also be a place to relax and stretch out. G-HOME is a space where employees, retired employees and their families can help manage and relax in.

Apart from taking care of employees, rapid economic development has put pressure on green spaces in the city. The G-HOME Sustainable Eco-

Roof is a pilot ground for environmental education. As a green space that incorporates the concept of bio-diversity, G-HOME not only plants trees to give Earth back its lungs, but also uses native vegetation to create a habitat rich in biodiversity where many creatures can live in. Apart from respecting the cycles of nature, G_HOME establishes a model for symbiosis between mankind and the environment while also boosting understanding of sustainable development.
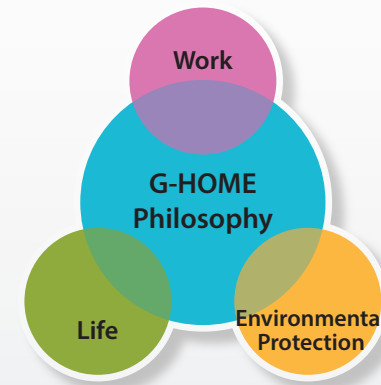
• G-HOME Setup

GIGABYTE's pursuit of ecology and sustainability dispenses with ornate garden landscaping and retains only the interaction between human and nature.

1. G-HOME Sustainable Eco-Roof: Conveys the ideals of Green (G), Health (H), LOHAS (O), Mind (M) and Ecology (E).
2. Protect the earth and ecology: Native Taiwan plants create a micro-ecosystem for symbiosis with the environment.
3. Sustainable resources (from cradle to cradle): Conserve water resources, collect rainwater for reuse, compost fallen leaves and achieve natural sustainability.

4. Set up sustainable energy source: Wind power, solar power and muscle power
5. Respect for humanities and nature: Respect employees, protect nature, and G-Home is my home.

G-HOME's 5 Key Themes

1. Sustainable zone: Green innovation, sustainable development, seedling cultivation and enduring life.
2. Organic farming zone: Urban farmer, LOHAS sharing, organic cuisine and internal environmental protection.
3. LOHAS experience zone: Happy and slow life, sustainable health, healthy trail, LOHAS experience.
4. Wellbeing zone: Potential development, mental growth, stress relief and joint growth.
5. Sustainable ecology zone: Clean technology, sustainable development, bio-diversity and symbiosis.

G-Home's Innovative Applications and Design

1. Rehabilitation area for Taiwan's native fish species
2. Rehabilitation area for Taiwan's native plant species
3. Roof-top plant experiment area
4. Green innovation education campus
5. First-ever rooftop wetland and beach
6. First-ever rooftop terrace greening with extensive design for zero-maintenance and reuse of leftover building materials
7. Makeover of old galvanized iron housing and platform for zero resource waste
8. Application of innovative technologies: nano-coating textile that is self-cleaning, mold-resistant and anti-bacterial
9. Diverse renewable energy sources: Solar power, wind turbine, pedal-powered bicycles, plant energy
10. Low maintenance: Dense vegetable imitates natural ecology and no-interference zones to provide bio-habitats

G-HOME Rooftop Farm

Issues that affect our everyday life such as food safety, self-sufficiency and climate change have started gaining public interest recently. This has made choosing a friendly environment and local foods an important topic. In urban areas, it is hard to find large tracts of land for agriculture. If rooftops and balconies can be used at the household or building-level for growing food and creating urban farms, this will not ensure food security but also make a contribution to planet Earth. To promote the concept of urban farming and provide employees with an area to exercise and enjoy cultivation, G-HOME set up a rooftop farm - the Happy Garden. Food education seminars and workshops were also held within the company.

• Organic Farming - Symbiosis

Happy Garden, the rooftop farm set up by G-Home, was opened up for employee adoption so they can use their spare time to become urban farmers and relax. A toxin-free approach is emphasized with no synthetic fertilizers and pesticide used. The cultivation process involves living in harmony with the environment and learning how to overcome challenges as well as solve problems. After all of the hard work, people can enjoy the fun and excitement of harvesting their own crops. This is not only good for the mind and body but also good for the health of the employee, their families and friends.

• Urban Farmer and Food Education

GIGABYTE Headquarters hosted the "G-Home Urban Farmer - Food Education" course to complement the garden adoptions. Well-known friendly farming speaker Chen Chi-chun was invited to personally teach an 18-hour course on the methods and principles of organic farming.

Based around a philosophy of simple living, green consumption, toxin-free homes and organic diets, the course teaches about plants' growing environments, soil observation as well as how to make and use natural organic fertilizers and insect repellents. The timing of harvests and preservation methods were also taught to learn about the proper organic farming and healthy eating concepts through practice. Such a comprehensive farming course enhanced the farming skills of employees who adopted the Happy Garden and were interested in organic farming. Together with the rooftop farm, farmland and home practice, this promoted proper organic farming methods and healthy diet concepts. Understanding the close relationship between diet and environment in turn helps to form a G-Home friendly farming community that lives in symbiosis with the ecology.

G-Home Visit

> The goal of the sustainable eco-roof is to promote eco-system design, eco-diversity conservation and the rehabilitation of native species. It is open to the public to spread the green seeds of environmental education.

Upon G-Home's completion, it was made available to the general public and stakeholders to visit by appointment to promote the key ideals of the eco-rooftop concept such as ecosystems, biodiversity conservation and rehabilitation of native organisms. The visits included a basic introduction to the G-Home ideals together with current issues in natural ecological environment and agriculture. This will hopefully give more people an understanding of these issues' background and encourage them to rethink and take action. When visitors tour the eco-rooftop, a guide is also assigned

for exchanging opinions and sharing experiences. It is an opportunity to explain and communicate to shareholders GIGABYTE's concept for promoting environmental education. In the future, GIGABYTE will continue to invite visiting school groups in order to sow and cultivate the green seeds of environmental education.

- **List of Visitors in 2013**

  A total of 192 people in 19 groups have visited G-HOME after its completion, as of the end of 2013.

A Corner of G-Home, GIGABYTE's Sustainable Eco-Rooftop

List of G-Home Visitors

Visiting Unit	
Skyline Plaza (community near Headquarters)	Environmental Protection Bureau of Taoyuan County Government
Department of Business Administration, National Chengchi University	Cathay Financial Holdings
Taiwan Rooftop Farming Promotion Association	Office of General Affairs, National Taiwan University
Jan-Da Construction	Aaeon Foundation
Far Eastern Group	Lishing Elementary School, Beising Elementary School
Department of Horticulture and Landscape Architecture, National Taiwan University Experimental Farm, National Taiwan University	National Chin-Yi University of Technology, Taiwan Institute of Landscape Architects, Hongguan Landscaping
Compassion Team Volunteers, Bliss Wisdom Foundation	Interview by Da-ai TV Station
Environmental Protection Bureau of Hsinchu County Government	Foundation Evaluation Committee, Ministry of Education
Tungnan University	School of Management, National Central University
CommonWealth Magazine	

8. Environmental Protection

8.1 Environmental Safety Policy

The GIGABYTE quality policy of "Total Quality and Customer Satisfaction" seeks to conform to the requirements of ISO 9001/TL 9000 so we can provide the best quality to all of our customers. In environmental safety management, GIGABYTE has defined the following environmental safety policy based on the requirements of ISO 18001/OHSAS:

The requirements of the environmental safety policy are as follow:

1. Execute clean production, contamination prevention and continual improvement.
2. Observe environmental, health and safety regulations, and other related requirements.
3. Encourage suppliers to perform environmental protection, health and safety programs.
4. Control safety and health risks. Prevent injury and bad health.
5. Volunteer to monitor, control and reduce greenhouse gases, and to continually save energy and resources.

6. Realize the elimination of environmentally prohibited substances from products as well as meet the targets for recovery, reuse and recycling.
7. Communicate company-wide with all personnel controlled by the company and make them aware of their personal environmental safety and health responsibilities.

There were no breaches of environmental laws by GIGABYTE in 2013. We will continue to uphold our existing policy and promote internationally recognized rules and regulations. At the same time, GIGABYTE will strive to realize even higher quality and standards so we can deliver perfect performance through a process of constant refinement.

8.2 Quality and Environment Management

GIGABYTE believes that product and service quality is the key to brand management and sustainability. Our quality is our competitive advantage and our brand commitment as well. By creating amazing products that provide the customer with a pleasant brand experience, GIGABYTE can become a brand that users can trust and be proud of. In this way, our goal of sustainable management can be realized. GIGABYTE has introduced various management systems to this end. Continual improvement is carried out using the PDCA management model and we are gradually achieving third-party verifications, to ensure that these management have been successfully internalized by GIGABYTE. The latest management system certifications achieved by GIGABYTE are listed below.

System Name
Authorized Economic Operator (AEO)
ISO 14064-1: 2006 Greenhouse Gas Inventory Certification
PAS 2050: 2008 Product Carbon Footprint
ISO/TS 16949:2002 Automotive Quality Management Systems Certification of Conformity
IECQ QC 080000 RoHS International Certification on Hazardous Substance Management
ISO 9001: 2008 Quality Management Certification
TL 9000-H Communications Quality Management Certification
OHSAS 18001:2007 Occupational Safety and Health Management Certification
ISO 14001:2004 Environmental Management Certification

8.3 Climate Change and Greenhouse Gas Management

8.3.1 Greenhouse Gas Management Goals

The GIGABYTE Group is very much aware of how the Earth's climate and environment is worsening due to climate change. As a global citizen, GIGABYTE has introduced clean production systems, developed energy-saving products, improved production processes and efficiency, and introduced ISO 14064 GHG inventory system. The GHG report provides disclosure of our company's GHG inventory and management efforts.

By effectively tracking our GHG emissions, GIGABYTE is able to build up consensus within the company and continue with our GHG reductions in order to help slow global warming and fulfill our CSR.

Our GHG reduction target is defined as: Develop low-carbon technologies and define concrete carbon reduction targets. For sites in Taiwan, 2007 has been set as the baseline with a target of a 20% reduction in emissions from internal activities by 2015; for sites in China, the baseline year is 2009 and the target is a 15% reduction in emissions from internal activities; for the GIGABYTE Group as a whole, we aim to reduce carbon emissions from internal activities by 20% compared to 2009 by 2020.

In 2012, GIGABYTE Group's GHG emissions amounted to 34,391.74 tons, a reduction of 14,565,40 tons compared to the 48,957.14 tons in 2009, the baseline year. The reduction of 29.75% from internal activities meant that GIGABYTE had reached its 2012 GHG reduction target early. The goal was therefore changed in 2013 to "reduce carbon emissions from internal activities by 40% in 2020 using 2009 as the baseline year for the whole group". In the future, the GIGABYTE Group will continue to reduce carbon emissions in order to do our part for planet Earth our home.

## 8.3.2 Greenhouse Gas Inventory

• Organizational Greenhouse Gas Emissions

In 2013, GIGABYTE continued with our corporate-wide GHG inventory check from January to December, 2012. The parameter covered our Xindian Headquarters and Nanping plant in Taiwan as well as the Dongguan and Ningbo plants in China. The data was verified by SGS to ISO 14064-1 standards. In 2012, total emissions amounted to 34,391.74 tons CO2e. The majority of emissions were indirect emissions (97.72%).

Structural analysis of GHG emissions:

Scope 1 are direct emissions including diesel used by emergency generators, fuel consumption of company cars, natural gas consumption of boilers, and leaked refrigerants from air conditioners and refrigerators. Scope 2 is indirect emissions including office and dormitory power consumption. GHG emissions at all four GIGABYTE plants consist mainly of indirect emissions, and dispersal is the main emission source for direct emissions.

Greenhouse Gas Emissions (Tons CO_2e) – According to Scope
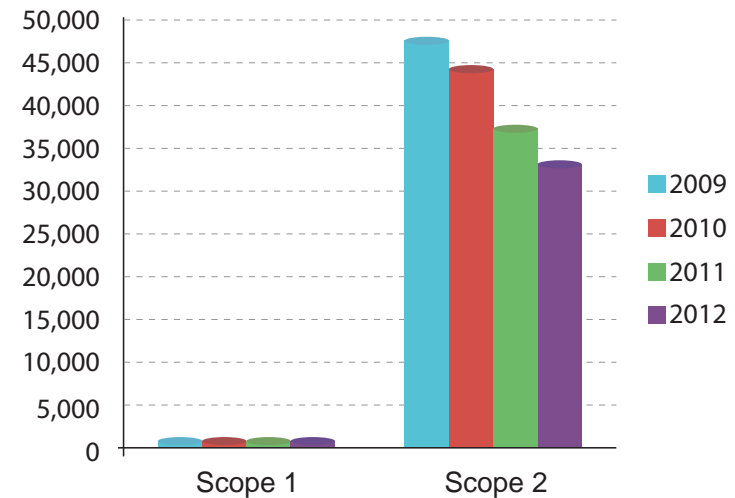
• Carbon Emissions per Unit of Production Reduced by 37.99%

The organizational GHG inventory results as well as our production data showed that our carbon emissions per thousand units had dropped 37.99% from 3.88 tons to 2.41 tons CO2e between 2007 and 2012. GHG emissions per capita dropped 16.31% from 7.43 tons CO2e in 2007 to 6.22 tons CO2e in 2012. GIGABYTE is not only aggressively improving our production processes to maximize energy efficiency but also strengthening energy management at all sites.

Average GHG emissions per thousand units (Tons CO_2e)

3.88
3.80
3.41
3.15
2.84
2.41

2007　2008　2009　2010　2011　2012
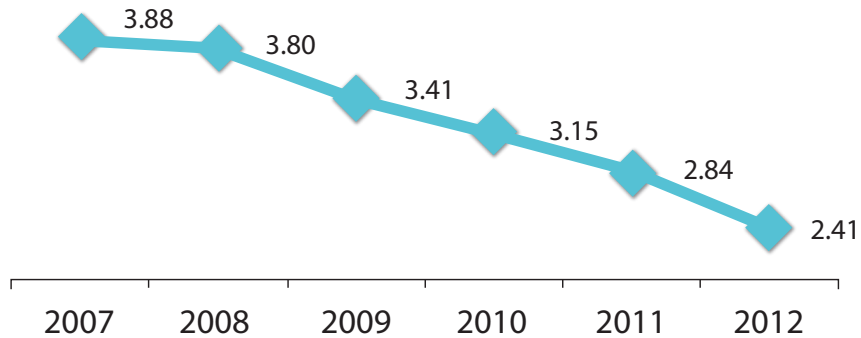
- **Greenhouse Gas Reduction Strategy**

  Based on the above, we have formulated the following GHG reduction strategies after evaluating GIGABYTE's internal situation and outside conditions:

  1. Implement energy-saving and carbon reduction measures throughout the enterprise based on a principle of "No Regrets". Green products and services are to be developed to leverage our corporate expertise in helping society realize green innovation.
  2. SOPs are to be defined for steam and diesel generators in China to reduce interference from external factors such as climate and government policy.
  3. To meet the GHG reduction targets set by the organization, aggressively implement energy-saving and carbon reduction measures that in a way that does not impact employees' working conditions. The targets will take the form of short-, medium- and long-

term reduction goals.

4. China is now actively developing renewable energy sources. We will evaluate the feasibility of transitioning over to green power purchasing in the future in order to reduce GHG emissions from excessive power use.
5. Focus on improving efficiency of energy usage through: improve quality, improve yield and enhance productivity. An assessment of air-conditioning system efficiency is also carried out.

- **Greenhouse Gas Reduction Measures**

  The GHG reduction strategy supported by GIGABYTE must start with environmental education. Once employee consensus through environmental education has been reached, we believe that there are two ways to promote reductions.

  1. Organizational: Improve power efficiency, replace obsolete equipment and optimize processes.
  2. Products: Continue to strengthen product quality and optimize the design. This not only reduces waste and re-engineering but will greatly enhance customer satisfaction and product value.

8.3.3 Energy Saving and Carbon Reduction Measures

We have implemented various energy-saving and carbon reduction measures to achieve the above strategic goals. The measures for enforcing energy management and optimizing energy efficiency are as follow:

Everyday Energy Conservation and Carbon Reduction Measures
• Environmental Education
In addition to 1 ~ 2 hours of quality and environmental training for new employees, a range of increasingly specialized courses are provided depending on personnel roles to enhance their environmental awareness.
• Promote energy and water conservation
Reminders have been placed near switches of each conference room to remind users to turn off the lights when they leave. Water-saving measures are displayed on toilet doors to encourage employees to conserve.
• Embrace 5S
Monthly audits are conducted in accordance with the principles of 5S: Seiri (Sorting), Seiton (Stabilization), Seiso (Sweeping), Seiketsu (Cleaning) and Shituke (Practice). Penalties are issued for non-compliance and the emphasis is on employee introduction of environmental protection through 5S.
• Personal waste sorting
All waste is now sorted by employees instead of cleaning staff. Self-sorting encourages employees to think about ways of reducing waste before their next purchase. This will help achieve waste reduction and the effective use of resources.
• Encourage the use of stairs instead of elevators
Signs are posted in front of elevators to remind employees that taking the stairs is good for health.
• Provision of bicycle parking spaces
To encourage employees to cycle to work, bicycle stands are provided for parking and securing their bicycles.
• Two vegetarian meals a week
To reduce the amount of GHG emissions from the consumption of meat, GIGABYTE organizes two voluntary vegetarian meals a week and assists with group orders of vegetarian lunch boxes.
• Video Conferencing
To reduce energy consumption from transportation, all inter-plant training and meetings have now been replaced by video conferencing.

8.3.4 Participation in Carbon Disclosure Project (CDP)

The Carbon Disclosure Project (CDP) is a well-known international carbon management rating organization pushing to improve the transparency of carbon management in business. This includes carbon emission inventory verification, promotion of carbon reduction, as well as identifying and responding to regulatory and concrete risks of climate change. The goal is to reduce business risks and costs, and to convert the different risks into opportunities that enhance sustainable business development. CDP scores are divided into two parts:

• Disclosure score: CDP disclosure score is expressed as a number. A higher score indicates a comprehensive approach to climate change mitigation and adaptation by the company, and that the integration and disclosure of related information conforms to the requirements of CDP methodology. This makes the information very user-friendly, reflects the company's readiness and active efforts in CSR, and is one of the key indicators of the company's sustainable management.

• Performance score: CDP's performance score is rated from A to E. An A/A- rating indicates that the business has fully integrated its climate change and strategy, and that its execution has achieved a certain level of maturity.

GIGABYTE's CDP Disclosure score in 2013 was 84 and Performance score was A-; both were higher than the average scores of 49 and C in the CDP supply chain. The scores represent recognition of GIGABYTE's efforts in energy conservation and carbon reduction, and GIGABYTE will continue to improve its energy efficiency and promote energy-saving, carbon reduction activities in the future.

8.3.5 Climate Savers Computing Initiative

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

8.3.6 Development of Smart Phone Product Category Rules

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

8.3.7 Product Carbon Footprint Verification

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

8.4 Environmental Performance

8.4.1 Air

GIGABYTE's primary air pollution prevention strategy is based on using process optimization to reduce the amount of pollutants in emissions. The secondary strategy is using high-performance equipment to scrub pollutants from emissions. Concentrations of pollutants emitted into the atmosphere must not exceed the amount allowed by government regulations.

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

8.4.2 Water

• Water Consumption

Global climate change has made the development and allocation of water resources an important issue around the world. Rainfall in the wet and dry season have become increasingly extreme in Taiwan since 2009, highlighting the increasing risk of drought and flooding. Water resource management, conservation and emergency response during droughts have become all the more important. GIGABYTE knows that extreme precipitation is the result of global warming and climate change. The former must be solved before the latter can be dealt with. As this process make take several decades, water resource management is therefore

a crucial part of climate change risk management and adaptation for business. Government collaboration is also particularly essential for water resource management compared to other methods for coping with climate change.

GIGABYTE plants in Taiwan and China used 334,300 tons of water in 2013, up 900 tons from the 333,400 tons used in 2012. The Dongguan plant accounted for the majority of the water consumption at 58.75% followed by the Nanping and Ningbo plants. As these three plants are all manufacturing plants with a higher number of workers, the water consumption is also correspondingly higher. Xindian is the company Headquarters and so accounted for just 7.46% of the total water consumption.

Historical Water Consumption (KL)
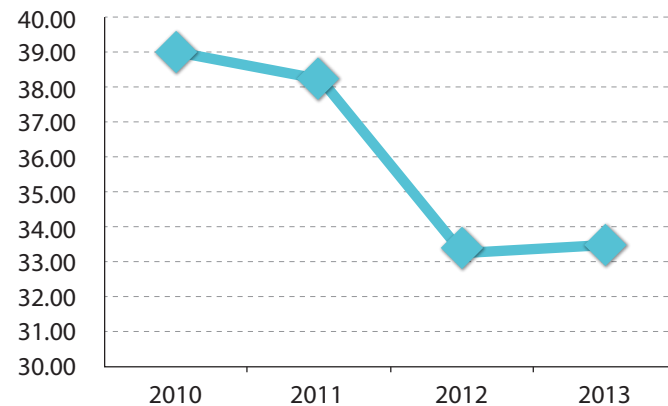
• Wastewater Discharge

All wastewater from GIGABYTE's Taiwan and China plants are treated by appropriate sewage treatment facilities or discharged directly to a dedicated local sewage treatment plant. Wastewater discharge by the Nanping and Ningbo plants were both estimated to be 80% of water consumption while the Dongguan plant was revised from 80% to 90%, resulting in a large increase in overall wastewater discharge. All discharge quality conformed to current regulations. During 2013, GIGABYTE discharged 287,100 KL of wastewater. Dongguan accounted for the lion's share at 61.57% followed by the Nanping plant at 16.53%.

• Water Recovery

All production processes at the Ningbo plant in China are equipped with wastewater treatment equipment that achieve reuse rates of 80~100%. Plastic spraying production line's waste water treatment equipment has a recovery rate of 100% with 1500m^3 of water recycled annually. The metal powder coating production line's wastewater treatment equipment has a recovery rate of 80% with 500m^3 of water recycled annually. The plastic molding workshop cooling equipment has a recovery rate of 100% with 1,000m^3 of water recycled annually. Recovery of condensation from steam cleaning in the mold water recovers 500m3 of water annually.

8.4.3 Waste

In waste management, the conventional disposal method has now been replaced by the effective resource management. This concept has now been implemented in routine operations and the innovative approach has received strong report. Waste are n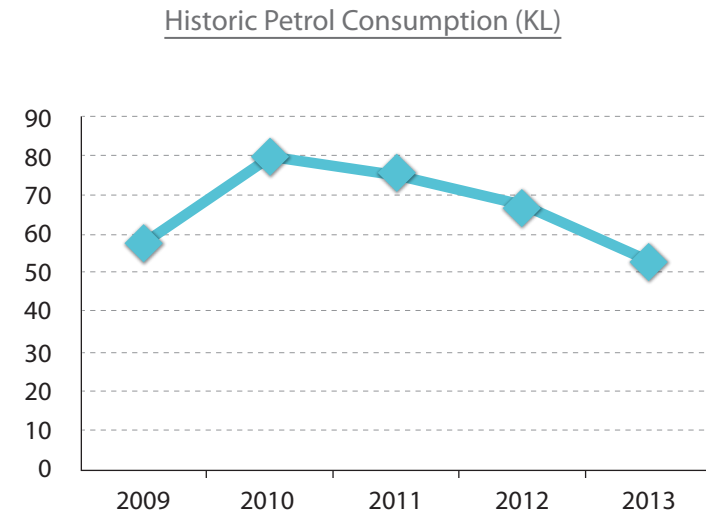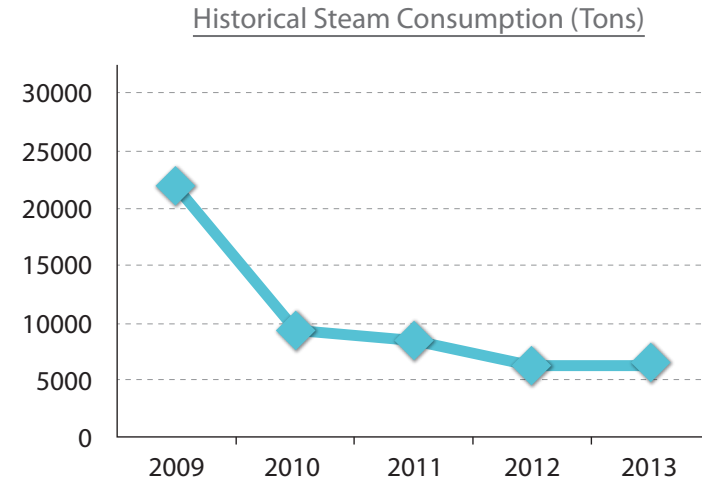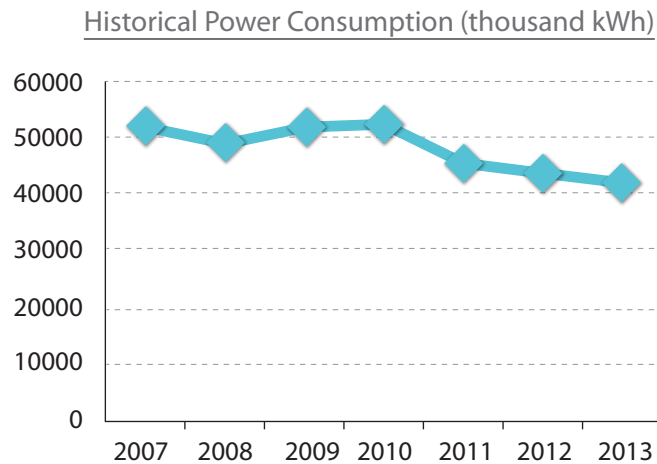ow treated as resources and managed accordingly through proper sorting at the source to improve the recyclability of waste. GIGABYTE also collaborates with waste disposal and recycling firms to identify and develop potential recycling methods in order to reduce the amount of waste ultimately sent to incinerators and landfills. We also actively work with material suppliers to reduce the amount of chemical use at the source and the generation of waste chemicals. Joint research is carried out on the recovery of raw materials by the supplier for re-working in order to realize the targets of sustainable resource recycling.

GIGABYTE produced approximately 404.03 tons of general waste in 2013. 1454.78 tons were recycled while 61.69 tons were hazardous waste. The amount of hazardous waste was 144.97 tons lower than the 206.66 tons in 2012. All three categories of waste are removed and suitably disposed of by certified contractors and conform to the requirements of the Basel Convention.

Historical Waste Production (Tons)
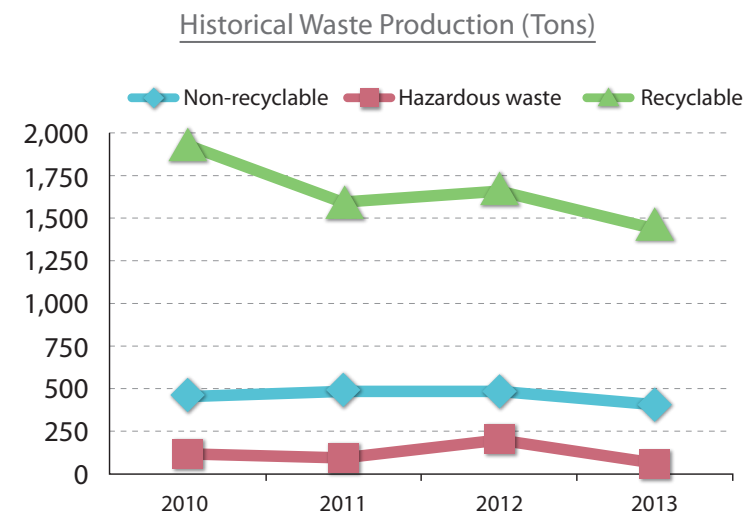
8.4.4 Energy

Over the past few years, total power consumption at the four GIGABYTE plants ranged between 48,000 to 53,000 thousand kilowatt-hours (kWh). The "Green Action Plan" was launched in 2010 and power consumption dropped to 42,267 kWh in 2013. This represented a significant reduction of 9,714 kWh compared to the baseline year. The four plants' direct energy consumption 2013 consisted of 50.24 KL of petrol, 7.70 KL of diesel, 0.09 KL of bio-fuel and 0.54 KL of LPG. All were lower than previous consumption in 2012. Diesel is mainly used by the emergency generators in the event of a power outage and in 2012, the generators were started once. These include twice for peak shifting, once for STATCOM device short-circuit testing by the power company, and once due to power supply failure on circuit F18. In 2013, emergency repairs were made once to Tower 21 on Huangjiang Power Station's F18 Nancheng Line. The generators were only needed once resulting in a large decrease in diesel consumption.

Historical Power Consumption (thousand kWh)

Historical Steam Consumption (Tons)

Historic Petrol Consumption (KL)

Historic Diesel Consumption (KL)


Historic LPG Consumption (KL)

8.5 Green Products

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

8.5.1 Hazardous Substance Management

GIGABYTE became the first system brand vendor in the world to pass IECQ QC 080000 certification in 2005. Lead-free production processes were adopted for our products and a green material management system was introduced to establish a green supply chain. This ensured our compliance with EU RoHS requirements and allowed us to provide users with safe computer equipment. The development of the halogen-free process technology in 2008 marked a major advance towards environmentally friendly products. All current GIGABYTE mainboards, graphics cards, optical drives, computer chassis and power supply products conform to the RoHS directive. We have also continued to monitor developments in international environmental legislation such as REACH and China RoHS so that controls or bans on hazardous substances can be adopted as necessary. Management and review meetings are convened every month and our standards are stricter than those issued by the EU set. HCSR Ver. 4.1 now controls and monitors up to 33 harmful substances. We also require our suppliers and contractors to join us in protecting the environment as well as to fulfill our philosophy of "Excellence from GIGABYTE" and to build consumer trust.
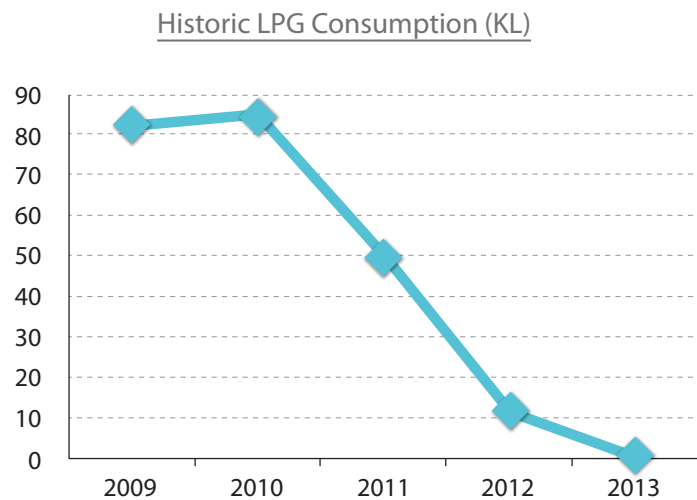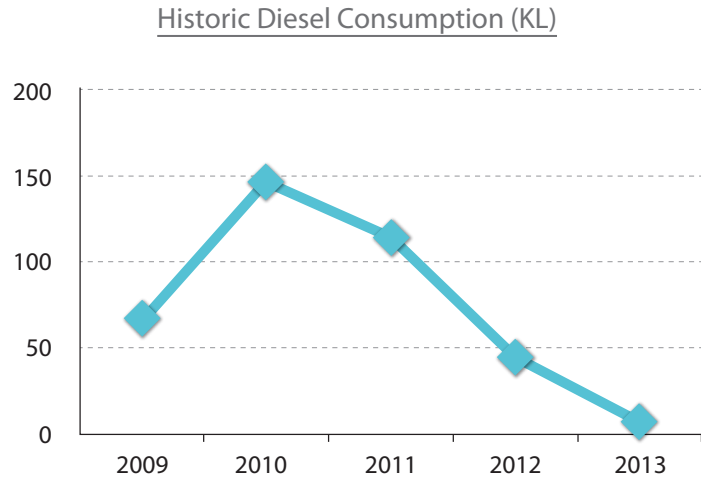
8.5.2 Raw Materials

GIGABYTE's choice of raw materials are based on the ideal of "reduced environmental impact". The use of raw materials is minimized to reduce the generation of waste and production costs. This approach has been proven to be more economical and environmentally friendly. GIGABYTE has now set up a dedicated unit for studying product materials. Within the company, we are continuing to adjust raw material parameters to optimize and minimize their use. This not only reduces product costs but also the generation of pollutants and waste. Externally, we require suppliers to review the appropriateness of their chemical usage and gradually reduce it to a minimum. Over 87% of the materials used in mainboards that we now produce are recyclable. Most of this is in the form of metals but recyclable plastics and other raw materials will be taken into consideration during design. Materials that require less processing are preferred to improve recyclability.

8.5.3 Extended Producer Responsibility

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

Proportion of raw materials used in ATX and Micro ATX Mainboards
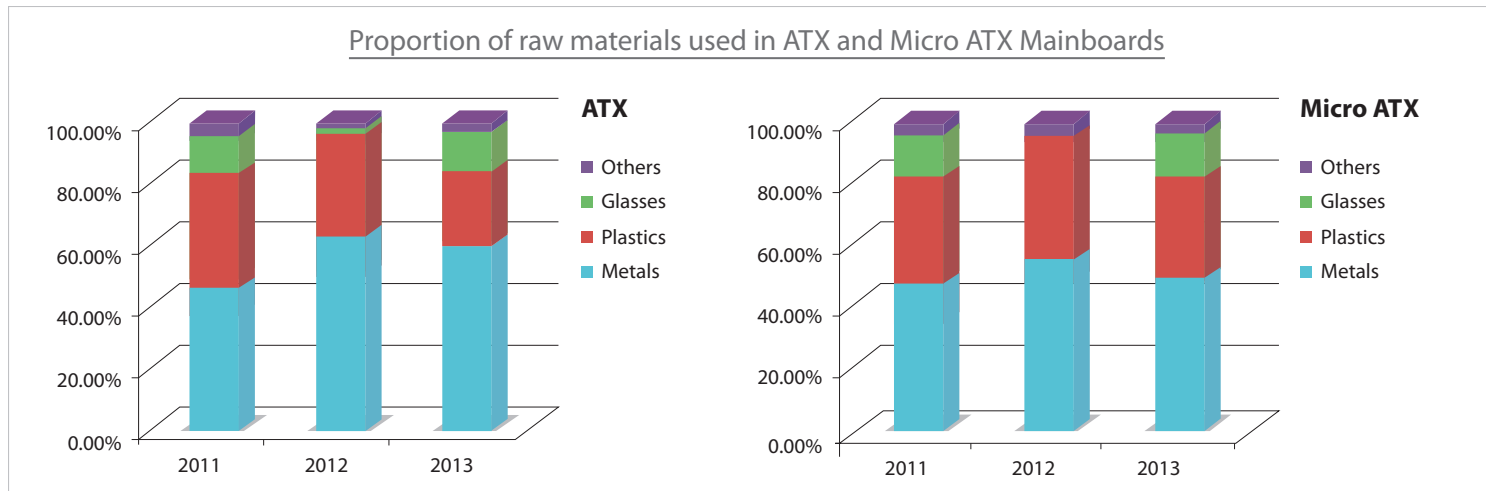
reuse value. To help create a recycling society, GIGABYTE embraced the spirit of extended producer responsibility to conform to the EU WEEE directive. Product recycling channels have now been set up in Europe, North America and Taiwan where consumers can deliver their waste products to the nearest recycling point. In this way, waste can be recycled and reused. For more information, please visit the GIGABYTE website at http://csr.gigabyte.tw/. 。

Poster for recycling of waste 3C products

8.5.4 Product Packaging

GIGABYTE has long spared no effort when it comes to reducing product packaging. To comply with the EU Directive of Packaging and Packaging Waste (94/62/EC) (PPWD), all efforts are made to use minimal packaging and recyclable materials, restrict the use of polystyrene buffer materials and hazardous substances, and provide recycling labeling on packaging materials. These measures are intended to facilitate future recycling and reuse. GIGABYTE has now adopted soy-based ink for printing product packaging and plans to adopt FSC-certified paper across the board for more environmentally-friendly packaging. In 2013, GIGABYTE packaging used 20,1980.78 tons of paper and 424.19 tons of plastics in its packaging materials with the recyclability ratio of 97.94%. Since 2010, the proportion of recyclable GIGABYTE packaging has climbed steadily from 93.06% to 97.94%. This demonstrated GIGABYTE's efforts in reduced packaging and we will continue investing in green packaging design in the future.

Historical proportion of recyclable packaging
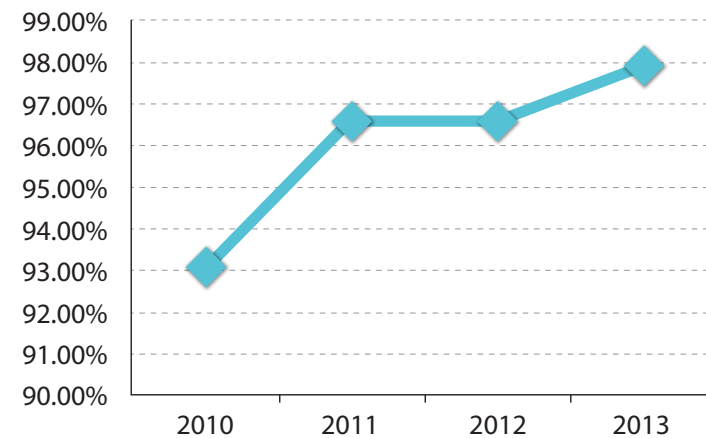
8.5.5
Energy Saving Products

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

GIGABYTE Product Energy-saving Technology
5th Generation Ultra Durable ™ Mainboard
Quality is the key. Since the first generation of the Ultra Durable ™ technology was released in 2006, GIGABYTE has made durability technology a core design ideal. Improved materials means that critical parts of the mainboard power supply now use the best low-temperature, high-performance and long service-life components regardless of the cost. GIGABYTE mainboards with the 5th generation Ultra Durable ™ Plus technology integrated quality parts and advanced energy-saving functions to give systems not only high-performance but can also keep temperatures low to extend their service life.
Ultra Endurance for the Green Age — ECO 500 / ECO 600 Wireless Mouse
In 2011 GIGABYTE welcomed the coming of the Green Era by unveiling the all-new ECO 500 / ECO 600 long battery-life wireless mouse concept. Compared to conventional wireless mice that require a battery change every 3 ~ 5 months, GIGABYTE's long-life wireless mouse can run up to 12 months on a single set of batteries. Longer battery life not only makes frequent battery changes unnecessary, but also reduces battery costs as well as battery waste.
80Plus Certified Power Supply Units
80Plus is an important certification with the modern emphasis on energy conservation. The US Ecos Consulting organization developed the 80Plus energy-efficiency standard in response to the global energy storage as a way to encourage manufacturers to develop more efficient models. By this standard, power supply unit (PSU) used in desktop PCs and servers must maintain an 80% energy conversion efficiency at 20%, 50% and 100% loadings to reduce the amount of waste energy. At the moment at least 31 GIGABYTE PSU products have received 80Plus certification. The 80Plus Sumo Platinum PSU series (450W, 650W, 1000W) released in 2013 now boasts 80Plus platinum rating. The use of high-quality Japanese capacitors, solid capacitors, and DC-DC design architecture achieved conformity with ErP specifications, providing consumers with the most energy-saving and environmentally friendly solution.
Redefining the Standard for Desktop PCs - BRIX / Barebones Micro PC
GIGABYTE has challenged the Mini PC concept again by developing a stylish next-generation barebones micro PC featuring glass surfaces and polished silver bezels. The BRIX's minimalist and ease-of-use sets a new standard for mini PCs while its lightweight, compactness and high performance makes it suitable for all kinds of environments. The concealable design makes it not only the perfect HTPC platform and multimedia center for understated luxury, but also the best choice for low-energy home/business computers. Its performance is more than adequate for commercial displays such as outdoor digital signage as well. The BRIX barebones mini PC is just the size of a hand (56 mm x 107 mm x 114mm) and weighs on average between 540 ~ 600g. It is far more compact than NBs or Desktop PCs, and it takes energy-saving and resource minimization to a new level, completely redefining the standard for desktop mini PCs.

Comparison of BRIX and other Products

Product	BRIX	14" NB	Micro ATX Desktop PC
Weight (g)	540~600	1800~2000	9000~12000

Note: The weights for BRIX and 14" NB does not include adapters.

8.5.6 Green Supply Chain

GIGABYTE Group requires tier-1 suppliers to set up an environmental management system and all tier-1 suppliers have now passed ISO 14001 certification. Since 2012 suppliers have been required to conform to the Electronic Industry Code of Conduct and non-use of conflict metals. Product suppliers are required to conform to the GIGABYTE Technology Group Guideline for the Management of Harmful Chemical Substances Requirements (HCSR), RoHS, WEEE and other regional pollution prevention or waste disposal-related environmental regulations. For environmental laws or substance management regulations specified by GIGABYTE such as the Substance of Very High Concern (SVHC) defined by the EU REACH legislation or Level B and Level C substances defined in the HCSR, suppliers should cooperate with inspections and voluntarily report the results. Suppliers must also sign the Certificate of Non-use for the Controlled Substances as well as a declaration of conformity on SVHC in EU REACH legislation.

8.6 Group Green Education

8.6.1 Environmental Education Courses

New GIGABYTE employees have to attend one to two hours of training on quality and environmental legislation. They also have to attend a series of increasingly difficult courses tailored to their roles to improve their environmental awareness. The courses cover quality policy, environmental & safety policy, the creation and promotion of environmental quality assurance system, introduction to international environmental legislation, introduction to GIGABYTE's Harmful Chemical Substance Requirements (HCSR),

introduction to guarantee of non-use of restricted substances, querying of environmental policy documentation and consulting windows.

8.6.2 Green Course

As a result of the "Stockholm Declaration on the Human Environment" (passed in 1992), the UN report on Environment Development "Our Common Future", and the "Stockholm Convention" banning the use of nine persistent organic pollutants in 2001, we now have new controls on substances harmful to the environment. The EU introduced the EEE/RoHS/REACH directives and regulations in 2005 and other regions around the world have also gradually passed laws regulating the environmental specifications of electronics products. These mean that the electronics products supply chain is now subject to increasingly strict regulation and changes. We hope this series of courses will help our employees understand their duty and responsibility under local green legislation, regulations and directives. They must not only conform to the training and management requirements for hazardous substances, but have to increase their environmental awareness and strengthen their green competitiveness. This will allow our products to meet world-class standards and move towards sustainable development.

Green Courses

Basic Green Course	

Outline	◆ GIGABYTE green policy
	  • Basic introduction to EU environmental directives (RoHS/
	  WEEE/Battery/REACH/ErP and packaging directive)
	  • Introduction to GIGABYTE's HCSR
	◆ Introduction to international environmental labels
	  • Introduction to environmental marks and green
	  procurement policy around the world. Use graph
	  to illustrate our competitors' current progress on
	  environmental marks.

Intermediate Green Course		
Outline	◆ International trends in environmental legislation ◆ Introduction to international environmental legislation ◆ HCSR introduction	◆ Green supply chain management ◆ Environmental design concept ◆ Loving the planet and being green

Green Packaging Design		
Outline	◆ Packaging materials ◆ Used area ◆ Used weight ◆ Used volume ◆ Toxin-free test	◆ Energy consumption during manufacturing ◆ Time required for manual labor ◆ Volume of packaging materials at the phase of distribution ◆ Warehouse's space for packaging inside the warehouse

8.7 Green Action Plan

GIGABYTE Group initiated "Green Action Plan" in 2010 with a series of activities to promote the importance of energy-saving, carbon reduction and environmental protection among all employees. Through these activities, employees' environmental awareness, environmental knowledge, attitudes and skills can be enhanced and incorporated into their work and everyday life. This will establish a new green culture and the Eco-Design concept can then be promoted among all employees and combined with our core competencies to realize both sustainable corporate and environmental development through the creation of green product values.

8.7.1 Development Vision

Green Action is a multi-year program for promoting the sustainable development of GIGABYTE that combines environmental, product and social aspects. 2009 to 2011 was the planning phase for design of activities and division of responsibility. In 2012, the program entered the intermediate phase in which the dedicated Green Action website was established, and activities integrated with environmental education were promoted for building up environmental awareness among employees. GIGABYTE began combining core competency and development direction, as well as promoting green production innovation. Group employees are invited to take part in "Green Product Innovation" so every employee can unleash their green creativity.

Green Action Plan's Future Development Vision

Long-term targets 2016 - Green Action Plan, Upgrade Your Life
• Upgrade Your Life
• Establish new sustainable development standards with low-carbon and zero pollution as the goal
• Create green growth and boost green products over 30% of total revenues

Medium-term Green Action Plan 2012-2015: Freen Action Plan 2012
• Clean production, low-carbon technology and zero pollution
• Innovative technology, smart living and green brand
• Caring for the environment, acchieving symbiosis between society and the planet

2009-2011 Freen Action Plan - Start from the Heart
• Build green consensus on sustainable development framework and sustainability indicators
• Publish GIGABYTE Sustainability Report

8.7.2 Promotion Results

In 2013, $11,717,700 was spent on the Green Action Plan with 9,603 people taking part and produced great results. The activity reduced CO2e emissions by 184.16 tons for the year. Total number of environmental and education hours spent during the environmental education seminar was 47,610 hours. 163 kg of maritime waste was collected during beach clean-up events. Employees take a personal part in changing the beach environment and understand the causes of maritime pollution. A clean and natural seashore is essential to the natural development of the seaside, littoral belt and maritime creatures. Only then can the rich and diverse maritime biological resources of Taiwan's seashore be restored. In support of tree planting activities, 100 trees were planted and are expected to absorb more than 1 tonne of carbon

emissions each year. Forestation is one of the most cost-effective ways of regulating the climate and protecting the land. Native Taiwanese plants were used to help conserve the oil and water in a sustainable manner. Vegetarian lunch boxes were provided at all company workshops and activities during the year, resulting in 8,741 meat lunch boxes replaced. Other quantitative indicators include:

	Item	2013 Progress	Cumulative Progress
(1)	Beach clean-up and collecting of maritime waste	163 kg	587.6 kg
(2)	Tree planting activity with native trees	100 trees	984 trees
(3)	Meat-type lunch boxes replaced with vegetarian lunch boxes at company seminars and events during the year	8,741 boxes	31,480 boxes
(4)	Signing up for vegetarian meals 2 days a week throughout the year	7,100 people	25,302 people
(5)	Hours of employee environmental education	47,610 hours	155,679 hours
(6)	Carbon reduction at company Headquarters and Nanping plant	18,908 kg	1,841,595kg
(7)	Total power consumption	42,267 thousand kWh	down 1,417 thousand kWh compared to 2012

8.7.3 Green Action Plan Events

• Celebrity Lectures Speaking from the "Heart"

The increase in public awareness on environmental protection in recent years means that it is our responsibility as citizens of the Earth to be familiar with issues such as climate change, eco-diversity conservation, food security and crisis. The Green Action Plan's celebrity lectures are therefore focused on three areas: energy conservation and carbon reduction, sustainable corporate development, and eco-diversity conservation. Well-known local academics and experts in the field were invited to speak on these topics in order to increase the environmental knowledge of all employees and keep them up to date on the latest ideals and trends.

Green Action Plan Celebrity Lectures Album

2013 Green Action Plan Celebrity Lectures

Lecture Title	Speaker	Speaker Title
Global Change and Changing the Globe: Environmental Protection Inspiration and Action	Wang, Chin-shou	Professor at National Tsing Hua University
New Opportunities through CSR	Cyril Chu	Well-known Charity Traveling Author, CSR Consultant
How I Shop - The Eco-Aware Shopping Method	Liu, Ka-shiang	Poet, Nature Observer and Author
The Loach Story - The Crisis for Native Species in the Paddies	Liu, Cheng-kang	Director, Taiwan Native Fish Conservation Society

- **Environmental Education Class - Living for You, Me and Them**

Green Action Plan arranged for a number of workshops and activities to enhance employees' environmental awareness so they can incorporate environmental knowledge, attitudes and skills into their work and everyday life. Apart from the courses about the Tzu Chi's recycling concepts and teaching everyone how to grow their own pot plants, the activities listed below helped to enrich everyone's green life.

1. Tzu Chi: 1 day and 5 day energy-saving and carbon reduction
2. Greening: From Seed to Pot Plant
3. Energy-saving: Green Collar Learning AAA
4. Beach clean-up: Wetlands of Formosa
5. Save energy and reduce carbon emissions to love planet Earth
6. Global Warming and the Response to Global Warming
7. Cancer Prevention and Environmental Protection
8. Creative Aesthetics vs. Practical Living Workshop
9. Love the Earth - Record Plastic Bag Usage
10. Remembering the Source - Drink Tea to Protect Dams

- **Low-Carbon LOHAS and Eco-Awareness**

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

1. Experiencing the environmental culture at Tzu Chi recycling depots
2. Cloud sea and glow worm tour
3. Fish protection at Jingualiao River and Zero Carbon Cycling
4. Experience the earth house at Ergeshan

5. Shuangxi low-carbon tour
6. Eco-friendly cultural tour and glow worm experience
7. Century-old fishing village and sustainable community
8. Fish protection at Jingualiao River and Zero Carbon Cycling
9. Reading Nature - The Forests of Wulai
10. Laojie River Environmental Walk
11. Drink Tea to Protect Dams - Journey to the Source
12. A Century of Terrace Farming - Building Terrace Farms by Hand
13. You, Me, They and the Eco-Roof

- **Supporting Environmental Events Together**

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

1. Taoyuan County Government's tree planting in the High Speed Railway district
2. Million tree-planting for Earth Day
3. Beach clean-up at Yong-an Fishing Harbor by Environmental Protection Department of Taoyuan County Government
4. Wazhiwei Beach Clean-up for World Ocean Day
5. Good Neighbors 917 street sweeping event
6. "Trees for Protecting the Planet" tree-planting event
7. "One person per tree, Yes, I can do" tree planting event
8. Wetland conservation event at Linshanbi marine wetlands

9. "Do the Right Thing in Summer" World Clean-up Day
10. Clean Up the Earth, Environmental Taiwan, street sweeping event
11. Adoption of community green spaces by the Nanping Plant
12. Sanxia-Yingge Tree Planting and Carbon Neutral Forest Experience
13. International Beach Clean-Up: Love Our Home the Sea Right Now!

8.7.4 Green Product Innovation for Sustainable Opportunities

GIGABYTE has set up the Green Product Innovation Forum to encourage employees to take part in green product innovation activities. We hope that employees can use their ingenuity and take environmental impacts into account from the design phase in order to reduce environmental impact and effectively manage environmental problems. This will help to protect environment and reduce waste. As green products are now a market trend and a key component in sustainable corporate development, the continued development of green products is not only GIGABYTE's mission but will also enhance our image as a green brand.

Green Product Innovation Forum

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

Green Product Innovation Categories

Green Product Innovation Types
Material (Plastic) Reduction
Reduce the number of material types, modularization, reduce the number of parts and reduce the amount of plastic used. The goal is to reduce the total weight of the product.
Long-term Usability
Make the product easy to upgrade, sturdy, durable and safe. The goal is to extend the product's service life.
Resource Recyclability
Allow all product parts to be recycled for reuse. Use compatible materials to improve the recycling ratio.
Ease of Disassembly
Simplify the mechanical structure and clearly label each component of the product to improve recycling benefits. Design the mechanisms to be easy and quick to disassemble.
Environmental Friendliness
Choose environmentally-friendly materials for products. The materials must be non-toxic to the human body, does not over-consume the Earth's resources, and does not generate toxic substances.
Energy Saving
Improve power and operational efficiency of the product. Examples include lowering the product's heat output to reduce carbon emissions.
Packaging Materials
Avoid using toxic packaging materials and make packaging more lightweight. All packaging improvements can be classified in this category.
Product System Innovation
Design innovative new products. Examples include an innovative product that combines the functionality of three devices in one.
Green Production
Increase production efficiency, reduce consumption of energy and resources as well as reduce the amount of waste produced.
Smart Energy Saving Applications
Use smart energy-saving systems or programming solutions.

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

Feature 1 G-HOME - Environmental Education from the Company Rooftop

GIGABYTE Headquarters is located in the Xindian district of New Taipei City in the transition zone between suburban hills and built-up urban areas. In recent years, the growing city population has reduced the amount of green spaces and towering buildings have contributed to the urban heat island effect, making carbon emissions hard to moderate and putting pressure on the survival of animals living on the plains. To fulfill our responsibility as a global citizen and provide employees with a place to relax, GIGABYTE drew up the "G-HOME Sustainable Eco-Roof" in 2012. The rooftop was covered with grass and native plant species under the concept of "Plant trees for the Earth", creating a micro eco-system where bottom fauna, insects and butterflies can live to increase bio-diversity. Greening of the rooftop can provide thermal insulation, absorb carbon dioxide, increase urban habit diversity and offer employees a space for rest and relaxation. It also provides a place for environmental education, where human can live in harmony with nature.

Aerial photo of G-HOME before construction

Aerial photo G-HOME after completion

The Five G-HOME Themes

G-Home was designed with five environmental education themes that use easy hands-on experiences to bring green innovation, organic farming, health, sustainability and natural ecology to the workplace.

1. Green innovation, sustainable development
2. Seedling cultivation and circle of life

Sustainability Park (G)

Organic Farm (H)

LOHAS Experience (O)

1. Urban farmer and LOHAS sharing
2. Organic diet and internal environment

Gigabyte Eco-Roof

1. Slow living and sustainable health
2. Health trail and LOHAS experience

Mind (M)

Sustainable Ecology (E)

1. Potential development and spiritual growth
2. Stress relief and joint growth

1. Clean technology and sustainable resources
2. Biodiversity and symbiosis

G **Sustainability Park: Green innovation, sustainable development, seedling cultivation and circle of life**

- Ideal: Cultivate green seeds to convey GIGABYTE Sustainability Park's ecological concepts and the green technology knowledge cultivation center.
- Method: Cultivate seedlings to supply the Eco-Rooftop, cultivate pot plants to share with employees, as well as cultivate GIGABYTE green innovation and eco-education seeds. Rehabilitation area for Taiwan' native plants.Rehabilitation area for Taiwan' native plants.

H **Organic farm: Urban farmer and LOHAS sharing, organic diet and internal environment**

- Ideal: 1. Natural, healthy, toxin-free.
       2. Rehabilitation of Taiwan's native fish species
- Experience the farming lifestyle, cultivate organic vegetables and experience the wonders of life in nature. Share health and happiness with family, colleagues and friends to build confidence to face challenges.

- Method: Allocate 20 areas for employees or departments to adopt.
  1. Learning: Learn from nature and teach how to grow organic vegetables.
  2. Health: Cultivate fruits and vegetables using natural or organic farming methods. Use no pesticides at all.
  3. Sharing: Enjoy the fun of getting hands-on. Half of the crop belongs to the employee while the other half can be shared with colleagues.

O **LOHAS experience: Slow living and sustainable health, health trail and LOHAS experience**

- Ideal: Work, life and fun must all be balanced in order to enjoy working, live happily and stay healthy.

- Method:

  1. Set up lawn croquet area for building employee friendships.

  2. Health trail area and loop walkway.

  3. Pebble path to free the mind and body.

  4. Hanging Chairs - Ivy and passion fruit block the sun from the west and overhead to enjoy the breeze and nature.

M **Mind: Potential development and spiritual growth, stress relief and joint growth**

- Ideal: The development of the mind is the source of wisdom and inspiration. This area provides employees with a place to relax and meditate, revitalizing the mind and inspiring new ideas.

- Method: Set up creativity and mind recharge stations so that being on the Eco-Rooftop is like being in nature. This provides employees with a place to rest and relax

  1. Innovation Area: Creative inspirations and sharing of results.

  2. Mind Recharge Station: Smoking and non-smoking employees respecting each other.

  3. Mind Development: Feel the importance of health in a green eco-area.

E **Sustainable ecology: Clean technology and sustainable resources, biodiversity and symbiosis**

- Ideal: The exploding human population and depletion of natural resources have made the harmonious coexistence of cities and nature an important issue. The creation of sustainable eco-communities to convey the ideals of sustainable development allow the economy, society and environment to growth together without harming the environment. The goal is to develop a future lifestyle of high-quality and low-impact.

- Method: Embrace the ideal of sustainable development by installing wind and light interchange systems, water bank (rainwater recovery system), green Internet and eco-garden. The natural resources are used to supply the power and water needed by the eco-area to create a better future and reduce energy resource consumption.

Creating Biodiversity and Mankind Living in Harmony with Nature

Unlike ordinary garden landscaping, G-HOME incorporated the ecodiversity concept during its initial design. "Eco Non-interference areas" were set up to prevent human interference and provide the vegetation, brushwood and bottom organisms with a place to grow undisturbed. G-HOME also worked with nature to reduce the labor required for maintaining the landscape. Natural cycles were taken into account to create different views and appearances for G-HOME from dawn to dusk and in each season. A "Diverse Habitat Spatial Design" was created on a 800m^2 rooftop based around native

Taiwanese plants. The space therefore has both rehabilitation and education functions.

• Eco Non-Interference Area

G-HOME was originally intended as a way to "Plant Trees for Earth" and to take care of employees' health and minds by providing a place to relax out of work. Mutual respect and symbiosis between mankind and the environment was emphasized. A number of "Eco Non-Interference Areas" have been set up in G-HOME that emulate the multi-layered spaces of forest ecosystems in nature. Plants such as ground vegetations, brushwood, climbing vines and trees provide biological habitats and also enable plants to follow their own lifecycles, reducing the amount of maintenance manpower. The multi-layered spaces also form diverse micro-habitats for insects, invertebrates and birds to use and live in. The vertical layers and horizontal divisions maximize the use of space and increase the biodiversity per unit area.

Benefits of Eco Non-Interference Areas
Reduction in maintenance time and cost
Maximize the use of space and create diverse micro-habitats that enhance biodiversity
The cycles of nature and changes in plants/weather provides different scenery at dawn/dusk and throughout the four seasons.
Respect for nature and life put into practice to learn how to live in symbiosis with nature

• Diverse Habitat Design

Micro-Habitat Type	Description
Aquatic Environment	There are 7 aquatic environments in total and each zone is designed with different aquatic plants. These include mainly native aquatic plants, mix of native and non-native aquatic plants, fast-growing aquatic plants⋯ and more. This can be used to observe the changes and cycles in vegetation.
Organic Vegetable Patch	Four different types of vegetable patches were designed, these being the tree seedling, hydroponic vegetable patch, soil vegetable patch and rehabilitation area to increase the diversity of the plantings.
Natural Roof Protrusion	Leftover materials were used for greening to realize the goal of zero waste. The rooftop protrusion were left as natural as possible so they don't require maintenance. Solar panels and wind power devices were installed as well.

Innovative Thinking and Clever Use of Resources

• Pedal-powered Bicycle Generator

Common forms of energy used include thermal power, hydropower, wind power and solar power. The human body is often overlooked as a power producer. A pedal-powered bicycle generator was therefore installed in G-HOME to generate power from the movement of the limbs. This clever idea is not only good for health but also produces clean power as well, so it has a number of benefits.

• Wind and Solar Power System

The rooftop usually receives plenty of sunshine and wind. Wind power and solar power devices were installed in G-HOME and instant power generation is monitored. Renewable resources are captured and it demonstrates respect for natural resources.

• Multi-Function and Zero Resource Waste

Leftover timber from G-HOME construction was piled on the rooftop protrusion to form another micro-habitat for insects and other creatures. Resources that would have gone to waste were therefore reused for a new purpose. The algae and duck weed in the aquatic pond stores energy in the plant body for use by the vegetable patch. The energy is captured by the plants and converted into good quality green fertilizer. It provides nutrients to the G-Home Vegetable Patch and is another way to make use of energy.

• Green Wall Plant Experiment

Green walls can insulate against heat to save electricity, form eco islands, mitigate urban heat island effect, reduce surface run-off during the rains and beautify the building. There are two common types of green walls: climbing vines and pixel green wall. G-HOME boasts both green wall types at once. The pixel green wall integrates watering and fertilizer system to reduce maintenance and costs. For the ivy-type green wall, at least 5 plants and 3 types of supports were used to test the growth rate in the experimental forest. The relevant records can be used in future green designs.
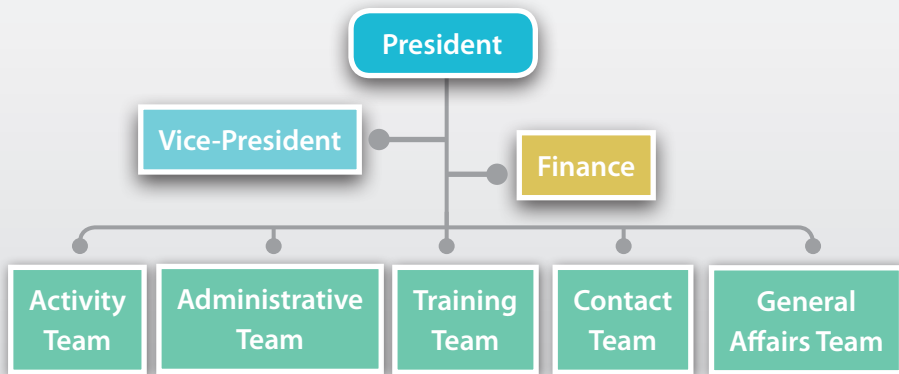
Feature 2 Corporate Eco Volunteering at GIGABYTE- Go Green Club

Go Green Club Philosophy

To use eco-education, eco-protection and organic planting methods to recruit employees as volunteers and promote environmental sustainability education through actual action. This will create a LOHAS life.

"Corporate volunteering" is where businesses actively organize employees into volunteer groups to fulfill their social responsibility. Employees are encouraged to volunteer and to serve the public. The Go Green Club is GIGABYTE's corporate volunteering club and it is responsible for maintaining the eco-rooftop. The club also supports environmental events. The club is organized into teams for activity, administration, training, contact and general affairs.

President

Vice-President

Finance

| Activity Team | Administrative Team | Training Team | Contact Team | General Affairs Team |

Volunteer Training

Volunteering requires systematic training and cultivation of concepts. Professionalism is also developed over time. Go Green Club volunteers are provided with various training classes and seminars so they can not only develop their interests but their own abilities as well, enabling them to better serve the environment and the general public.

2013 Go Green Club Classes and Group Activities	
Training Classes	**Partner Unit/Teacher**
I am a happy corporate volunteer	Hsieh, Chen-tung, Director of Citizen Education Department, Wilderness Foundation
You, me, they and the eco-rooftop	Wu, Hsiao-hsien, head of Guts IMprov Theatre
Tour guide techniques for a fixed location - Eco-rooftop	Black Bear, Xinyi Community College
Building an eco-oasis in the concrete desert	Chiang, Yu-sheng, Low-Carbon Community Planner for New Taipei City
G-Home Organic Farming for LOHAS	Chen, Chi-chun, Lecturer, Xinyi/ Zhongshan Community College
A Century of Terrace Farms - Working Holidays	Shimen District Gaoshan Community Development Association
G-Home Urban Farmer and Food Education	Chen, Chi-chun, Lecturer, Xinyi/ Zhongshan Community College

Environmental Working Holidays

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

People who go on working holidays don't just have fun or look at the scenery. They must also get involved in manual labor such as tree planting, mountain clean-ups, rehabilitation of ground over and building of eco-ponds. By working and living in nature, they can become a part of the local natural and cultural environment, experience Mother Nature, relax their mind and body, learn how mankind can live in harmony with nature, and make contribution to the natural environment. Working during a holiday and holidaying while working not only serves society but also oneself as well. This is what makes working holidays so meaningful and unique.

To give club members the chance to become involved in environmental issues, build up rapport among club members and fulfill the spirit of service, the GIGABYTE Go Green Club organizes working holidays to provide members with an alternative holiday experience. The Club also supports and promotes corresponding environmental issues to enhance members' sensitivity and engagement with social activism. The first working holiday in spring, 2013, was held in partnership with the Shimen Songshan Community on the north coast. Participating club members learned about the traditional way to build stone terrace farms from old farmers on the frontline, learned about the current state of Taiwanese agriculture, and the ideal of Satoyama Initiative being promoted internationally.

• A Century of Terrace Farms

Songshan Community is located in Shimen Township on Taiwan's north coast and the local terrain is mainly hills. Over a century ago, farmers in the Qing Dynasty began digging terrace farms into the hillside to make the best use of local resources. These were referred to as water terrace farms. Changes in the economy and population drain meant that farming villages are now gradually fading away. Only the elderly now live in the villages and the lack of labor meant that the rice paddies were being gradually abandoned.

When Chiang Jung-chuan, the president of the Songshan Community Development Association, retired and returned to his hometown of Shimen, he decided to fight the decline of the farming village. An "Elder Team" was set up to investigate the natural, cultural and historical resources of the farming villages, and a switch to pesticide and chemical fertilizer-free farming methods to attract plants and animals. This demonstrated the rich ecology and vitality of the water terrace farms while also recreating the symbiotic relationship between mankind and

nature, and revitalizing the farming village. His children have now joined the renewal team and volunteers come to help on working holidays as well. Together, they are now restoring the century-old terrace farms.

In 2013 the GIGABYTE Go Green Club engaged with the community to learn from old farmers the traditional methods for maintaining the terrace farm slopes by rolling up their sleeves and getting stuck in. During the manual labor, they connected with the land once more and learned about the role played by water terrace farms in Taiwan's past economic development as well as the rise and decline of rural villages. This in turn drew their attention to agricultural issues in Taiwan.

• Satoyama Landscape - A Reserve Outside of a Reserve

Apart from physical labor and learning in the farming village, we chose the water terrace farms in the outlying hills as the location for this working holiday because of its unique geography and non-use of chemical fertilizers and pesticides. The environmentally friendly farming method has created a complex habitat environment that nurtures eco-

diversity, creating a settlement that balances culture and ecology. This was in keeping with the "Satoyama Landscape" proposed by the Japanese government during the UN Convention on Biological Diversity. This type of compound rural ecosystem is formed by the long-term interaction of human lifestyle and nature, and a living example of the balance between maintaining biodiversity and sustainable use of resources. As these landscapes are situated outside of reserves and overlap with mankind's living areas, they are all the more vulnerable to neglect and land development. Public awareness is even more important for their preservation.

9. Social Fusion

In keeping with the ideal of "Caring for society and sustainable development, GIGABYTE cultivates talent, adopts streets, adopts parklands, plants native trees and engages with community building efforts. GIGABYTE Education Foundation, with a mission of "promoting technology education, art & humanities, beautifying life and creating a harmonious progressive society," also promotes technology education, innovation, art & humanities and caring for disadvantaged groups. Through these charitable activities, the business can give back to society. Employees are also channeled towards charity and social services that make communities better. For over a decade, the foundation has been deeply involved in community building and talent development. In 2006, GIGABYTE received the "Group Award for Contribution to Social Education", and won the award again in 2011 (the award is held every 5 years). In 2003, 2006 and 2011 the Council for Cultural Affairs presented GIGABYTE with bronze, gold and bronze medals under the "Wenxin Award". In 2011, a distinction award was presented for the Ministry of Education's 1st "Educational Foundation Assessment Program", followed by a high distinction award in 2013.

9.1 Talent Development

"People are Taiwan's greatest asset". GIGABYTE's talent development efforts focus on different areas depending on the actual level. For elementary students, we have factory tours, the Secret to Learning Computers activities and PC-DIY Technology-on-campus events, to introduce to them basic knowledge of computers. Binary logic games are used to introduce the computational logic and make students feel interested in the field of IT and educate them on its basic concepts. Information and techniques related to technology and innovation are also put on display. Participation in the

events serves to encourage the sharing of technology and innovation experience. At the university level, due to the importance of quality design to value-added IT products, design competitions are held to boost domestic design ability for IT products. The competitions also offer students planning to become designers in the future with excellent practical training and help to realize their value.

9.1.1 IT Technology Introduction and Education

- **The Secret to Learning Computers**

  To teach students about the interior working of computers, the core components of a mainboard and how they work, GIGABYTE began hosting the Secret to Learning Computers activity since 2002 to help children learn about core components of a computer and the functions of the mainboard and also learn what parts on the mainboard are needed for a computer to run properly. The activity has since attracted 15,708 participants. The instructors teach students about computer structure and let them learn by assembling their own mainboards. Factory tours are also offered so students can learn how computers work from an early age and explore the world of computer hardware.

- **Technology Deliveries to Schools, PC-DIY**

  GIGABYTE offers the "Technology Deliveries to Schools" and "PC-DIY" courses to introduce students to IT technology and basic concepts. These activities have attracted a total of 24,721 participants so far. The introduction to basic computer components show students how they all fit together. Binary logic games are also used to teach about the logic of

computing. Finally, students can familiarize themselves with computers by assembling and troubleshooting computers for themselves. In 2013, "Technology Deliveries to Schools" program took us to six elementary schools in the indigenous areas of Pingtung, with mainboards and peripherals such as hard disks, CD drives, graphics cards, memory and CPU. At Huarong, Xinsheng,Saichia, Beiye, Koshe, Chongwen and Wutai elementary schools this program brought IT education to indigenous tribal villages.

9.1.2 Factory Tours

Taiwanese mainboard industry owns a lion's share of the global market and has long been one of Taiwan's best performers. GIGABYTE is more than willing to share this honor by inviting clubs, organizations and schools to tour our factories, learn about the mainboard production process and see our rigorous management for themselves. The tours help visitors appreciate the technology industry's commitment to "High Quality Production" and we invite students to think seriously about their future career. Since the launch of factory tours in 2005, number of visitors has continued to grow each year. Visitors come from all walks of life and reflect strong public interest in Taiwan's No.1 industry. The visit activities have become increasingly internationalized while services have become more sophisticated and customized as well. In 2012, GIGABYTE received international delegations from Xiamen, Hong Kong, Japan, Mexico, Austria and Thailand. There were further visits by oversea groups in 2013, including the Nicaragua business council and Singapore's Raffles Institution.

9.2 Community Development

GIGABYTE does not shy away from its responsibility to give back to the community and provide a better living environment. Blood donations, winter charity aid, adoption of parklands and streets, the opening of computer classes and more all help employees feel the joy of helping other people and make our local communities a better place through the participation of GIGABYTE employees.

9.2.1 GIGABYTE Digital Charity Computer Classroom

In today's high-tech society, not knowing how to use a computer is like being illiterate. Middle-aged and senior citizens that don't know how to use IT equipment often find a generation gap between themselves and the next generation. Even as resources are channeled to remote rural regions, there are still middle/old-aged men and women in the cities who do not have the essential modern IT skills; therefore they become the "urban IT-disadvantaged".

GIGABYTE knows the importance of IT education and has leveraged our core business expertise to offer free basic computer classes in the local Xindian community to help narrow the digital divide. GIGABYTE branded computers and IT equipment are provided to students free of charge, and employees are asked to volunteer two hours each week as teachers or teaching assistants. Answering questions about the software and hardware is our approach to ensure teaching quality. The program not only enhances lifelong learning for senior citizens but also boosts employees' social participation as well.

The classes are divided into basic and advanced classes, based on learning progress, to offer students more options. The "Mobile Computer Classroom" was added in 2011 to deliver digital learning directly to the community. Communities that are interested in learning about computers but don't have a computer classroom of their own can make a booking for classes to be held on-site.

The advanced class is intended for senior citizens and women that possess basic computer skills. Different types of advanced classes on IT applications are hosted each year including image processing, simple word processing, tables and statistics. Using computers can make life easier and provide with a richer digitized lifestyle when combined with interests. The Digital Charity Computer Classroom has attracted 18,444 students to date.

9.2.2 Mentoring Rural Children

In 2009 the GIGABYTE Education Foundation collaborated with the Dahu Elementary School in Hsinchu and converted scholarships for disadvantaged students and single-parent families into after-school care funding. "Stray teachers", or candidates who seek for jobs as teachers but currently are unable to get one, were also employed as after-school teachers. The after-school care program helped disadvantaged and single-parent children with their learning while stray teachers gained job opportunities and hands-on experience. A total of 40 students benefited from the program.

9.2.3 Digital Banquet and Dreams Come True - Narrowing the Digital Resource Gap

• **Low-income Students in Taipei City**

This initiative by the Department of Social Welfare of Taipei City Government provides students from low-income families with their own notebooks to increase digital learning opportunities and narrow the digital divide. The computer subsidy program for low-income families was first launched in 2003. Over the past 11 years, it has helped 5,768 economically disadvantaged students realize their dream of digital learning. The GIGABYTE Education Foundation became involved in 2010 by providing portable notebooks for students. Over the past 3 years, GIGABYTE has helped 450 students realize their dreams including 125 notebooks in 2013. To thank the business community for contributing to social welfare and giving back to students from disadvantaged backgrounds, the Mayor of Taipei City presented GIGABYTE with a certification of appreciation that was accepted by Deputy CEO of Chou Li-Hua on behalf of the GIGABYTE Education Foundation

• **Technology for Remote Rural Schools Overseas**

The spread of computers and the internet is changing the face of education among tier 4 to tier 6 townships in China. Chinese students currently far surpass other ordinary elementary and junior high school

students around the world in reading, writing and mathematics, but their problem-solving ability, thinking skills, teamwork skills as well as ability to learn new technologies and techniques on their own are often neglected. This situation is particular evident among children in tier 4 ~ 6 townships. With the help of the Chongqing City Science and Technology Association, the GIGABYTE Group has marshaled its resources (GIGABYTE Gold mainboards, Wincom notebooks, GIGABYTE Foundation) to partner with local tech companies and computer enthusiast magazines in Chongqing to donate technology education equipment to local schools. The move aims to improve the quality of technology education in remote schools and give local elementary/junior high school students more opportunities to network and learn from the outside world.

9.2.4 Reach Out and Donate Blood Together

GIGABYTE organizes a blood donation drive every 6 months to encourage employees from GIGABYTE and other companies in Xindian to give blood and save lives. The gifts provided as a reward to employees who answer the call are better than those for normal blood donations. The event has been held without interruption since 2003 and has continued to set new records for the amount of blood donated. This reflects positively on the spirit of charity at GIGABYTE.

- **Double Charity Blood Donation Drive**

  The "Double Charity" blood donation drive was held by GIGABYTE in January, 2013. To encourage employees to donate blood, employees received New Year spring couplets and agricultural products for donating blood. This not only provided encouragement to employees but also helped farmers as well, doubling the reach of charity while creating a warm, New Year ambience. A total of 196 people participated in the Double Charity Blood Donation Drive and a total of 77,250 cc of blood were collected in 309 bags (250cc each). Nearby merchants and friendly businesses also "checked in" punctually each year as well. This led to the chief nurse of the blood donation bus praising the people of GIGABYTE Park as being No. 1 in compassion.

- **Joint Blood Donation Drive for Xindian**

  Each August, GIGABYTE organizes the "Reach Out and Donate Blood Together" joint blood donation drive. In 2013, 266 people answered the call and donated 416 bags each containing 250cc of blood (accepted bags) were received, for a total of 104,000 cc. The blood donation drive proved to be a success.

9.2.5 Supporting Rural Schools through the Developing Art & Culture Specialty Schools

Zhongliao Township in Nantou County is a mountain town built upon agriculture. Population drain worsened after the September 21 Earthquake and while the local Shuangwen Junior High School faced with difficulties such as declining student numbers and funding shortages, it still managed to cultivate the "Shuangwen String and Bamboo Orchestra" that won Nantou County's junior high school traditional music competition. GIGABYTE began sponsoring an outside orchestra to stay and teach at the school in 2012. This provided the 80 students between grades 1 and 3 in the school orchestra with a better opportunity for group practice and made a contribution to the development of art & culture specialty schools in remote rural regions.

9.2.6 GIGABYTE Charity Winter Aid

Since 2004 GIGABYTE Education Foundation has joined forces with the Xindian District Office on the eve of the Lunar New Year each year to give GIGABYTE Charity red packets and supplies to the families that have young adults as primary wage earners. The partnership is now in its 10th successive year. The number of single-parent households has increased in recent years but as they did not match the criteria for low-income household subsidies, this means the social resources they received were very limited. The red packets and King Rice donated by GIGABYTE enable assisted families to feel the warmth and compassion of society, and can enjoy a happy new year.

In 2013, the Winter Aid program donated 939 New Year red packets as well as CSA-certified King rice and Taishan Omega-3 Non-saturated Healthy Blended Oil. The Xindian District Office then distributed all of the bags to disadvantaged families in the Xindian district. GIGABYTE has always spared no effort when it comes to helping disadvantaged groups and the winter donations showed once again our readiness to give back to the community. Through these donations, the spirit of compassion and goodwill can be spread to everyone's hearts.

9.3 Charity Donations and Stories of Love

GIGABYTE hopes to extend the ideals of "Caring for society and sustainable development" throughout the whole society. By combining the power of many individuals, we can amplify them to become a force for progress in society and give those in need hope for the future. Charity donations in 2013 and their results are described below.

"Love at GIGABYTE" End of Year Charity Fundraising

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

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

Donations for Major Disasters

GIGABYTE organizes employee fund-raisers for major local and foreign disasters such as Typhoon Morakot and the Tohoku Earthquake as well. This is one of the ways in order to fulfill our CSR.

Ambulance Donations and Improving the Medial Environment

Help provide medical equipment and improve the medical environment. We have donated emergency ambulances to Wanfang Hospital as well as hospital networking equipment. We also provide assistance for impoverished patients.

Donating Computer Classrooms to Support NGO Development

Donation of computer classrooms and equipment to cancer treatment foundations to help them develop and provide better service.

- **"Love at GIGABYTE" Bereavement Grant of Students**

  The "Love at GIGABYTE" bereavement grant for students is a long-running program at GIGABYTE. In 2013 assistance was given to 69 bereaved students, each receiving NT$2,400. The charity and assistance gives these

disadvantages students hope for the future. It also allows employees to feel the joy of giving and make the society we live in a better place through the efforts of GIGABYTE employees.

- **Ambulance Donation**

  GIGABYTE had previously donated an emergency care ambulance to the medical center in 2003. As the ambulance was approaching the end of its service life, another ambulance was donated to Wanfang Hospital in 2013 to serve critically ill patients

9.4 Promoting Arts & Culture through Different Channels

Art and cultural activities serve to enhance the aesthetics of the general public and stimulate arts in society. This is why GIGABYTE is a long-time supporter of arts and culture. Through the "Upgrade Your Life" gallery, art appreciation, "Upgrade Your Life" seminars, art & cultural recreation and other activities, we support performing groups by increasing the box office earnings and audience numbers. These enhance the aesthetic refinement of the general public, promote the arts in society, boost employees' leisure quality and cultural sophistication, and ultimately help shape our corporate culture.

- **Support for "Taipei 101 Flash Choir"**

  In 2013 the GIGABYTE Foundation, Cyberlink Foundation and Dacin gave their joint support to the "Taipei 101 Flash Choir" event. A group of music-loving enthusiasts assembled in the food court of Taipei 101 as a flash mob to perform Taiwanese and Chinese folk songs as a choir.

The songs include the Green Island Serenade, Jasmine, Spring Wind and Green Mountain. The lovely singing came as a very moving surprise to the general public. The choral singing was recorded and uploaded to YouTube as well to introduce the people and culture of Taiwan to the world.

Video link: http://www.youtube.com/watch?v=bbqY1P6KJmI

- **2013 Art and Culture Promotion Accomplishments**

Supporting the ticket offices of art and cultural performances	62 sessions of 31 shows. Ticket purchases totaled $996,800.
GIGABYTE employees are encouraged to attend various art and culture performances. The "You Say, I Say" forum was also created with employees invited to recommend quality performances.	
Upgrade Your Life Gallery	6 shows * 2 galleries over 1 year
Took part in the Aaeon Foundation's rotating shows with different exhibition themes each month to encourage interest in art appreciation	
Upgrade Your Life Seminar	8 art & cultural seminars hosted during the year
Held at noon each month during the week, painters, performing groups, experts and academics were invited to host art & cultural seminars that enhance the art appreciation and aesthetics of GIGABYTE employees.	

GIGABYTE supports different art and cultural performances

9.5 Supporting Taiwanese Agriculture

Purchasing agricultural products directly from producers not only allows employees to buy cheaper, safer and fresher agricultural produce but also protects farmers against exploitation. Charity direct sales help farmers rebuild their homes, allow the harvesting of ripe produce on the eve of typhoons, and help balance supply and demand during the harvest season. GIGABYTE also hosts internal group buys of agricultural products at irregular intervals and each employee is given NT$6,000 in charity shopping coupons each year. These can be used to purchase locally-grown produce to support seasonal, organic and certified agricultural produce. In 2013 group buys totaled NTD$2,360,000.

- **Cabbage Oversupply Promotion**

Vegetable prices are always low after the Lunar New Year and this has a major effect on cabbages that are in season, so the Agriculture and Food Agency always launches a promotion. GIGABYTE responded by purchasing 10 tons of cabbages (20kg x 500 cartons) that were distributed to employees in Xindian and Nanping, nearby companies and local residents. This not only helped vegetable farmers clear the market glut but also reminds GIGABYTE employees to eat more vegetables and share with their families.

For more information about the GIGABYTE Foundation, please visit the Foundation website (GIGABYTE Foundation website: http://www.gigabyte.org.tw/)

Feature 1 Great Design

As quality design add value to IT products, GIGABYTE Foundation began holding the "Great Design" competition in 2002 to improve the level of design for IT products in Taiwan and to give student designers practical training. This is now one of the top three design competitions in Taiwan. The annual event consists of two categories: "Innovative Technology" and "Upgrade Your Life". Current affairs or industrial developments are also taken into account in setting the competition theme to encourage young designers to respond to industry developments and care for the weak in society. Nearly $1.4 million in prize money is awarded each year, attracting thousands of team entries. The event has now cultivated many outstanding designers for Taiwan.

For Great Design 2013, the "Innovative Technology" category and "Upgrade Your Life" category were set a theme of "Happiness is Near" and "Love is in Sharing" with an emphasis on three key trends in modern design: "User Experience Design", "Service Design" and "Social Design". Participating students were reminded to look for design cues in their life and that social design should not be just about the rich at the top of the pyramid but also help disadvantaged groups and society.

The 11th Great Design campus information tour visited 23 universities and colleges in Taiwan to identify young student designers with ambition and potential. This helped draw the attention of the local IT industry to the value of creative design. A total of 1,150 entries were received and the preliminary judging selected the best 8 entries in each division. The shortlisted entries were invited to attend practical product design conferences and industry designers would give their professional advice on the students' work, point out common design oversights and provide suggestions on feasibility. The final saw a shortlist of 16 entries compete for the Gold Award of Great Design.

2013 Innovative Technology Category - Winner Information

Innovative Technology - Happiness is Near
Theme: Technology has quietly changed our lives. For the first time, smart phones put all information close at hand and you can share everything by logging on to social networks. As life becomes more technology intensive, have we become happier? Competitors are asked to use their observations of people, technology and life to design an IT product that brings happiness to the user. The design should explore different possibilities between technology and human emotion.

Winning Entry
Title: Red Cross Lights   Author: Hsiao Pei-wen, Fo Guang University
There have been reports of ambulances being blocked or getting into accidents while on duty. Most road-users however don't do so out of malice but are merely slow to respond to the ambulance's arrival and route. The design improves warnings when an ambulance is approaching to compensate for the deficiencies in the flashing lights and horns. The traffic lights are also used to direct vehicles out of the ambulance's path, enhancing the ambulance system.

2013 Upgrade Your Life Category - Winner Information

Upgrade Your Life - Love is Sharing
Theme: Families around the world now have less children. For the increasing number of only child, the lack of siblings to learn from and ability to socialize with peers results in greater personal isolation. Competitors are asked to design a product that increases the child's interaction with peers, cultivate the willingness to share as well as the concept of team work so they can learn from each other and fall in love with sharing.

Winner
Title: Bouncy Seat   Author: Tsai, Song-ting Chaoyang University of Technology
In the past, children's seats were limited to one kid at a time. The design connects two (or multiple) Bouncy Seats to increase the difficulty of bouncing and create different noises while bouncing. Children can learn how to share their chairs and the spirit of teamwork. The Bouncy Seat can not only be shared with peers but also with parents as well to strengthen family bonds.

Feature 2 **"Make It Real!" Aivia Mouse Design Competition**

Aivia is GIGABYTE's premium computer peripherals brand that is based on user intuition. The brand has received extensive market praise since its launch in 2010 and has won the German iF Design and Reddot Design Awards every year since then, demonstrating GIGABYTE's design prowess.

GIGABYTE is based in Taiwan so we look for good designs from great Taiwanese designers. The first "Make It Real! Aivia Mouse Design Competition" was therefore held in 2013 to build upon the Aivia concept of "All design is an extension and continuous refinement of the human subconsciousness". The competition is open to people of all ages and any background as long as they have a design concept or creative idea. University design students and talented designers are also invited to demonstrate their creativity in product design. Unlike ordinary design competitions that only go as far as the concept stage and don't actually produce usable products, judging for the

Aivia Mouse Design Competition emphasizes practical experience. Winner are given the chance to collaborate with GIGABYTE on mass producing their great design, launching it as the new star of Aivia premium peripherals, and winning NT$150,000 in prize money. Such a design competition truly combines design concept with practice to make a product, giving the next generation of young designers a chance to enter the industry early and enrich themselves.

This year's competition invited top designers who had previously judged in world-class design competitions to form a golden judging panel. Their international perspective was employed to evaluate products based on their creative design, functionality and feasibility.

2013 Winner Information

Gold Award《Raptor》	The design of the mouse takes into account the contact surface between the fingertips and the mouse, the palm's pressure point, and leverages the bio-mimicry concept to let the user operate the mouse like a dinosaur. The goal is lightness and ease of operation.
Silver Award《FIN》	Using a mouse with one hand for extended periods of time so the design concept is to create a mouse that is ambidextrous. Comfort was the main priority and this changed the logic of mouse use.
Bronze Award《Flyer》	Modern work and play is now firmly connected to the computer. Using a mouse for extended periods of time however can lead to all kinds of occupational or repetitive strain injury. The "Flyer" took great pains with the ergonomics while also introducing the concept of the aircraft turbojet to solve the problem of hand heating after long use. The streamlined shape combines both aesthetics and function.

Gold Award Winner's "Raptor" Entry

For more information, please see the "Aivia Road to Mass Production Blog"(http://aivia.pixnet.net/blog).
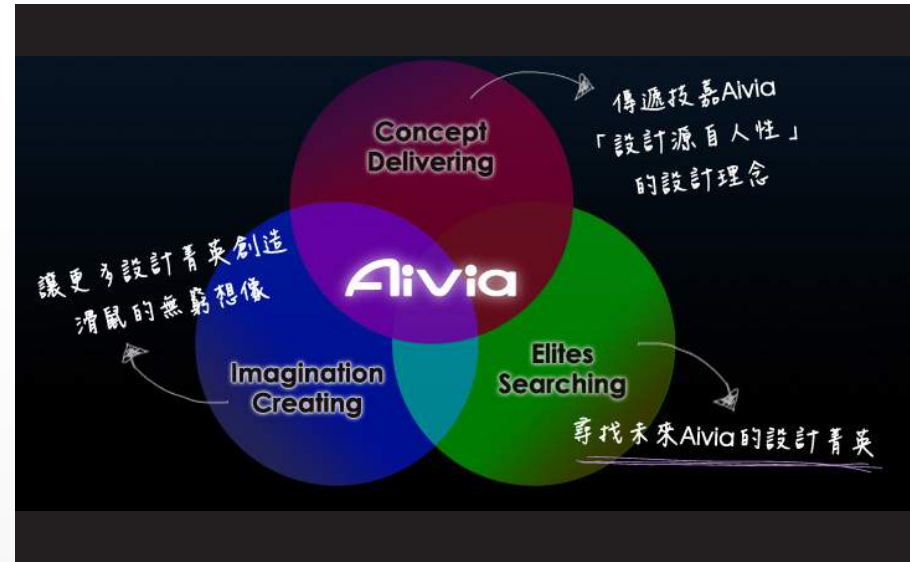
"See Taiwan's design from an international perspective. Let the world know of Taiwan's great new designers and uphold the philosophy of 'Creating amazing products from Taiwan'."

~~ Lin, Yin-yu, Director of Marketing, GIGABYTE Graphics Card

"Creativity needs to please the nearby and attract the distant in order to nurture even more value."

Founding Dean of the College of Design

10. Other Sustainability Indicators

10.1 Economic Indicators

- **Compensation for members of the highest governance body and executives (GRI G3.1 [4.5]), processes for evaluating the highest governance body's own performance (GRI G3.1 [4.10])**

  According to the 2013 GIGABYTE Annual Report, the compensation standards for the directors, supervisors, CEO and deputy CEO are as follow:

Title Description	Director and Supervisor Compensation	CEO and Deputy CEO Compensation
1. Compensation Policy	The company charter specifies that the compensation of company directors and supervisors is calculated as a proportion of the profit surplus distribution and may not exceed 3%. Directors and supervisors are not entitled to any other compensation. Any additional allocations or changes must be approved by the shareholders' meeting.	Compensation is determined according to the company's compensation regulations, employee performance evaluation procedure and employee profit sharing regulations.
2.Criteria and Portfolio	Distribution is weighted according to duties and responsibilities of the directors and supervisors.	Base salary, living allowance, food allowance, duty allowances and travel allowance if no company car is provided.
3.Compensation Determination Procedure	The Board of Directors prepares the surplus profit distribution proposal and this is voted on at the shareholders' meeting.	Compensation is determined by education, work experience, performance and level of authority.
4.Linkage between business performance and future risks	Dependent on the company's business performance and profitability. Fulfill management and supervisory responsibilities by setting company policy and turning crisis into opportunity.	The compensation is determined according to the target completion rate, each business unit's performance, profitability and contribution. Employee loyalty can be strengthened to realize the goal of profit/loss-sharing by both the employer and employee, so they can face the risk environment together.

- **Government financial assistance (GRI G3.1 [EC4])**

  GIGABYTE's main product is the mainboard and this is a key export product for Taiwan, so we enjoy R&D tax credits and exemptions based on the Industrial Innovation Act. We have also applied for Technological Development Program grants from the Ministry of Economic Affairs for several R&D projects.

10.2 Environmental Indicators

- **Natural Conservation (GRI G3.1 [EN11], [EN13], [EN14])**

  GIGABYTE has operational and manufacturing sites in New Taipei City's Xindian District, Taoyuan's Pingzhen Township as well as Dongyuan and Ningbo in China. The corporate Headquarters in Xindian District is located within a mixed residential/commercial zone but it is used purely for business administration. There are therefore no production processes that may create noise or ecological problems. All other plants are located within government-planned industrial zones and all natural conservation-related matters have been evaluated by the government during the development of the industrial zone. All GIGABYTE plants obey local emission standards and there have been no violations reported since the start of operations. GIGABYTE believes in the importance of community relations and has adopted local streets, parklands and bridges. We will continue to strive for the best interests of both the company and society in our future planning.

10.3 Social Indicators

- **Minimum notice for change in operations (GRI G3.1 [LA5])**

  Regulations in Taiwan require different notice periods when there are major changes to business operations that may affect the interests of the employees:

  - Between 3 to 12 months of service: At least 10 days of notice
  - Between 1-3 years of service: At least 20 days of notice
  - Over 3 years to service: At least 30 days of notice

- **Hours of employee training on human rights and percentage of employees trained (GRI G3.1 [HR3])**

  All new employees are made aware of the company rules upon arrival as well as employee benefits and rights. Training is provided to 100% of all new employees.

- **Percentage of security personnel trained in human rights (GRI G3.1 [HR8])**

  GIGABYTE security personnel underwent 1,509 hours of training and nearly 50% of the training was related to human rights.

- **Percentage or number of operations that have been subject to human rights reviews and/or impact assessments (GRI G3.1 [HR10])**

  GIGABYTE Group's human rights policy is as described in 7.1.7. There were no specific human rights matters that required investigation in 2013.

- **Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities (GRI G3.1 [SO9], [SO10])**

  GIGABYTE's operating sites had no negative impact on the local community. Apart from adopting roads, pedestrian overpasses and parklands, GIGABYTE also organizes joint community donation drives, winter charity and computer classes for senior citizens.

- **Violations of product and service information regulations (GRI G3.1 [PR3], [PR4], [PR7], [PR8], [PR9])**

  There were no violations of product and service information regulations by GIGABYTE in 2013.

Appendix: GRI/G3.1 Index

The "GIGABYTE 2013 Sustainability Report" was compiled using the Global Reporting Initiative G3.1 Guidelines (GRI/G3.1) as a guide. The sections of the report that correspond to each indicator are as listed below.

	GRI Indicator	Corresponding Section in the Sustainability Report
1	Strategy and Analysis	
1.1	Statement from the most senior decision maker of the organization about the relevance of sustainability to the organization and its strategy.	1
1.2	Description of key impacts, risks and opportunities	1、3.4
2	Organizational Profile	
2.1	Name of the organization	3
2.2	Primary brands, products and/or services	3.3
2.3	Operational structure of the organization	5、5.1
2.4	Location of organization's headquarters	3.1
2.5	Number of countries where the organization operates, and the names of countries with either major operations or that are specifically relevant to the sustainability issues covered in this report.	3.1
2.6	Nature of ownership and legal form	3.1
2.7	Markets served	3.2、3.3
2.8	Scale of the reporting organization	3.5、7.1
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	3.1、3.2、3.4
2.10	Awards received in the reporting period	3.6
3	Report Parameters	
3.1	Reporting period	Introduction
3.2	Date of most recent previous report (if any).	Introduction

	GRI Indicator	Corresponding Section in the Sustainability Report
3.3	Reporting cycle	Introduction
3.4	Contact point for questions regarding the report or its contents	Introduction
3.5	Process for defining report content, including:• Determining materiality;• Prioritizing topics within the report; and• Identifying stakeholders the organization expects to use the report.	4.1
3.6	Boundary of the report	Introduction
3.7	State any specific limitations on the scope or boundary of the report	Introduction
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Introduction、3.1
3.9	Data measurement techniques and the bases of calculations	Introduction
3.10	Explanation of the effect of any re-statements of information provided in earlier reports and the reasons for such re-statement.	Introduction
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Introduction
3.12	Table identifying the location of the Standard Disclosures in the report	GRI G3.1 Index
3.13	Policy and current practice with regard to seeking external assurance for the report.	Not applicable
4	Governance, Commitments and Engagement	

	GRI Indicator	Corresponding Section in the Sustainability Report
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	5
4.2	Indicate whether the chair of the highest governance body is also an executive officer	5.1
4.3	The number of members and gender of the highest governance body that are independent and/or non-executive members.	5.1
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	3.5、4.1、7.4
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	5.1、5.5
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	5.2、5.3
4.7	Processes for determining the composition, qualifications and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	5.1、5.3.1、5.4
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental and social performance and the status of their implementation.	5.2

	GRI Indicator	Corresponding Section in the Sustainability Report
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct and principles	5.3
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	5.1、10.1
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	5.2、5.3.2
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	7.1.5、7.1.7、8.3
4.13	Memberships in associations (such as industry associations) and/or national/ international advocacy organizations.	3.8
4.14	List of stakeholder groups engaged by the organization.	4.1
4.15	Basis for identification and selection of stakeholders with whom to engage.	4.2
4.16	Approaches to stakeholder engagement , including frequency of engagement by type and by stakeholder group.	4.1

	GRI Indicator	Corresponding Section in the Sustainability Report
4.17	Key topics and concerns that have been raised through stakeholder engagement and how the organization has responded to those key topics and concerns, including through its reporting.	4.1
Economic Indicators		
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	3.5、9
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	5.3.2、8.3
EC3	Coverage of the organization's defined benefit plan obligations.	7.4、7.5
EC4	Significant financial assistance received from government.	10.1
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operations.	7.3
EC6	Policy, practices and proportion of spending on locally-based suppliers at significant locations of operation.	6.1
EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	7.1
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	9

	GRI Indicator	Corresponding Section in the Sustainability Report
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	6.1、6.5
Environmental Indicators		
EN1	Materials used by weight or volume	8.5.2
EN2	Percentage of materials used that are recycled input materials.	Not disclosed
EN3	Direct energy consumption by primary energy source	8.4.4
EN4	Indirect energy consumption by primary source	8.4.4
EN5	Energy saved due to conservation and efficiency improvements.	8.4.4
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	8.5
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	8.3、8.4
EN8	Total water withdrawal by source	8.4.2
EN9	Water sources significantly affected by withdrawal of water .	Not applicable
EN10	Percentage and total volume of water recycled and reused.	8.4.2
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	10.2

	GRI Indicator	Corresponding Section in the Sustainability Report
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	No significant effect
EN13	Habitats protected or restored	10.2
EN14	Strategies, current actions and future plans for managing impacts on biodiversity.	10.2
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	No significant effect
EN16	Total direct and indirect greenhouse gas emissions by weight.	8.3.2
EN17	Other relevant indirect greenhouse gas emissions by weight.	8.3.7
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	8.3.1 、 8.3.2
EN19	Emissions of ozone-depleting substances by weight.	8.4.1
EN20	NO, SO, and other significant air emissions by type and weight.	8.4.1
EN21	Total water discharge by quality and destination	8.4.2
EN22	Total weight of waste by type and disposal method.	8.4.3
EN23	Total number and volume of significant spills	GIGABYTE experienced no major spills in 2013

	GRI Indicator	Corresponding Section in the Sustainability Report
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III and VIII, and percentage of transported waste shipped internationally.	8.4.3
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	10.2
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	8.3 、 8.5
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	8.5.2 、 8.5.4
EN28	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	GIGABYTE had no violations of environmental laws in 2013
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	No significant effect
EN30	Total environmental protection expenditures and investments by type	8.7
Labor Practices and Decent Work		
LA1	Total workforce by employment type, employment contract, and region, broken down by gender	7.1
LA2	Total number and rate of new employee hires and employee turnover by age group, gender and region.	7.1

	GRI Indicator	Corresponding Section in the Sustainability Report
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	7.2~7.8
LA4	Percentage of employees covered by collective bargaining agreements	7.1.7、7.4
LA5	Minimum notice period(s) regarding operational changes , including whether it is specified in collective agreements.	10.3
LA6	Percentage of total workforce represented informal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	7.7.1
LA7	Rates of injury, occupational disease, lost days, and absenteeism, and total number of work-related fatalities by region and by gender.	7.7.1
LA8	Education, training, counseling, prevention and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	7.7.1、7.7.2
LA9	Health and safety topics covered in formal agreements with trade unions.	7.2、7.7
LA10	Average hours of training per year per employee by gender, and by employee category.	7.2
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	7.2.1
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	7.2

	GRI Indicator	Corresponding Section in the Sustainability Report
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	7.1
LA14	Ratio of basic salary and remuneration of women to men by category, by significant locations of operation.	7.1.6
LA15	Return to work and retention rates after parental leave, by gender	7.1.2
Human Rights Indicators		
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	7.1.7
HR2	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken.	6.2.1
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	10.3
HR4	Total number of incidents of discrimination and corrective actions taken.	7.1.7
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	7.5

	GRI Indicator	Corresponding Section in the Sustainability Report
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	7.1.5
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	6.2、7.1.7
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	10.3
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	7.6
HR10	Percentage and total number of operations that have been subjected to human rights reviews and/or impact assessments.	10.3
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	7.6
Social Indicators		
SO1	Percentage of operations with implemented local community engagement, impact assessments and development programs.	9.2
SO2	Percentage and total number of business units analyzed for risks related to corruption.	5.2
SO3	Percentage of employees trained in the organization's anti-corruption policies and procedures.	5.2

	GRI Indicator	Corresponding Section in the Sustainability Report
SO4	Actions taken in response to incidents of corruption.	5.2
SO5	Public policy positions and participation in public policy development and lobbying.	5.6
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	5.6
SO7	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	5.2
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	7.6
SO9	Operations with significant potential or actual negative impacts on local communities.	10.3
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	10.3
Product Responsibility Indicators		
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	8.5

GRI Indicator	Corresponding Section in the Sustainability Report
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	There were no incidents of non-compliance on health and safety-related regulations on products and services by the GIGABYTE Group in 2012
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	10.3
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	10.3
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	6.7
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Not disclosed
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	10.3

GRI Indicator	Corresponding Section in the Sustainability Report
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	There were no related incidents or customer complaints during the reporting period
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	5.4、10.3

Appendix 2: ISO 26000 Cross- Reference Table

Core Subjects	ISO 26000	Corresponding Section in Sustainable Report
Organizational Governance	Decision-making processes and structures	4、5
Human Rights	Due diligence	7.1.7
	Human rights risk situations	7.1.7
	Avoidance of complicity	5.2
	Resolving grievances	7.1.7、7.4
	Discrimination and vulnerable groups	7.1.4
	Civil and political rights	5.6、7.4
	Economic, social and cultural rights	7.4、7.5、7.7、7.8
	Fundamental principles and rights at work	7.2、7.4、7.5、7.7、7.8
Labor Practices	Employment and employment relationships	7.1、7.2
	Conditions of work and social protection	7.2、7.5、7.7、7.8
	Social dialogue	4
	Health and safety at work	7.4、7.5、7.7、7.8
	Human development and training in the workplace	7.2

Core Subjects	ISO 26000	Corresponding Section in Sustainable Report
The Environment	Prevention of pollution	8.2、8.4
	Sustainable resource use	8.4.2
	Climate change mitigation and adaptation	8.3
	Protection of the environment, biodiversity and restoration of natural habitats	8.7、10.2
Fair Operating Practices	Anti-corruption	5.2.3
	Responsible political involvement	5.6
	Fair competition	5.2
	Promoting social responsibility in the value chain	6
	Respect for property rights	3.7
Consumer Issues	Fair marketing, factual and unbiased information and fair contractual practices.	5.2
	Protecting consumers' health and safety	8.5
	Sustainable consumption	6
	Consumer service, support, and complaint and dispute resolution.	6.7
	Consumer data protection and privacy	6.7.2
	Access to essential services	6.7
	Education and awareness	6.7

Core Subjects	ISO 26000	Corresponding Section in Sustainable Report
Community Involvement and Development	Community involvement	9
	Education and culture	9
	Employment creation and skills development	7.1.4、7.2
	Technology development and access	3.4.2、8.7.4
	Wealth and income creation	3.5、5
	Health	7.7
	Social investment	GIGABYTE has no related investments

Appendix 3: United Nation Global Compact

Area	The 10 Principles	Corresponding Sections in Sustainability Report
Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights.	GIGABYTE obeys the law and respects the human rights of every employee
	Make sure that they are not complicit in human rights abuses.	5.2
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	7.1.7
	The elimination of all forms of forced and compulsory labor.	7.1.7
	The effective abolition of child labor	7.1.5
	The elimination of discrimination in respect of employment and occupation.	7.1.4、7.1.7
Environment	Businesses should support a precautionary approach to environmental challenges;	8
	Undertake initiatives to promote greater environmental responsibility.	8
	Encourage the development and diffusion of environmentally friendly technologies.	8.5
Anti-Corruption	Businesses should work against corruption in all its forms, including extortion and bribery.	8.2