





Corporate Spirit
Honesty and Innovative Service

“Honest, Professional, International, and Sustainable” are Acter’s business principles with the expectations of achieving the business objectives of “Top Quality, Leading Technology, and Comprehensive Service.” We uphold a meticulous attitude in providing the best service quality for our clients and have built the top engineering team through innovative engineering and integrated services.

Honest - Honesty and credibility are important cornerstones of enterprises. Through careful listening of the demands, sincere communication and coordination, professional overall planning, top engineering quality, and thoughtful warranty service, Acter has become the most trustworthy partner among proprietors.

Professional - Consolidating the three core technical advantages, “Professionalism, Speed, and Flexibility,” we focus on our business, horizontally integrate the demands, and vertically connect and cooperate, so as to create the maximum achievement with professional engineering services.

International - Our diversified business development provides a variety of services and actively connects with international industries by recruiting the world’s top talents and enhancing Acter’s global distribution strategies.

Sustainable - “Safety, Quality, Techniques, and Innovation” are Acter’s most highly praised service values. We hope to become the most reliable partner of our clients by integrating the supply chain, pursuing sustainable excellence, and creating victories for all three parties.



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Message from the Chairman

“Dedicating to environmental protection, providing customers a quality production space, and treating surrounding people nicely” has long been Acter’s business philosophy, aiming to make its employees more committed to life and work. On the basis of core business and with the use of design elements, Acter has put power saving, waste reduction, recycle and reutilization into practice, to enhance customers’ competitiveness and show their values.

Any of its thinking and decision is based on “protecting the resources and land of mother earth” as the priority to fulfill its responsibilities as a citizen of earth, to enhance customers’ rights and benefits, and to protect earth resources.

“Treating surrounding people nicely, being friendly with everyone, and doing one’s best” are the guidelines for everyone at Acter. From inside of our company, we do not only take care of our people, but also give them opportunities. From the appointment, training, authorization to employees’ pursuit of a sense of accomplishment, we do our best to maximize social benefits, create a harmonious community and help our employees to have a happy life.

What we have gathered from the society is used in the society. We treat all stakeholders fairly and, with the implementation of information transparency, pursue transparent corporate governance for mutual benefits. We treat all customers, suppliers, shareholders and employees fairly to create consistent values and actions. This force is then extended to minority groups and fulfills our responsibilities as a public citizen. At first, we provided learning resources to assist minority groups and then, by participating in other public welfare activities, we have made us a good example, successfully attracted the others to pursue a harmonious society with us and created a sustainable business.

Chairman of Acter Co., Ltd.





Creator of Quality Space



Corporate Sustainability Report

2.1 Brief Introduction of Acter

Founded in 1979, Acter Co., Ltd. upholds Acter's corporate spirit of "Honesty and Innovative Service," and with the most human-based engineering integration techniques, we provide the clients with the high-tech manufacturing processing technological integration services, clean room engineering integration services, electrical, hydroelectric air conditioning services and energy-saving and biotechnology engineering planning integration services. The scopes of application span both livelihood and technological fields. With the highest quality service, we help our clients to have the most complete competitiveness in the market.

Since its founding, Acter had always insisted on the corporate philosophy of "The Creator of Quality Space" by integrating the demands of the industry. Using professional techniques and engineering, from the early stages of communication and design and overall environment planning to excellent engineering quality and maintenance and warranty, we provide sound professional services in clean room engineering, hydroelectric engineering, air-conditioning engineering, constant temperature and humidity engineering, biotech medical engineering, environmental engineering, gas chemical engineering, and repair and maintenance engineering to lay a rock-solid business foundation for proprietors.

Date Founded	February, 1979
Capital Amount	NTD 466,158,000
Address	19F.-1, No.201, Section 2, Wenxin Road, Xitun District, Taichung City
Contents of Service	<ul style="list-style-type: none"> - Air conditioning and electromechanical system integration engineering for high-tech plants - Air conditioning and electromechanical system integration engineering for biotech medical centers - Air conditioning and electromechanical system integration engineering for residential households - Gas and chemical system integration engineering
Served markets	<p>Technical plants: Optoelectronic plants, IC plants, PCB plants, wafer fabrication plants</p> <p>Biotech medical centers: Biotech plants, hospitals</p> <p>Industrial air conditionings: General plants, office buildings, residences</p>
Served markets	<ol style="list-style-type: none"> 1. Turnkey engineering. 2. Clean room engineering. 3. Biomedical engineering. 4. Energy technology services. 5. Electromechanical and air conditioning engineering. 6. Ice storage engineering. 7. Industrial ventilation engineering. 8. Constant temperature and humidity engineering. 9. Design and construction of pure water and wastewater systems. 10. Environmental engineering. 11. Water, gas, chemical system integration engineering for high-tech production. 12. Design and construction of high-purity chemical supply system. 13. Design and construction of high-purity gas supply system. 14. Design and construction of volatile organic compounds (VOCs) system. 15. Design and construction of CMP (chemical-mechanical planarization) supply system. 16. Design and construction of the entire factory's public system. 17. Repair and maintenance engineering. 18. Sales agent for high-tech equipment and materials



Taiwan Region (9 Operating Bases)

Distributed in Taipei, Taichung, Hsinchu, Taoyuan, Tainan, Kaohsiung, and other regions

Greater China Region (6 Operating Bases)

Distributed in Suzhou, Shenzhen, Shanghai, Beijing, Xiamen and other regions

Southeast Asian Region (6 Operating Bases)

Distributed in Singapore, Vietnam, Indonesia, Malaysia, and other regions

Corporate Sustainability Report

History and Milestones

- | | |
|--|---|
| <p>1986 Completed the first G.M.P. pharmaceutical factory in central Taiwan (Chin Teng Pharmaceutical Ind. Co., Ltd. in Dajia District, Taichung).</p> <p>1989 Completed the first ice storage air conditioning system engineering project in central Taiwan.</p> <p>2003 Established Acter (Suzhou) Engineering Co., Ltd.</p> <p>2004 Merged and acquired Heshuo Engineering Co., Ltd. in Hsinchu.</p> <p>2005 Established Acter (Shenzhen) International Co., Ltd.</p> <p>2006 Established Acter Trading Co., Ltd. in Suzhou.</p> <p>2007 Established Ding Mao System Integration Technology Group in Suzhou.
Established Fuyu International Trade Co., Ltd. In Zhang jiang Free Trade Zone</p> <p>2008 Established Acter Engineering Technology Company Limited (Vietnam).</p> <p>2009 Merged and acquired Nova Technology Corp., publicly issued shares in September</p> | <p>2012 Corporate governance system passed the evaluation and certification and received an appraisal of A+ for the 9th information disclosure of TWSE- and TPEX-listed companies.
Established NOVA Technology Malaysia Sdn. Bhd.
Established Dingmao Trade Co. in Shenzhen</p> <p>2013 Received appraisal of "A++" for 10th Information Disclosure of TWSE-Listed Companies
Established SCEC (Suzhou) Corp. and PT. Novamex Indonesia.</p> <p>2014 Received appraisal of "A++" for 11th Information Disclosure of TWSE-Listed Companies
Established Enrich Tech Co., Ltd. and Winmega Technology Corp.
Acter (Myanmar) Co., Ltd.</p> <p>2015 Received appraisal of "A++" for 12th Information Disclosure of TWSE-Listed Companies.
Top 5% of the OTC Companies of the 2nd Corporate Governance Evaluation</p> <p>2016 Nova Technology Corporation was publicly offered in September and became a listed company at emerging stock market in December.
Established Suzhou Winmax Technology Corporation and Singapore Novatech Engineering and Construction Pte. LTD..</p> |
|--|---|

Structure of Shareholders	Government Organizations	Financial Organizations	Other Corporations	Individuals	Foreign Organizations and Outsiders	Total
Number						
Number of People	0	0	42	5,645	65	5,752
Number of Shares Held	0	0	6,362,189	34,651,301	6,223,329	47,335,819
Proportion of Shareholding	0.00%	0.00%	13.47%	73.35%	13.18%	100%

Jan 1st, 2016 – Dec 31st, 2016



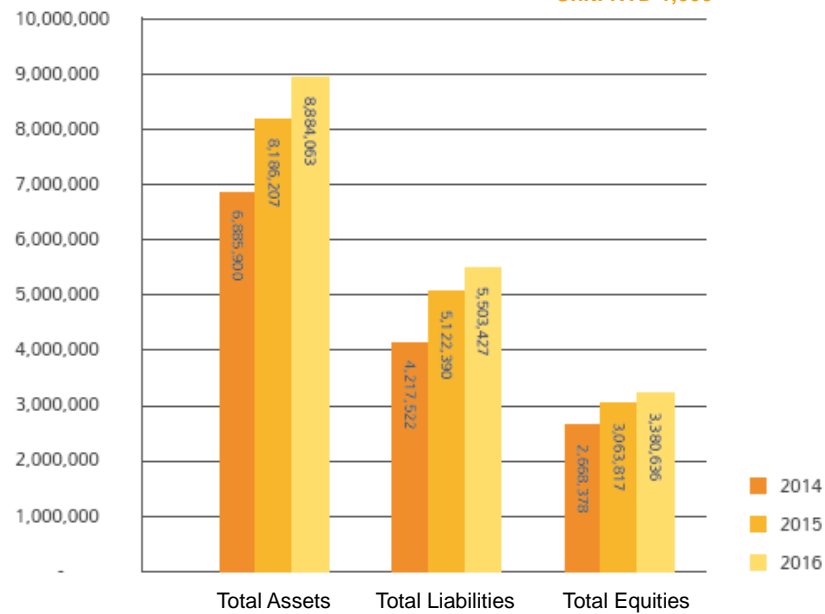
2.2 Business Performance

With the multi-regional, multi-industrial and multi-disciplinary strategy, Acter group's consolidated revenue reached NTD8.44 billion in 2016, showing a decrease of 1% comparing with the same period of last year. The consolidated net profit after tax (NPAX) was NTD436 million, with a growth of 5% comparing with the same period of last year. Please refer to the 2016 Annual Report for detailed analysis of operational performance.

Financial Information	2014	2015	2016
Ratio of Debt to Total Assets	61.24%	62.57%	61.94%
Return on Assets (ROA)	1.4%	5.54%	5.34%
Return on Equity (ROE)	3.4%	15.12%	14.40%
EPS	2.06	9.02	9.45

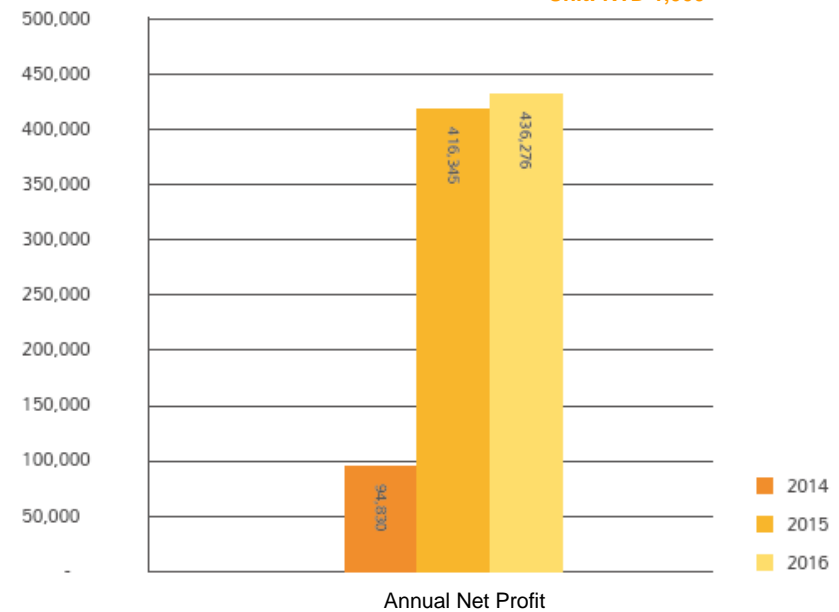
Acter's Financial Information

Unit: NTD 1,000



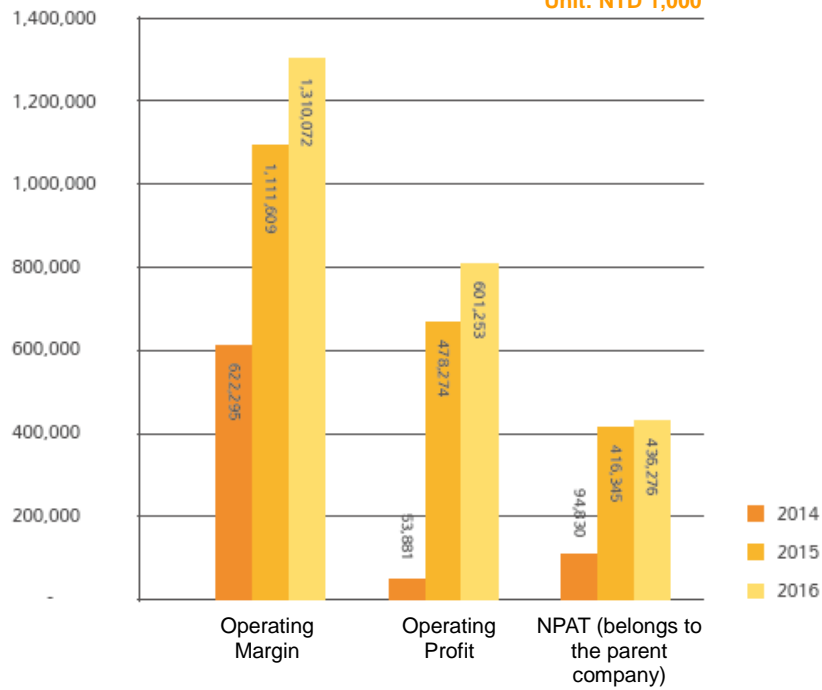
Acter's Financial Information of

Unit: NTD 1,000



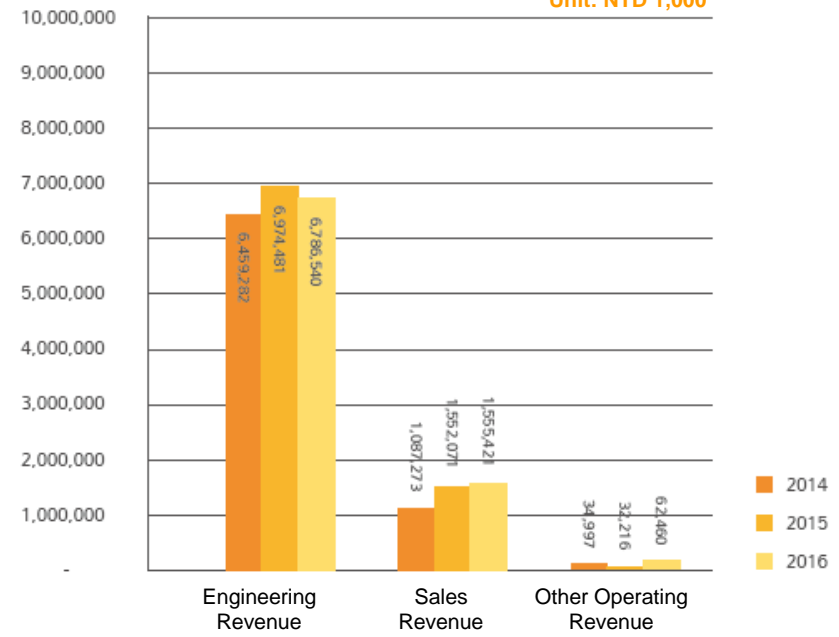
Acter's Financial Information

Unit: NTD 1,000



Acter's Financial Information

Unit: NTD 1,000





2.3 Prospects and Strategies

We are convinced that each engineering project handled by the Company is the work of the Company and also represents the image of the Company. Therefore, since its establishment, the Company upholds the belief of becoming a “The Creator of Quality Space” and promotes the Company’s matters with sustainable management methods. We are convinced that we can lead all the employees of the Company only from foundational shaping to head towards success wholeheartedly. Acter’s five main prospects are:

(1) Pursuing Sustainable Development
Sustainable management must be done one step at a time, solidly finishing each job well. Acter does not pursue short-term high profits, but instead satisfies the demands of each client to earn excellent reputation and goodwill. This is the one and only way to achieve sustainable management of the Company.

(2) Expanding Worldview for International Development
Acter’s target is the global market. As long as there are people and industries, then there is a need for quality space. Starting from Taiwan, the company has gradually expanded to Mainland China and to Southeast Asia, continuing to develop on the international stage. To accelerate our international distribution and development, the Company also seeks the assistance and cooperation of foreign industries to head towards the places in the world that needs Acter.



Corporate Sustainability Report

(3) Focusing on the Business with Multi-Angled Management

Acter is dedicated and goes all out, seeking the greatest achievement in the professional engineering services. As long as clients have the need for quality space, the Company will place efforts in satisfying the customers' demands. The Company develops diverse business connections and is not limited to serving certain industries or clients so as to lower the risk of economic vicissitudes of a single industry.

(4) Taking Both Employees' Benefits and Shareholders' Equity into Account

Talents are the most important cornerstone for the Company's sustainable management. Acter pursues in providing the employees with a stage to grow and perform and welfare benefits that are higher than the average standard of the same industries. The company regards the staff as family, so everyone works and shares the glory together. Shareholders are the most important backing for the Company's growth and development. Similarly, the Company is committed to providing remunerations that are higher than the average standard of the same industries.

(5) Clients and Supply Chain are Our Partners

The Company's highest guiding principle is to satisfy the customers' demands. Providing "Professionalism," "Speed," "Flexibility," and "highly-efficient service", we become the clients' most loyal and reliable partner. In addition to satisfying the clients, the Company believes that maintaining a strong and complete supply chain is an important factor in the Company's success and is also one of the key to the Company's continual growth in the future. To achieve Acter's future, there must be a tripartite win for the clients, the Company, and the supply chain.





To achieve the prospects of Acter, the Company's short-term operating direction and plan use corporate governance as the cornerstone and focus on the following management emphasis:

- Rooting deeply in this industry and continuing to carry out a diverse, multi-project integrated engineering service.
- Expanding the upgraded professional service for biotechnology and medical industries.
- Continuing to maintain the market in Mainland China and developing new service locations and new clients.
- Combining the manufacturing engineering professionalism of gas and chemical supply systems.
- Recruiting more diverse talents and actively training management teams

Looking at the mid- and long-terms, Acter will continue with integrating the engineering services and strive to develop forward and upward through the multi-region, multi-industry, and multi-angle distribution strategies. And under the main core of sustainable management, we will integrate the businesses and resources, provide high-standard service quality, and establish and maintain the brand of Acter. In order to achieve these objectives, the Company's key strategies include:

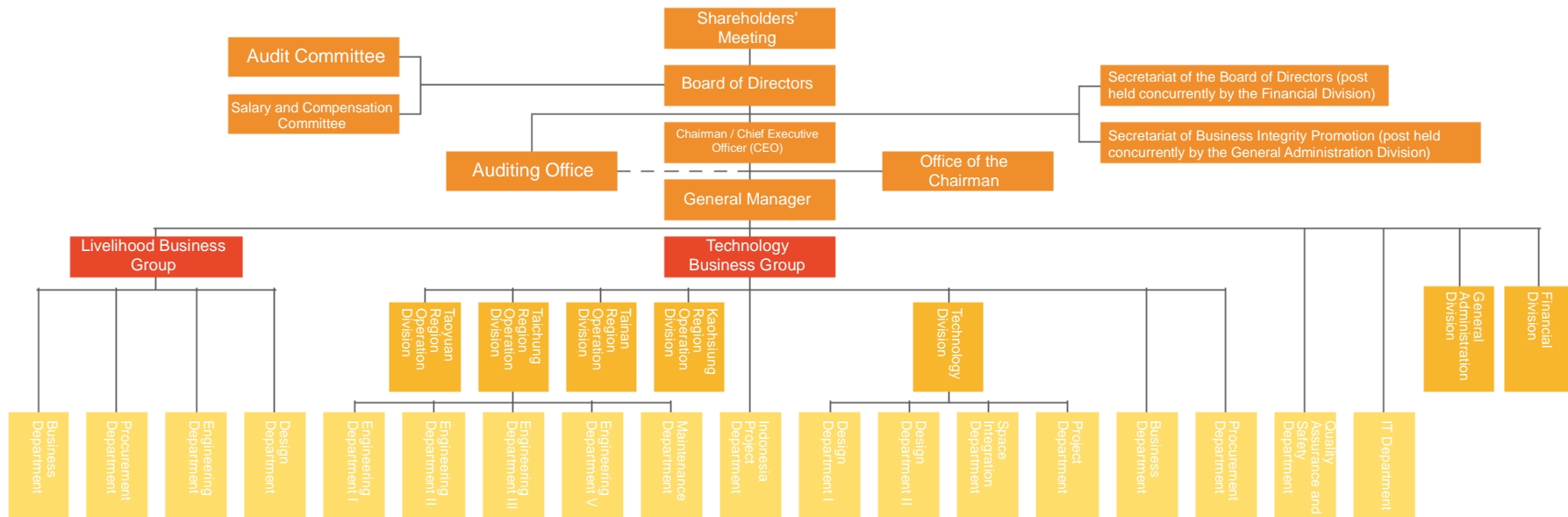
- Devoting to innovative engineering methods.
- Focusing on Acter's core competences and integrating its engineering expertise.
- Building a comprehensive marketing service system.
- Rooting deeply in the market in Mainland China as well as Southeast Asia, and aiming for the international stage.
- Continuing to root deeply in the technology, biotechnology, livelihood, petrochemical, and other industries.
- Developing eco-friendly system to fulfill its responsibilities as an earth citizen.



Corporate Sustainability Report

2.4 Corporate Governance

Management Organizational Chart of Acter Co., Ltd.



Composition of the Board of Directors

The highest governance unit of Acter is the board of directors, among which these include professionals with complete and rich knowledge, skills, attainments, and educational and work experiences. Because Acter values diversity, therefore, the board of directors, as a whole, has operational and judgment abilities, accounting and financial analysis abilities, operational and management capabilities, crisis management capabilities, knowledge of the industry, international market view, leadership skills,

and decision-making capacities. The board of directors is composed of four directors (including the Chairman) and three independent directors. The directors and supervisors were all re-elected on May 28th, 2015, and the Audit Committee was established to replace the supervisors, prompting the board of directors of the Company to fully function in its business decision-making, leadership, and supervision. The primary responsibility of Acter's board of directors is to supervise the Company's operating strategies, followed by training outstanding business leaders and safeguarding the rights and interests of the investors. The meetings of the board of

directors are held regularly each year to discuss the important matters of the Company. In 2016, the meetings of the board of directors were held seven times. In the setting of the procedural specifications for the board of directors, the Company especially listed the items to be presented to the board of directors and designed a system to avoid the conflict of interests of directors. Acter's directors are all highly self-disciplined and will, therefore, correspondingly sidestep during the discussion and voting of the issues of conflict of interest. With the principles of protecting the stakeholders and sharing common prosperity with the society, Acter's board of directors pursues upright and sustainable management.



Job Title	Name	Gender	Main Educational and Work Experiences	Current Position Held at Acter	Attendance Rate
Chairman	Jin-Li Liang	Male	Executive Master of Business Administration (EMBA) in National Chiao Tung University Refrigeration and Air Conditioning Group of Department of Electrical Engineering in National Taipei Institute of Technology (now National Taipei University of Technology) Manager of Engineering Department at Gongshan Air Conditioning and Refrigeration Co., Ltd.	CEO and General Manager of Acter Co., Ltd.	100.00%
Director	Dennis Yang	Male	Executive Master of Business Administration (EMBA) in Tunghai University Refrigeration Group of Department of Electrical Engineering in National Taipei Institute of Technology (now National Taipei University of Technology)	-	86%
Director	Hsin-Ming Kao	Female	International Business Management Group of Executive Master of Business Administration (EMBA) in National Taiwan University Chief of Electronics Department at Industrial Technology Research Institute	-	71%
Director	Tai-Chen Hu	Male	Executive Master of Business Administration (EMBA) in Tunghai University Refrigeration and Air Conditioning Group of Department of Electrical Engineering in National Taipei Institute of Technology (now National Taipei University of Technology) Honorary Member of the Phi Tau Phi Scholastic Honor Society of the Republic of China Instructor at Department of Electrical Engineering in National Chin-Yi Institute of Technology (now National Chin-Yi University of Technology) Executive Director of Taiwan Refrigeration and Air-Conditioning Engineering Association Skills Certification Auditor at the Ministry of the Interior for the Refrigeration and Air-Conditioning Renovation Technician General Manager at Gongshan Air Conditioning and Refrigeration Co., Ltd.	Consultant of Acter Co., Ltd.	100.00%
Independent Director	Chyan Yang	Male	Doctorate in Computer Science at Washington University, USA Adjunct Professor of the Institute of Business and Management at National Chiao Tung University Complaint Deliberation Committee member at Industrial Technology Research Institute	-	100.00%
Independent Director	Marlon Wang	Male	MSc in Management of Technology, College of Management at National Chiao Tung University Person in Charge of Marion Energy Services and Management Consulting Co., Ltd. Refrigerating Air-Conditioning lecturer at Taishan Vocational Training Site Senior Manager of the Research Center of Industrial Technology Research Institute	-	86%
Independent Director	Hui-HsinYeh	Female	Department of Accounting in Tunghai University Accountant partner at Ernst & Young (Diwan& Company) Global Limited	-	100%

Corporate Sustainability Report

Audit Committee

The Company has, in accordance with Article 14-4 of Securities and Exchange Act, established an Audit Committee to replace supervisors. The Audit Committee is formed by three independent directors with financial or sales relevant expertise, knowledge and experiences. The "Rules of Audit Committee" has specified that the Audit Committee has the power to exercise its duties independently to ensure an efficient implementation of the Company's internal control measures and production of financial statements.

The Company has also set a mailbox specifically for Audit Committee on its official website. The mailbox enables ordinary investors, stakeholders or employees to directly contact and communicate with the Committee members.

In 2016, the Audit Committee held 7 (A) meetings and the attendance status of independent director is as follows:

Job Title	Name	Attendance in Person	Attendance by Proxy	Actual Attendance Rate	Note
Independent Director	Hui-HsinYeh	7	0	100%	Was elected on May 28 th , 2015
Independent Director	Chyan Yang	7	0	100%	Was elected on May 28 th , 2015
Independent Director	Marlon Wang	6	1	86%	Was elected on May 28 th , 2015



Salary and Compensation Committee

Under the supervision of the board of directors, Acter has established the Salary and Compensation Committee, which is composed of three independent directors. The Salary and Compensation Committee will regularly execute the performance evaluation of directors, supervisors, and senior managers, review the policies, systems, standards, and structures of salary and compensation to set the salaries and compensations of directors, supervisors, and managers.

The annual compensation of the highest governor and senior managers is chiefly composed of salary and

bonuses. Bonuses come from the annual earnings after 10% of the statutory surplus reserve is deducted and do not exceed 3% of the balance. In addition, the Salary and Compensation Committee will evaluate the annual salary and compensation policies in accordance with Acter's performance for the year and make appropriate adjustments.

The term of office this time: from June 15th, 2015 to May 27th, 2018. The Salary and Compensation Committee of the most recent year held 3 meetings (A) and the committee members' qualifications and attendance records are as follows:

Job Title	Name	Attendance in Person	Attendance by Proxy	Actual Attendance Rate	Note
Independent Director	Chyan Yang	3	0	100%	Was appointed on June 15 th , 2015
Independent Director	Hui-HsinYeh	3	0	100%	Was appointed on June 15 th , 2015
Independent Director	Marlon Wang	3	0	100%	Was appointed on June 15 th , 2015

Corporate Sustainability Report

Composition of Senior Managers

For Acter's daily operations, the Chairman and CEO, Jin-Li Liang, leads an excellent management team, step by step heading towards becoming a "The Creator of Quality Space," while, at the same time, pursuing to become the industry's number one brand. The main reason Chairman Liang holds the concurrent position of the CEO is because Chairman Liang is quite familiar with the air-conditioning and electromechanical fields and has

served at Acter for more than 20 years starting from the supervisory position. He has a high degree of familiarity with the field of the Company's operational basis and has accumulated rich practical experiences, and, is therefore an indispensable main leader in management. According to the Company's Risk Assessment Authorization Regulation, before executing major resolutions and matters, they can be carried out only after having gone through the discussion and resolution of the board of directors. This control is enough to ensure the best

interests of Acter and the shareholders. And we believe under the leadership of Chairman Liang, a solid foundation is constructed for the sustainable management of the Company. For detailed educational and work experiences and backgrounds, please refer to pages 13 and 15 of Acter's 2016 Annual Report. The detailed information can also be inquired on the Market Observation Post System: http://mops.twse.com.tw/mops/web/t57sb01_q5#.

Job Titles and Responsibilities of Senior Managers

Job Title	Name	Date Appointed to (Assumed) Position	Main Responsibilities
CEO and General Manager (Note 1)	Jin-Li Liang	July 15 th , 2011	<ol style="list-style-type: none"> 1. Lead the management teams and build operational strategies and objectives 2. Comprehensively manage the organizational operation of and nurturing of talents at each company in Acter Group
General Manager (Note 1)	Charly Hsu	February 1 st , 2010	<ol style="list-style-type: none"> 1. Command the execution and coordination of the Company's operations and project plans 2. Supervise the normal operation of the organizational functions of each department 3. Lead business units in developing new businesses and in promoting major policies
Senior Associate General Manager	Jacky Chang	January 17 th , 2008	Lead the Technology Business Group in executing the supervision and management projects of technology industry engineering and supervise the progress and evaluation
Associate General Manager	Ming-Kuen Lai	February 1 st , 2007	Lead the Livelihood Business Group in developing businesses in engineering-related fields and executing projects in Taipei Region
Assistant Manager	Eric Wang	January 17 th , 2008	Lead the Technology Business Group in executing businesses and projects in Taichung Region
Assistant Manager (Note 2)	Evan Fan	January 7 th , 2011	Lead the Technology Business Group in executing businesses and projects in New Taipei Region
Assistant Manager	Bo-Sheng Lee	February 1 st , 2007	Lead the Technology Business Group in executing businesses and projects in Greater Kaohsiung Region
Assistant Manager	Jason Chang	November 20 th , 2014	Lead the Technology Business Group in executing businesses and projects in Taoyuan Region
Assistant manager	Steve Cheng	November 1 st , 2013	Lead the Technology Business Group in executing businesses and projects in Tainan Region
Manager of Financial Division	Angie Tsao	August 1 st , 2009	<ol style="list-style-type: none"> 1. Responsible for the contact and relationships with shareholders 2. Responsible for making statements to the public on behalf of the Group 3. Leading and is responsible for the formulation, analysis, and execution of the Company's financial and accounting strategies

※Note 1: General Manager Charly Hsu resigned on June 1st, 2016; CEO Jin-Li Liang held the post of General Manager concurrently. However, he is still the General Manager of the group's subsidiary.

Note 2: Assistant Manager Evan Fan resigned on August 15th, 2016.



Integrity Management

Persistently upholding the basic attitudes of honesty and sincerity, the Company also requires the employees to understand and obey the "Integrity Management Operating Procedures and Behavioral Guidelines" formulated by the Company. Integrity and anti-corruption are basic requirements for each employee of Acter during the conducting of businesses. In addition, to ensure that the Company implements honest management and the employees have proper behaviors, the Company has also drawn up the "Code of Ethics" and "Employee Business Ethics Standards." The colleagues can inquire the various guidelines on the intranet at any time. Moreover, to increase the propaganda of the value Acter places on integrity, the Company will regularly advocate integrity management through educational training and internal meetings, so that the employees will fully understand. In 2016, the examination of the Company by the Auditing Department showed that there were no risks of corruption, anti-competitive behaviors, antitrust behaviors, and monopolistic practices, and also no reports of any dishonest management were received.

Aimed towards the following issues, the Company developed the behavioral guidelines, requiring the employees of the Company to cautiously abide by:

- Prohibition of the provision or acceptance of improper benefits
- Prohibition of facilitation payments
- Handling of political prohibitions
- Handling of charity donations or sponsorship
- Handling of conflict of interest avoidance
- Security mechanism
- Prohibition of the disclosure of trade secrets
- Prohibition of insider trading
- Avoid trading with dishonest operators

Risk Management

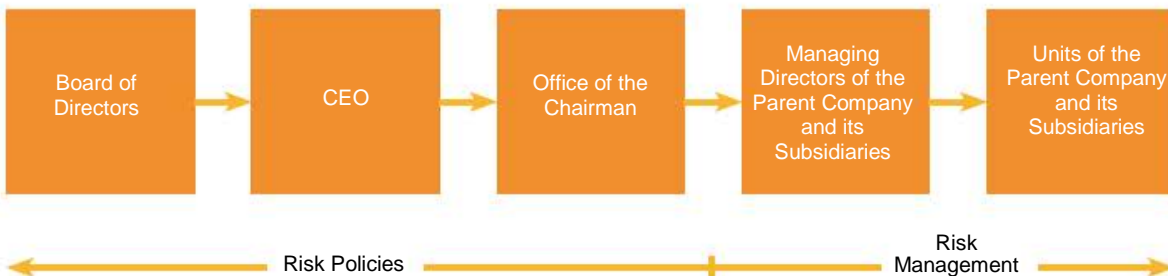
The Company has carried out risk management for the uncertainties concerning enterprise management; and has stipulated "Rules Governing Risk Management" and relevant management policies to measure and assess risks of different sources. The said measures aim to effectively supervise, control and further reduce risks that may affect the Company's benefits. The Company has already formed the Risk Management Unit with the chiefs of General Administration Division, Financial Division, Technology Division, Engineering Department, Business Department, Procurement Department, IT Department and Quality Assurance and Safety Department. The unit is responsible to assess a risk or incident that can create a negative influence to the operational target, enabling the Company to make appropriate response measures. We believe that, with a perfect management solution, Acter has included the following risks in the control measure:

For the following issues, the Company has formulated a conduct guide, requiring the employees of the Company to carefully observe:

- Market risks
- Legal risks
- Credit risks
- Information security risks
- Liquidity risks
- Natural disasters or other occasional incidents
- Operational risks
- Other risks

Risk Management Procedures

	Objectives	Methods
Risk Identification	To identify risks / incidents that can cause negative influences to Acter's operational targets.	Using "risk identification table" to investigate and collect risk-exposure data.
Risk Assessment	Assess the level of influence of specific risk.	Assessing risks from three perspectives: possibility of occurrence, influences (in regard to the Company's finance and business sustainability), and effectiveness of control.
Risk Response	Find and control all types of operating risks to avoid business interruption.	Conditions of assessing response solutions: implementation cost, effectiveness, feasibility (difficulty) and timing for the implementation.



Operation and Management of Corporate Social Responsibility

Acter has not set up a dedicated Corporate Social Responsibility Committee, and, currently, the General Administration Office serves as the dedicated unit in the promotion of corporate social responsibility, and is responsible for proposing and executing corporate social responsibility policies or systems, and in addition to regularly reporting to the board of directors each year, it will also disclose the execution situation on the corporate website. The effectiveness of the implementation in 2016 was reported to the board of directors on November 8th, 2016. In addition to continuing to publish CSR reports in the future, we will also establish a comprehensive report preparation process and internal control system, displaying the responsibility and attitude of the Company in its pursuit of CSR report quality. Currently, the Quality Assurance and Safety Department serves as the dedicated unit for environmental management to maintain the environmental management-related systems, and will regularly hold environmental education courses for the managers and employees. The Company believes that achieving sustainable management is in the scope of official duty of each employee; therefore the senior managers of each department are responsible for leading all employees to work together for a better future. This philosophy has also been relatively reflected under the structure of the entire Group, where the operators of the subsidiaries spur the local colleagues in promoting sustainable management. The Company regular holds meetings for managing executives, where through the senior managers, the internal colleagues' questions or suggestions regarding the Company's sustainable policies could be made known. If there are appropriate requests, they will be presented to the board of directors, where the directors will make the appropriate response.

Concept of Integrity, Awards of Affirmation

(1) Corporate Governance Assessment

For two consecutive years, Acter has been elected as one of the top five "TPEX-Listed Companies" by Securities and Futures Institute in "Corporate Governance Assessment for TWSE/TPEX-Listed Companies" (the 2nd and 3rd). This recognition is an evidence of Acter's implementation of its strict corporate governance and transparent information policy. Acter believes that maintaining shareholders' rights and benefits; treating shareholders fairly; enhancing the structure and operations of board of directors; and enhancing the information transparency are compulsory factors of fulfilling its social responsibilities. It is the Company's belief that, only by running the business with integrity and credibility, we will win the trust from our shareholders, employees, customers and the public, and will be able to create its value and competitive advantages.

(2) Corporate Citizenship Award

Companies shall not consider themselves as a tool to win the profit, but position themselves as a citizen of the society and fulfill their responsibilities. Not only has Acter continuously reviewed itself in regard to corporate governance, corporate commitment, social participation and environmental protection, but also it has been acted proactively and growing successively over the years. This is the reason that Acter won the Corporate Citizenship Award from Commonwealth Magazine as one of the top ten excellent companies in 2016. It is our belief that what we have obtained from the society shall be used in the society. Hence, CSR is only the beginning of a new sports, and a key strength the pushes us towards the future progress, caring and sustainable development!





2.5 Challenges, Opportunities and Prospects

Development of Industrial Technology, Upgrade and Expansion of Production Facilities

Following the evolution and development of technology, not only are industries continuously upgraded, but also emerging industries, such as biomedical, power saving and environmental control industries, are successively created and developed. The development of industrial technology has promoted the upgrade of production facilities in order to have the customer demand fulfilled; engineering service industry continues to grow following the changes of macro-environment; and cloud application relevant industries also have their demand increased due to the arrival of new generation. Besides, the government has been proactively promoted the upgrade of biomedical technology due to the world trend that helps to boost up the growth of biomedical industry. As biomedical industry has relatively higher standards in regard to the regulations of work environment and technology, the Company has, with its abundant experiences and continuous research, maintained its position as a pioneer in this domain. It is expected that the Company will play a significant role in the industry in the future.

An Enhancement of Living Standards and an Increasing Demand for Living Space

Following the enhancement of living standards, people also have an increasing demand for living standards, resulting in the rise of tourism industry. Not only are large hotels and shopping malls established, but also the number of industry players who are capable to provide premium space also grows following the increase of consumers' demand.

An Extensive Market: The Mainland China

There is great potential in the business opportunities of the Chinese market. The prediction of the overall market opportunities is that it will still maintain the trend of upward growth. The local language and culture in Mainland China are similar to that of Taiwanese businesses and so communication is much easier, where other foreign companies cannot compare. The investment scale of Taiwanese businessmen in Mainland China has shifted from small enterprises to large enterprises and the

industry has shifted from labor-intensive industries to capital- and technology-intensive industries, presenting the large-scale, collectivized, popularized, and long-term trend. Therefore, the factory-construction engineering business in the Chinese market is a huge business opportunity in the air-conditioning and electromechanical industries. The Company's subsidiary, Acter (Suzhou) Engineering Co., Ltd., already received the Level 1 EPC (engineering, procurement and construction) qualification for mechanical and electrical engineering projects in Mainland China. In the meantime, in regard to the production of chemical system, it is made contribution to the stipulation of Chinese Technical code for Chemical System of Electronic Factory. Not only has it technical advantages, but also it plays an important role in helping the Group to develop its business in Mainland China.

Corporate Sustainability Report



A Prosperous Development of the Southeast Asian Market

Due to an increase of production cost in Mainland China, various industrial players already established subsidiaries in Singapore, Malaysia, Vietnam, Indonesia and Myanmar. Counting on experiences accumulated by its professionals in Taiwan, the Group has quickly established a sound system and, with an early penetration to the Southeast Asian market, acquired relative advantages in the region.

Global Biomedical Market

The global biomedical industry has been proactively promoted economic empowerment and medical reform approaches. It has listed biomedical industry as one of the key projects, and therefore brought new business opportunities for the industry. For example, the U.S. has launched USD940 billion of medical reform legislation,

whereas the Mainland China has launched a RMB850 billion (USD124.1 billion) medical reform project. These are two of the biggest medical reform measures in recent years and have increased the growth momentum of Taiwan's biomedical industry. Not only has the Company invested in the biomedical industry for several years, but also it holds regular forums and provided services to customers from the industry. Our experiences accumulated in the Taiwanese market plus our technology will assist us to expand the biomedical market in Mainland China.

Providing Customers a Total Solution with Various Service

The Company provides an integrated engineering service that covers ranges of constructions, electromechanical integration, clean room, procurement, power consumption, biomedical certification, chemical supply system and equipment. It also has a professional design team to provide designs with maximized efficiency and maintenance services.

Climate Change

Due to changes in climate and the environment, water shortages are occurring throughout the world. According to the predictions of the World Meteorological Organization, by 2050, 1 billion coastal and offshore residents will face water crisis and Taiwan is currently ranked 18th among the nations in the world with water scarcity, causing serious water shortage for the use in farmlands and industries. Under the cooperation with desalination engineering companies, the Company has launched the design and plan for modules of large-scale desalination plants, and jointly developed the desalination techniques with the lowest unit cost for generating fresh water.



Dialogue with Shareholders



3.1 Identification of Stakeholders

Acter makes efforts to pursue sustainable management and establish good communication channels to interact with the stakeholders with the hopes of effectively understanding the expectations of the Stakeholders towards the Company. To thoroughly identify the groups of stakeholders and to effectively communicate with them, Acter has conducted a survey towards the heads of each department to understand how these heads view the impacts of the different major issues on the Company, thereby judging the immediate or potential impact level of the various issues on the Company as high, medium, or low. According to the impact and influence, the stakeholders of the Company are defined as:

- All of those who are directly or indirectly impacted by the Company' s operating policies
- All of those who directly or indirectly influence the Company' s operating policies

According to the definition of the Company's stakeholders, the Company has identified the five primary stakeholder categories:

- 1 Employees
- 2 Clients
- 3 Supplier
- 4 Government
- 5 Investor

3.2 Communications with Stakeholders

In addition to communicate with the various sectors through the business reports, annual reports, and the corporate website, Acter also publishes the corporate social responsibility report regularly each year to disclose the Company's operating performance to the various stakeholders so as to strengthen the bridge of communication with the stakeholders. Through long-term, sound management, the Company has attained the support and affirmation of the stakeholders. Simultaneously, through the various department heads gaining deep understanding on the issues that the stakeholders pay attention to, after summarizing and aggregating, their issues of concern are listed left table:

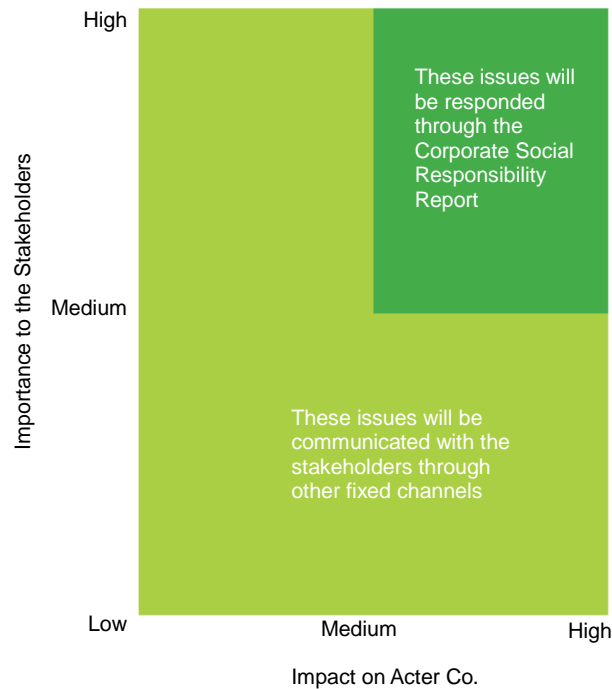
Stakeholders	Issues of Concern	Communication Methods with Stakeholders	Implementation Results of 2016
Employees	Employee-Employer Relationship Occupational Health and Safety Training and Education Corporate Governance Ethics and Integrity	(1) Calling together meetings from time to time and holding labor coordination meetings each quarter (2) Educational training for employees (3) Hotline and mailbox for employees' opinions and appeals (4) Internal documents (5) Bulletin board (6) Email (7) Staff Welfare Committee	(1) Already held 6 labor-management coordination meetings. (2) The total training hours are 6,364 hours. (3) No complaint has been filed. (4) With 33 announcements. (5) Already published 15 announcements. (6) Emails are sent on a daily basis. (7) Already held 4 meetings.
Clients	Products and Services Occupational Health and Safety Anti-Competitive Behaviors Abiding by Environmental Regulations Competitive Advantages	(1) Project teams (2) Daily communication (3) Conducting customer satisfaction surveys each year (4) Irregular contacts through phone calls and emails (5) Visits in person	(1) At least one project manager is designated to each project. (2) Holding at least two meetings with the clients every week. (3) The average customer satisfaction level is 92. (4) At least 2 telephone contacts each week. (5) At least 1 visits in person every week.
Suppliers	Procurement Strategies Complaint Mechanism for Labor Issues Supply Chain Management	(1) Daily meetings (2) Blogs for vendors only (3) Visiting firms/contractors from time to time (4) Investigating related information from time to time	(1) Holding a toolbox meeting every day. (2) Already set a blog for suppliers on official website. (3) Visiting major subcontractors every quarter. (4) Holding one supplier assessment every six month.
Competent Authorities	Economic Performance Abiding by Financial and Labor Regulations Occupational Health and Safety of Employees Child Labor, Forced or Compulsory Labor Impacts on the Local Community	(1) Announcing financial reports/major information each quarter (2) Maintaining good interaction with competent authorities (3) Participating in related meetings from time to time (4) Complying with relevant regulations, terms and conditions.	(1) One announcement every quarter. (2) Having at least 1 interaction every quarter. (3) Participated in 13 meetings. (4) Complying with relevant regulations strictly.
Investors	Economic Performance Industrial Prospects Company Profit Competitive Advantages	(1) A section for investors on the official website and the Market Observation Post System (2) Announcing financial reports each quarter (3) Shareholders' meeting each year (4) Forums and seminars (5) Corporate briefing session	(1) Immediately updating the website. (2) Regular announcement every quarter. (3) The meeting takes place once every year. (4) No forum/ seminar has been held this year. (5) Held on Dec 21 st , 2016.





3.3 Identification of Major Aspects

Through interviewing the senior executives, issues related to sustainable management were collected and organized, and then the department heads defined the key issues in accordance with the degree of influence to sustainable development. From the stance of the stakeholders, the Company uses this Corporate Social Responsibility Report to respond to the issues that the stakeholders are highly concerned about and that is highly influential to Acter. For the other aspects, they are communicated continuously to the stakeholders through regular channels on a regular basis.



Management Aspect	Disclosed Section	Economic Aspect	Disclosed Section
Corporate Governance Risk Management Ethics and Integrity Sustainable Development Strategies	Chapter 2 Chapter 2 Chapter 2 Chapter 2	Economic Performance Future Market Image and Corporate Opportunities Procurement Strategies	Chapter 4 Chapter 2 Chapter 4
Environmental Aspect	Disclosed Section	Social Aspect	Disclosed Section
Raw Product Material Usage and Renewable Materials Energy Management Products and Services Abiding by Environmental Regulations	Chapter 4 Chapter 4 Chapter 4 Chapter 4	Child Labor, Forced or Compulsory Labor Maintenance of Employee-Employer Relationship Occupational Health and Safety Training and Education for Employees Labor Complaint Mechanism Anti-Competitive Behaviors	Chapter 4 Chapter 4 Chapter 4 Chapter 4 Chapter 4 Chapter 4



Corporate Sustainability Report

3.4 Major Issues

Acter has adopted the following four steps to ensure that all of the stakeholders' issues of concern are all completely responded in this report.

- Selecting and identifying all the Global Reporting Initiative 4 (G4) aspects applicable to Acter. The department heads study the indicators of the various G4 aspects, and gather a report of the aspects applicable to the nature of the Taiwan region and the engineering industries. During the process, a further step is taken to distinguish whether such impact influences Acter's internal operations or external environment. This Corporate Social Responsibility Report chiefly presents the various aspects that occur at Acter.
- Evaluating the gathered aspects and issues and prioritizing them. When analyzing the various aspects, the sustainable team evaluates whether the Company should disclose such aspect according to the principles of materiality and stakeholder tolerance.
- Reconfirming the order. The sustainable team reexamines the order of importance of each aspect and asks the department heads to reconfirm whether the aspects disclosed in the sustainability report can provide valuable information for the stakeholders, so that the stakeholders can fully comprehend the responses the Company has taken concerning the major issues.
- Reviewing and auditing sustainability report. After compiling the sustainability report, the sustainable team reads the entire report once again to review whether all the major aspects have been completely presented in the sustainability report. In addition, the Chairman also reviews the sustainability report in person to ensure that the sustainability report can portray both the Company's passion for sustainable management and the Company's basic attitudes of "honesty and sincerity" at the same time.





Sustainability Governance

4.1 Professional Turnkey Project Service

Equipped with system integration and space management abilities, Acter has a complete functional organization as well as professional engineers, professional integration ability and experiences accumulated from successful large turn-key projects. Unlike traditional engineering companies, Acter not only conducts a professional feasibility study before contracting a project, but also takes green building (ecology, power consumption, waste reduction and health), quality and maintenance cost into consideration to create "value engineering" for customers.

The triple multi strategy of multi-industries, multi-disciplines, and multi-talents lets Acter possess profound strength to provide professional and comprehensive factory planning for the clients. Through the industrial chain's horizontal integration and deepening of professionalism, the service items of Acter have gradually expanded, crossing over to the technology, livelihood, biotechnology, and medical fields, including businesses in optoelectronic industries, semiconductor industries, biotech industries, energy industries, electromechanical and air-conditioning engineering in mansions and tourist hotels, and biotech and medical factory construction, providing an integration service of diverse engineering skills for the clients.

Different from other industries, the Company's skills, research, and development of system integration engineering are to enhance the efficiency of the engineering methods, materials, and equipment after they have been restructured. Also, according to the individual needs of the business owners or industry characteristics, we customize and integrate the professional knowledge of different fields, such as architecture, electrical and mechanical engineering, air-conditioning, fire control, instrumentation and control, pipelining, and engineering management, so as to construct a quality space that satisfies the manufacturing process needs of the clients. Through the professional planning, techniques, and abilities of the Acter team, we focus on each engineering detail, maintain design quality standard and functional requirements. In 2016, the Company did not receive any violations of statutory prescribed circumstances of any products or services.



Interior System Engineering



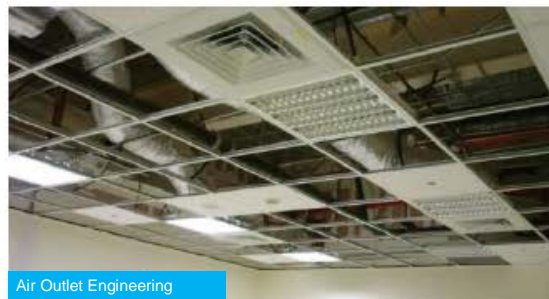
Clean Room Engineering



Industrial Ventilation Engineering



False Floor Engineering



Air Outlet Engineering



Maintenance and Care Engineering



Overall Planning, Innovative Engineering Methods

Acter has made a great effort to introduce and develop innovative engineering technology. In 2016, it spent totally NTD76,779,000 on research and development. Upholding the spirit of continuous research, development, and innovation, Acter provides the safest, high-quality engineering planning services. In recent years, under the trends of global warming and the rise of environmental protection awareness, Acter uses innovative engineering methods and combines them with practical experiences to provide energy-saving and improvement engineering services in different engineering categories. The representative innovative engineering methods of the various engineering types are listed below:

- **Electromechanical engineering:** Taking “using stored ice to transfer peak load” for example, the refrigerant compressor is operated during the nighttime off-peak electricity usage to manufacture refrigerants. When the compressor operates and the brine temperature is below 0°C, phase changes occur to the water in storage containers and it becomes ice to store a great amount of latent heat. Then, during the daytime peak electricity usage, the ice is melted to release cold energy to provide air-conditioning load demand, so as to achieve the goal of reducing compressor operation. Shifting the air-conditioning electricity usage from peak time to off-peak time, we successfully relocated the air-conditioning daytime peak load and reduced electricity charges.
- **Super tall building engineering:** Taking “42-storey multi-functional building” for example, using the transition level isolation method, we successfully lowered the pressurization level of the pipes, increased the stability and safety of the operations, and greatly reduced the overall engineering expense.
- **Special engineering:** Taking “integration techniques in negative pressure exclusive hospitals for SARS” for example, using the indoor and outdoor pressure differences, by the characteristic of air flowing from high pressure area to low pressure area, causing the surrounding air outdoors only flowing towards the negative pressure area indoors. Negative pressure is an important protective mechanism in the barrier zone from the external environment and is often applied as a means to limit the air from spreading and can guarantee the airstreams to flow in the expected direction. Acter uses negative pressure techniques to successfully assist hospitals in establishing negative pressure isolation wards.
- **Biotech engineering:** Taking “clean room integration engineering techniques for cGMP plants” for example, PIC/S GMP standards are stricter towards the requirements for building a space for clean room in pharmaceutical factories. The biggest difference between it and Taiwan’s current cGMP standards is in its prevention of cross-contamination facilities and operations. Through the clean room integration engineering techniques, Acter assists the pharmaceutical industry in enhancing the requests for air cleanliness of working spaces so as to be in accordance with the PIC/S GMP specifications.
- **Clean room engineering:** Taking “clean room turnkey engineering”. For example, through controlling the temperature, humidity, airflow, air pressure, and dust particles of the indoor air and along with integrating indoor lighting and dust-free building materials, Acter assists enterprises in completing the clean room engineering.
- **Livelihood engineering:** Taking “waste heat recycling” for example, using air-conditioning waste heat and heat source from outdoor air as the hot water usage in life and achieving the reduction of equipment by eliminating the boiler system. In addition to assisting companies in reducing the equipment costs, it can also reduce fuel usage and lower CO2 emissions.
- **Manufacturing process engineering:** Taking “the elevation of the system utilization rate” for example, it is merging cold source supply system through deeply understanding the manufacturing process system to effectively elevate the system utilization rate.
- **Prefabricated construction method of large cement tanks:** In the past, there were the issues of long construction time and easy leakage when applying prefabricated construction method on large cement tanks. Acting in concert with overseas engineering companies, the Company developed a new prefabricated engineering method. In addition to being able to reduce construction period, it can also effectively resolve the issue of possible leakage.
- **Green energy engineering:** Selected systems with high performance and low energy-consumption and applied them in the production environment. Using methods such as installing variable-frequency drives and special insulation designs, the demand for electricity was reduced. Renewable energy is used to assist customers in achieving the effect of saving energy.



Corporate Sustainability Report

Patent Application

The output of the main research and development items of Acter's system integration engineering is different from the research and development entities of general industries. According to the requests of different business owners, the system integration engineering mainly integrates various system engineering methods and restructures materials and equipments to improve performance and to create and provide operating systems and environment that are fully in accordance

with the production needs of the clients. Also, in the aspect of electromechanical industry, its main characteristic is the high industrial dependency; therefore, the research and development of this industry mainly come from the innovation of the upstream and downstream industries, which then spur the overall reform. In order to break through the current situation to achieve excellent innovation, the Company actively established the procedures of fundamental research and design management project. Through close integration among different functions, the cross-functional

development team continues to develop integration techniques and abilities for high-tech plant renovation by integrating electromechanical engineering and plant renovation and design upward and by completing the integration and combination abilities for the manufacturing process equipment of plant renovation. In the aspect of the development of technical patents, up until 2016, the Company has obtained 1 invention, 37 practical new types, and 6 software copy rights, which are primarily engineering construction, the application and change of new materials, and the software publications for the supply system of chemical equipment, etc.

Patent Type	Patent Name
Invention	Uniaxial rotary mechanical arm
Practical New Type	A type of film drying apparatus
	Online quartz heater
	Quick dump cleaning device for cleaning semiconductor equipment
	Buffered outlet of flame-capturing exhaust device with chemicals
	Quick coupling device for chemical barrels
	Precision capacity emission control chemical container
	A type of chemical supply system
	A type of three-way tank for chemical supply system

Patent Type	Patent Name
Practical New Type	A type of valve tank for chemical supply system
	A type of sampling box for chemical supply system
	Connection devices for pipe couplers of chemical supply system
	Acidic chemical supply and control system
	A type of chemical supply monitoring and alarm system
	Liquid-gas separation device for chemical supply system
	Filling mechanical arm for chemical supply system
	Forced ventilation and exhaust gas tank for chemical supply system
	Inlet pipe cleaning device for chemical supply system



Patent Type	Patent Name
Practical New Type	Segmented control heating blanket of gas supply system
	Fully automated gas tank cylinder-change anti-leak system
	Automatic switching double cylinder nitrogen panel
	Online fully automated HF and HNO ₃ heat exchanging system
	Semi-automated type etching and cleaning machine
	Online dilution device
	Silicon chip self-rotation and vibration mechanism
	Silicon chip polishing slurry stirring device
	Mixed acid recycling and measurement system for stripper
	A stripper device that regenerate waste stripper
	An ITO oxalic acid powder dilution system
	A cleaning device for electronic chemical costumed barrel
	An improved chemical sampling device

Patent Type	Patent Name
Practical New Type	Wet developable supplementary shake mechanism
	Automatic suction-type off-line filtration system
	A slurry supply device
	A modularized fluid control valve
	Barrel-tilting device
	A chemical fluid supply system
	An automatic gravity suction-type offline filtration system
Software Copyright	Chemical supply system H ₂ SO ₄ equipment control system
	Gas cabinet control system
	Chemical supply system HCL equipment control system
	Chemical supply system HCL equipment control system
	Chemical supply system W2000 equipment control system
Cleaning machine equipment control system	

Engineering Achievements

Energy consumption is the main cause of climatic change. An efficient use of energy is critical for slowing down climate change. Therefore, providing high-efficiency product is an important service provided by Acter. After Acter assists the clients in importing the aforementioned innovative and energy-saving engineering methods, they can reduce energy consumption during the operating processes, save operating costs, and alleviate the impacts upon the environment. Furthermore, using the engineering achievements, clients can also apply for related green architecture certification such as LEED of the U.S. Green Building Council and Taiwan's Green Building Mark to elevate the corporate image and shape the enterprise value.

(1) Green Architecture of China Steel Corporation (CSC)
In the air-conditioning engineering project at CSC, through preventing excessive amount of ice water in air conditioners and selecting energy-efficient ones, Acter has assisted CSC in achieving the air-conditioning indicator of the nine major evaluation indicators of "EEWH System" for green architecture. The energy-saving engineering methods used by Acter are as shown on the right:

Facilities	Energy-Saving Methods	Description
Air-Conditioning	Selection of main air-conditioning equipment (along with EMAS system): <ol style="list-style-type: none"> 1. Ice water machine: Select machines that conform with CNS12812 green building mark 2. Power usage meter for condensate pump and ice water one-time side pump 3. Start variable frequency of ice water pump twice 4. Start variable frequency fan for cooling water tower 	Variable frequency air-conditioning to save energy
	Control methods for wind pipe system: <ol style="list-style-type: none"> 1. VAV system is adopted to set indoor room temperature at 24°C, along with the variable frequency operation of air-conditioned box (start the system one hour before work in the daytime and stop the system half an hour after work in the nighttime) 2. The natural lighting of double walls with internal and external curtains is adopted, and a ventilator exhaust system is set up to discharge heat source to improve and block the heat source outdoors from flowing inside (chiefly for sunlight from the east and west, and the start and stop of time control are adopted) 	<ol style="list-style-type: none"> 1. Constant temperature, wind change to save energy 2. Obstructing sunlight and heat source and improving indoor temperature
	Control methods for water pipe system: Condensed water in air-conditioning is recycled and delivered to reclaimed water disposal system in B4F. After completion, the water is provided for the use in spray irrigation system	Recycling and reusing reclaimed water



(2) LEED Certification for Wafer Plant

In the MEP electromechanical engineering project of wafer plant F15P1 office, Acter assisted 15 large wafer plants to obtain LEED of U.S. Building Council, golden level green architecture mark, through cooling water, central ice machines, MAU, AHU systems, lighting and other engineering methods. The energy-saving engineering methods used are as follows:

System	Energy-Saving Methods		Description
Cooling Water	High-temperature difference cooling water system (DT=6°C)	6°C temperature difference system is adopted to reduce the pump amount of cooling water	Reducing the wasted work of water pump
Central Ice Machine	Heat recycling with ice water machine	Condensed heat source is recycled to supply for the preheating of MAU and for the usage of reheating the bank of tubes	Recycling heat for reuse
	FCU cooling in the peripheral zone	FCU cooling is adopted for the peripheral zone in conjunction with the control of the sunshine schedule from the east (07:00AM~12:00PM)	Isolating temperature change outside and increasing the comfort of the office environment
	Hot pump system	Gymnasiums adopt gas to water heat pump	Outside air is used to obtain heat and reduce energy consumption
	Dual warm-and-ice water system design (5/12°C; 12/20°C)	Ice water system is divided into dual warm framework, and high-temperature difference DT≥7°C is adopted	<ol style="list-style-type: none"> 1. Elevating the operation efficiency of the machine. 2. Reducing the wasted work of water pump
MAU	MAU optimized control mode (all external air air-conditioned box system)	<ol style="list-style-type: none"> 1. MAU optimized air supply and temperature setting 2. Best ice water plate and pipe control mode (cooling and reheat control for the bank of tubes) 	<ol style="list-style-type: none"> 1. Frequency variable and energy-saving 2. Lowering the humidity in office environment to raise comfort
	Nighttime ventilation design	Lower temperature air at nighttime is led indoors for ventilation	<ol style="list-style-type: none"> 1. Regulating indoor room temperature 2. Reducing the concentration of CO₂ indoors in advance
	Refrigerated room control for external air	Air from outside is led indoors during the seasons of autumn and winter for air-conditioning use	Regulating indoor room temperature
AHU	Energy-saving control for air-conditioning in offices	<ol style="list-style-type: none"> 1. Air side adopts VAV control to provide optimized air temperature setting: 17°C in the morning, 16°C in the afternoon, and 19°C at night. The temperature difference for the day is approximately 2°C. During the seasons of autumn and winter, the setting is raised 1°C 2. High-efficient motors are adopted for windmills 3. AHU adopts the variable speed and static pressure controls 	<ol style="list-style-type: none"> 1. Elevating the temperature of ventilated air and reducing energy consumption 2. High-efficient and energy-saving motors 3. Balance of supply and demand, saving energy and power
	Energy-saving control for air-conditioning in elevators and machine rooms	Free cooling, energy-saving design mode is adopted for ventilating windmills	Free cooling saves energy and power
Lighting	Office lighting adopts low energy consumption for light and light fixture designs	Offices adopt T bar (T5) light fixtures and DALI design (control mode uses: single-lamp adjustable lighting, light control for different areas, timing control, and personnel perception) as energy-saving mode	<ol style="list-style-type: none"> 1. Automated control 2. Maintenance of illumination 3. High-efficient energy-saving

Corporate Sustainability Report

Integration Engineering for Clean Rooms

When Acter was first established, it was mainly small-sized air-conditioning engineering. Following the development of Taiwan's technology industry, we began entering into the engineering services of "clean room integration" and "professional manufacturing process system integration." To date, we have completed dozens of Class 10 to Class 100,000 projects regarding the establishment, building, expansion, renovation, upgrade engineering of clean rooms, including internal installation, air-conditioning, and affiliated factory management system in Taiwan and China. In addition to the basic technical and professional fields, the Company values the management of engineering execution even more so, including reasonable and effective on-site space planning, the management of construction quality, the gasping of construction progress, and the requirement of

construction safety. Acter adopts the following engineering methods to assist clients in effectively reduce the wear and tear and satisfy the customers' demands.

Persistence in Quality and Safety

"Quality and safety" are the one and only way for engineering and construction. Quality space that is in accordance with the clients' needs can be constructed only with guaranteed quality and one hundred percent safety, which is also the service value of Acter. Through various channels, such as educational trainings and daily toolbox meetings, Acter propagates the safety specifications for construction sites and how to prevent and control to the subcontractors and related staff members. In addition, specialist staffs are assigned from time to time to audit the sites to make sure that

construction workers obey specifications related to industrial safety to achieve advance prevention and zero industrial safety principles.

The Company has also set the "Emergency Response Management Procedures" to establish processing concepts of the processing measures and response methods for prior environmental emergencies. Then, according to the established response measures, the personnel harm and environmental pollution and impact are minimized to ensure the safety of the factory area. We know for sure that only "persistence in quality and zero industrial safety" can the customers' demands for space be satisfied and can we become business partners with the clients to create a win-win situation for both parties.

Facilities	Energy-Saving Methods	Description
Ice Water Machine	<ol style="list-style-type: none"> One-time variable flow design Variable frequency design for the machine 	Variable frequency energy-saving
FFU	<ol style="list-style-type: none"> High-efficient FFU is adopted Low-pressure filter is adopted DC FFU is adopted 	<ol style="list-style-type: none"> High-efficient motor saves energy Reducing the power consumption in windmills Variable speed saves energy
DCC and Return Air Design	Horizontal installation, eyelid, or divider methods are adopted	<ol style="list-style-type: none"> Increasing manufacturing process production capacity Installing light-weighted materials
Heat Recovery	Heat energy recycled during manufacturing processes or factory management equipment is used to heat up air-conditioning system	<ol style="list-style-type: none"> Reducing the impact of heat discharge upon environment Reducing energy consumption



Daily toolbox meeting

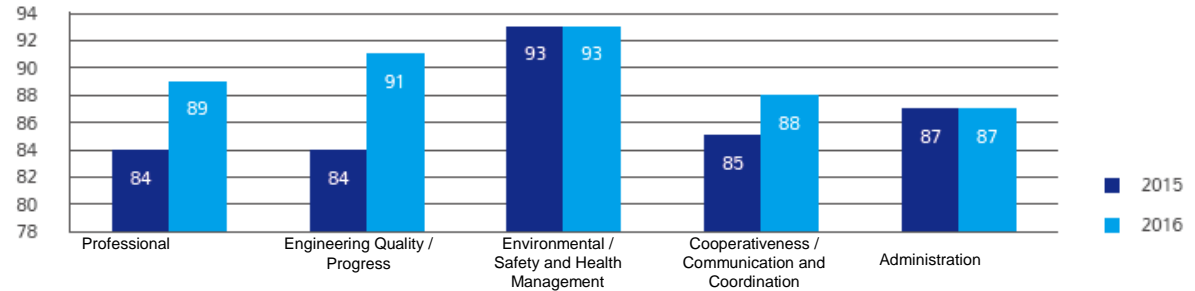
Customer Satisfaction Survey

Upholding the philosophy of “excellent engineering project and customer satisfaction”, Acter has, from design, construction to maintenance, strictly requested every employee to be responsible for the quality. We have been cautious and conscientious in each project, and always do our best to satisfy the demands of customers. This is not only for engineering quality, for the “As Built Document” that the customers require after completion, the Company will also provide detailed and complete content.

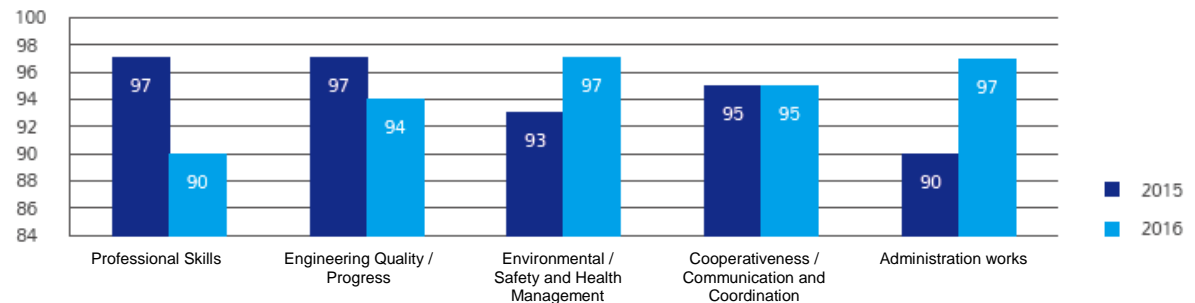
Each year, the Company cautiously investigates the customer satisfaction level according to “Procedures Governing Customer Satisfaction Level and Sustainable Operational Improvement. The General Administration Office filters and selects the customers with construction progress that has reached 30% for the year. The clients then fill in the customer satisfaction survey questionnaire and hands it over to the General Administration Office to collect and organize the information. Analysis and review are carried out for customer complaints and problems or where the overall evaluation score has not reached a certain score, and treatment options, improvement measures, and prevention methods are then proposed so as to achieve customer demands and expectations. Our satisfaction survey and questionnaire content includes five major facets (professional skills; engineering quality / engineering progress; environmental / safety and health management; cooperativeness / communication and coordination; and administration works). The total score is 100 and the analysis for 2015 and 2016 are as follows:

According to the survey, the customer satisfaction level towards the Engineering Department has obviously increased in 2016. We have been continuously implemented lean management to provide customers with the best and most complete services; and strictly complied with standard operating procedures to grow with our customers and keep their faith in us. Comparing with the Maintenance Department, although the scores of “professional skills” and “engineering quality / progress” in customer satisfaction survey tend to be slightly lower, they are still within the high range. We therefore requested the department to, by taking their outstanding performance in 2015 as the benchmark, meticulously implement every project. It is our expectation that the Department will have the original service quality, and the engineering quality will reach customers’ expected level and keep customers’ confidence in us.

Engineering Department Customer Satisfaction Acter’s



Maintenance Department Founded in Taiyuan North Road with a capital of NTD 10 million.



Average Satisfaction Score	Engineering Department	Maintenance Department
2016	90	94
2015	86	95

4.2 Cooperative Partners

Acter hopes that the Company's corporate social responsibility spirit can be implemented on our cooperative suppliers and contractors, where they will value the equal treatment of employees, provide a safe environment, and jointly create social value. In order to move towards sustainable management with the partners, we have stipulated "Suppliers' Code of Conduct" and carry out a supplier assessment every six months. On a regular basis, we also communicate with them in regard to the human right, social and environmental issues, and encourage them to provide us with some ideas on sustainable development. It is our promise and prospect that we will discuss relevant issues with suppliers and figure out a solution altogether.

Supplier Management Policies

We hope to become a strategic partner of our suppliers to

jointly fulfill customers' production and quality demand; build a sustainable supply chain; protect our environment; and emphasize on our social responsibility, safety and health. It is our expectation to establish a trusting, cooperative and open long-term partnership with our suppliers in order to provide quality engineering services to our customers. In the meantime, to ensure that our products and supply chain do not contain any conflict minerals from conflict regions, to enhance our green competitiveness and to jointly create sustainable business opportunities, risk management of the supply chain is also closely linked to our competitiveness. To respond to material shortage issues that may be caused by extreme climate and natural disaster, Acter pays attention to risks suppliers' risks and requests our suppliers to review their operating status and material source on a regular basis.

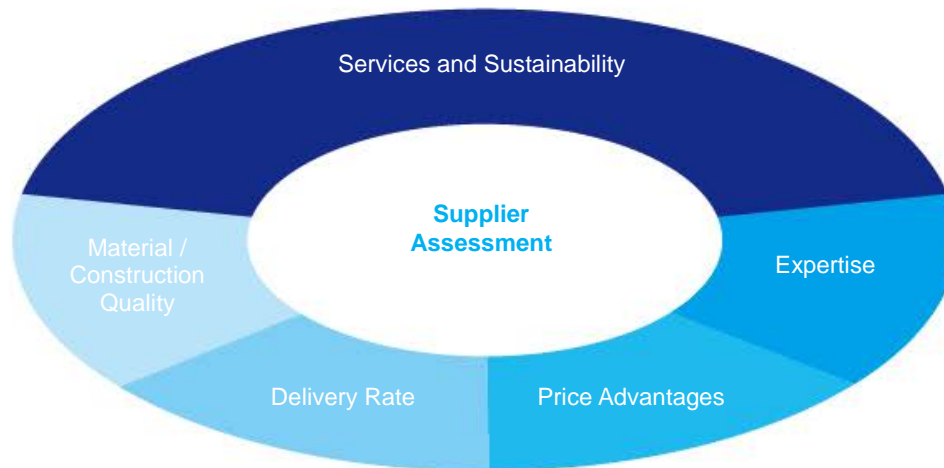
Acter values business integrity. We believe that a long-term partnership shall be established on good quality, reasonable price and proper services. We strictly prohibit suppliers to provide any forms of illegal benefit and have established a reporting mechanism thereof. First, all subcontractors must sign the "Letter of Commitment for Integrity and Probity", which requests them to abide by the principles of fairness, openness, and not damaging Acter's benefits and image. Second, suppliers shall commit not to have any enticement, present or other improper or dishonest action. Third, in case of finding any personnel of Acter actively requesting for improper rebate / commission or committing any disloyal act, suppliers shall report it to us through the complaint channel. In the meantime, we will keep the informant's identity absolutely confidential to ensure that the person's rights and benefits will be protected.

Selection of Suppliers	Conducting an assessment on applicant's finance, price, quality and sustainability.
	The qualified applicant will become our supplier.
Educational Trainings for Suppliers	Providing suppliers with industrial information and relevant trainings and courses for their reference.
	Adopting an irregular propagation and communication supplier management model.
Supplier Assessment and Management	Conducting an assessment on Acter's suppliers every six months.
	Suppliers whose score is lower than the standard will have the cooperation suspended or their qualification canceled.
Supplier Classification and Consultations	Classify suppliers according to their characteristics and type of risks involved.
	The classification takes place every six months according to the Classification Assessment Table.
	Consultations will be provided based on the assessment results in order to have the Company's requirements fulfilled.



Supplier Assessment

Acter has established “Suppliers’ Code of Conduct”, on which supplier assessment system and policies are established to classify and manage suppliers. The Company also regularly reviews suppliers’ quality, delivery rate, ability to run a sustainable operation; and requests suppliers to continuously make improvements in order to fulfill its requirements. The assessment items include quality capability, cost advantages, delivery rate, teamwork spirit and sustainability of suppliers. In 2016, Acter conducted risk assessment on 70 suppliers, which count 20% of its total suppliers. Suppliers with excellent performance not only have the priority contract right at the same bid price, but will also be praised publicly; those with relatively less score will be guided to enhance their competitiveness. We expect to grow with our suppliers and, by strengthening our ability of holding green information and enhancing our green product or service pattern, reach the target of green sustainability together. Apart from establishing an assessment system, we also hold irregular inspections and on-site audits to ensure the quality of supplied materials.



Green Product Strategy

Not only shall Acter’s green products conform to all regulations and the power-saving design, but also we have followed the 3R (reduce, recycle and reuse) principles of WEEE (Waste of Electronic and Electrical Equipment). By cooperating with up- and down-stream suppliers, and continuously improving the rate of purchasing materials, products and equipment with the green mark or certified by the Environmental Protection Administration (EPA) as regenerative, recyclable, low-pollution or power saving, we provide customers power-saving and more efficient design and plan to facilitate environmental sustainability and fulfill our corporate social responsibility.

Local Procurement

Suppliers and contractors are Acter’s important business partners. Through good communication, close

cooperation, and appropriate management and supervision, the Company can then move towards sustainable management with the suppliers. The Company believes that being a responsible corporation, we should drive the local economic activities; therefore, in view of the targets of assisting local development and developing local economy, when the Company is selecting partners for engineering projects, we will first consider using the local materials and entrust local contractors in carrying out engineer planning. In 2016, the checked and accepted procurement bill of Acter’s level 1 suppliers in Taiwan was NTD2,624,250,000 without tax, where the local procurement counted 99.4% of its total procurement bill (NTD2,639,371,000)

Conflict Mineral Statement

In response to global boycott of conflict minerals, Acter not only committed not to use conflict minerals or accept materials originated from the Congo in Central Africa and surrounding countries, but also requested suppliers to guarantee that their products do not contain any conflict minerals from the Congo and surrounding regions.

Suppliers Safety and Health Management

It is Acter’s belief that everyone is responsible for realizing corporate sustainability, and that our partners shall work side by side with us to reach this goal. With Acter’s influence in the industry, there is no doubt that Acter will make a positive impact to the society with the strength of our supply chain partners. This is the reason that our health and safety standards are clarified on each purchase order to ensure that our suppliers quote after understanding our requirements. Besides, suppliers are requested to sign and return the “Letter of Commitment for Safety and Health, and Affidavit for Subcontractors” to guarantee that they will abide by Acter’s safety and health rules. For example, suppliers’ employees will have their health checked, be properly trained, and be insured with labor and accident liability insurance.

In the meantime, we also strictly request suppliers to manage wastes produced from the production process, and to proceed with the project on the principle of not damaging the environment.

Acter pays a great attention to subcontractor's safety and health management. We do our very best to provide subcontractors and our on-site personnel with appropriate protective equipment and safety and health trainings. Subcontractors' safety and health are managed by the responsible engineering unit, and the Quality Assurance and Safety Department carries out audit works, including:

Notification of on-site hazards: Conducting hazard notifications before personnel entering the site, and providing Hazard Notification to subcontractors for their information.

Toolbox meeting: Notifying subcontractors of hazards involved in the work of the day before launching the operation every day.



Daily toolbox meeting

Daily inspection records: Conducting safety and health patrol during daily operations, and fill in "Daily Inspection Record" for future reference.

Sobriety test for alcohol control: Checking construction workers' status, including their vigor and sobriety level, at the daily toolbox meeting. Personnel who are in an abnormal status shall be demanded to stop working immediately; personnel who bring or drink any alcoholic beverages will not only be demanded to leave the site, but also be penalized according to rules.

4.3 Sustainable Green Environment

Ensuring the green environmental sustainability is Acter's corporate mission. "Implementing power saving and carbon reduction measures; building a green homeland; enhancing power management; and reaching environmental sustainability" is the multi-directional strategy that we have set for a sustainable development. From design, planning, production to maintenance, Acter is working on building a sustainable green environment with its greatest effort.

Implementing Power Saving and Carbon Reduction Measures

CO₂ is viewed as an important indicator of whether the indoor air quality is good or bad and is, at the same time, an important indicator used to assess whether the density or indoor personnel is too high and whether the ventilation efficiency is good. In order to provide the colleagues a comfortable and safe office environment, the Quality Assurance and Safety Department conducts the job site monitoring in accordance with the provision of Article 17 of the Enforcement Rules of the Occupational Safety and Health Act and hires and schedules external specialists to test the CO₂ concentration of the offices at the headquarters twice each year (March and September), with the personnel service as the spotting location and the offices next door as measuring locations, and a total of 30 testing locations were set. Through professional CO₂ detection devices, we can understand whether the job sites comply with the standard range, and if they do not, then improvement plans are proposed. For the related 2016 labor job site test results (office CO₂ concentration tests), they are all within the standard permissible range. For details, please view the following chart:

Testing Date	Value	Results	Note
Mar 24 th , 2016	486-785 ppm	Reached the standard	Permissible Standard within 5000 ppm
Sep 14 th , 2016	617-757 ppm	Reached the standard	Permissible Standard within 5000 ppm

Reduction Measures

In recent years, greenhouse gases have brought about global warming, climate changes, and other abnormal phenomena. Being a citizen of Earth, Acter uses the core techniques to reduce consumption and actively invests in the research and development of energy-saving technical engineering and also advocates energy-saving, carbon reduction, and environmental protection awareness to the employees from time to time, promoting the little environmental protection activities, such as the turning off of lights, water and electricity conservation, and reuse of waste paper. The Company has already adopted electronic operations, where not only can the amount of paper use be reduced, work efficiency can also be enhanced. In terms of paper usage, the Company continues to strengthen the advocacy of paperless, if there is need for printout, double-sided printing or printing with recycled paper shall be adopted to reduce paper usage. In terms of electricity usage, the act of turning off lights and air-conditioners is practiced. The headquarters even adopt energy-saving equipment to achieve the effect of saving power. The Company has adopted the following policies to reduce carbon footprint and greenhouse gas:



Item	Measures	Performance in 2016
Energy-Saving (Air-Conditioning)	<ol style="list-style-type: none"> The temperature of air-conditioning inside offices is set between 25°C and 26°C Turn off all air-conditioning equipment at 17:30PM each day after working hours. For areas that have to work overtime, turn on the air-conditioning for that area Shut doors and windows in air-conditioned areas, and isolate the areas from external air to reduce the leakage of cold air and the intrusion of hot air 	<ol style="list-style-type: none"> Reached the standard; already put the label on the switch. Reached the standard; already announced / notified. Reached the standard; already put the label on the switch.
Energy-Saving (Lighting)	<ol style="list-style-type: none"> T5 tube lighting is adopted for area control. Please turn off lights for each area that are not in use During office hours, light fixtures that are not used or not required shall be turned off or maintain only partial lighting Turn off lights during lunch break The last staff to leave an office area shall turn off the lights Employees who work overtime on weekends and holidays shall only turn on the lights of that area Review lighting needs and enhance lighting performance 	<ol style="list-style-type: none"> Reached the standard Reached the standard Reached the standard Reached the standard Reached the standard Reached the standard
Energy-Saving (Other)	<ol style="list-style-type: none"> Select and purchase commodities with the green mark, energy label, or with high EER value Turn off computers when getting off work, also turn off or unplug extension cords, if there are any Photocopiers shall adopt power-saving mode The units that keep / use printers without the fax function shall turn them off or change to the power saving function before getting off work. 	<ol style="list-style-type: none"> Reached the standard Reached the standard Reached the standard Reached the standard
Water Conservation	<ol style="list-style-type: none"> Select and purchase commodities with water label Water conservation 	<ol style="list-style-type: none"> Reached the standard Reached the standard; already put the label on the faucet.
Saving Paper	<ol style="list-style-type: none"> Try to print documents double-sided, bind them with removable methods and reduce binding with the usage of laminators Use e-documents and emails and reduce the use of paper Select and use recycled paper Reuse envelopes 	<ol style="list-style-type: none"> Reached the standard Reached the standard Reached the standard Reached the standard
Waste Reduction	<ol style="list-style-type: none"> Recycle waste container of toner cartridges Rent photocopiers that comply with low pollution and energy saving mark Purchase toner cartridges that comply with low pollution Implement garbage classification and recycling Prepare own handkerchiefs to reduce the use of tissue and paper towels Prepare own cup to reduce the use of paper cups Products with excessive packaging are not used Encourage the riding of public transportation 	<ol style="list-style-type: none"> Reached the standard Reached the standard Reached the standard Reached the standard Reached the standard Reached the standard Reached the standard Reached the standard

Corporate Sustainability Report

Also, in accordance with the requirements of ISO14001 environmental management system, the environmental safety and health performance management plan was formulated:

Environmental Safety and Health Management Programs	Program I Improvement Program for Electric Wire Inspection and Illumination Measurement Measures in Offices	Program II Program for Office Implementation of Waste Paper Recycling
Implementation Methods	<ol style="list-style-type: none"> 1. Electric wire inspection in offices 2. Illumination measurement 	Recycling waste paper in offices
Objectives	Comprehensive inspection of electric wires and illumination in offices, and illumination shall be maintained at over 300 lx	The recycling rate of waste paper reaches 95%
Performance in 2016	<ol style="list-style-type: none"> 1. Already replaced damaged and old electric wires to prevent staff from being electrified 2. Immediate replacement of office light tubes when broken, and ensured the illuminance of light at all time. 	<ol style="list-style-type: none"> 1. Already implemented the reuse of single-sided waste paper 2. Already implemented garbage classification, waste paper recycling is continued to be improved
Execution Frequency	<ol style="list-style-type: none"> 1. Electric wire inspection: Once every three months 2. Illumination measurement: Once every three months 3. Broken light tubes: Replace anytime 	Continuity
Invested Expenses/ Equipment	NTD5,000/year	None
Performance Index	<ol style="list-style-type: none"> 1. Continue comprehensive inspection for electric wires in offices to prevent staff from being electrified 2. Continue to maintain sufficient illumination in offices to prevent eye damage of staff. And illumination shall be maintained at over 300 lx 	Continue to execute the reaching of 95% recycling rate of waste paper
Review or Correction Methods	Reviewed at the meetings of Labor Safety and Health Committee	Reviewed at the meetings of Labor Safety and Health Committee



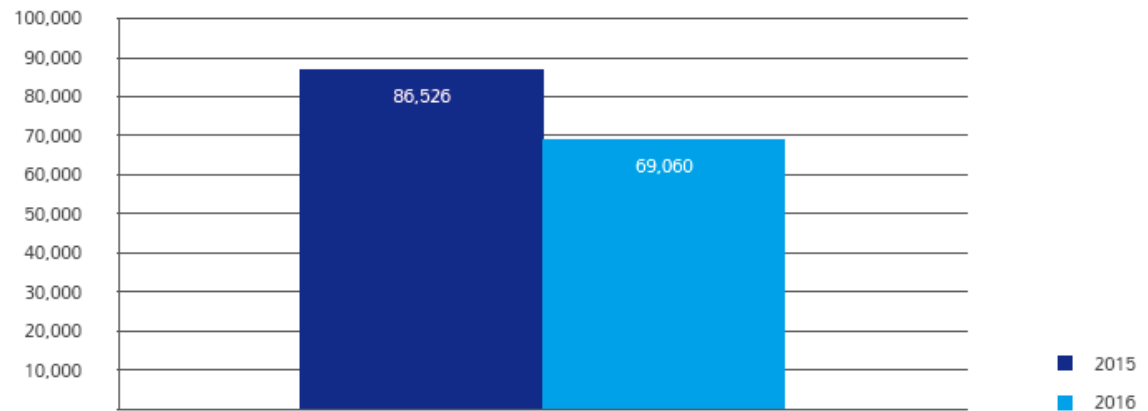
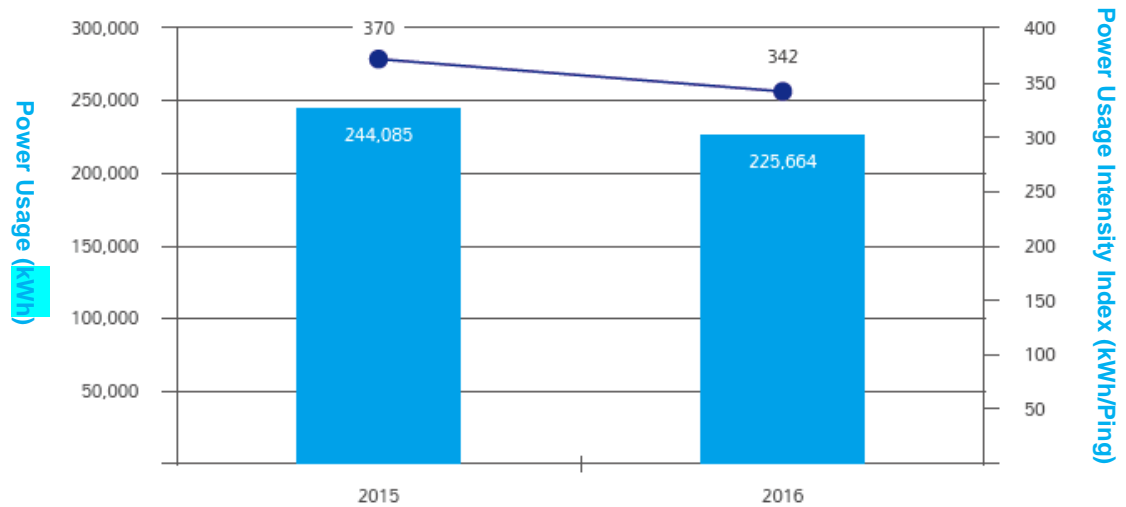
Reduction Achievements

Regarding the power consumption, the Company's registered offices consumed 225,664 kWh of electricity in 2016, with a decrease of 18,421 kWh comparing with the previous year (2015). The accumulated power usage of each Ping (the unit used for floor) had a decrease of 7.57% from 370 kWh (2015) to 342 kWh (2016). These numbers have shown the Company's effort on promoting the power saving policy. For the reduction of power usage and electricity charges, in addition to establishing the colleagues' energy-saving habits, we must also rely on the assistance of hardware equipment, such as variable frequency air-conditioning, and T5 lighting fixtures, etc., and central controlled methods are adopted to manage air-conditioning and lighting in public spaces. Registered offices of Acter Co. have replaced and use LED lighting fixtures to continue to carry out energy reduction.

In the aspect of water usage, the Company's headquarters is located in a commercial business building, where the water expense is shared by members of the entire building. Therefore, the number does not represent the Company's actual water usage.

In the aspect of gasoline usage, the total vehicle gasoline usage (including public use of private vehicles) for Acter Co.'s northern, central, and southern offices was 69,060 L in 2016, showing a decrease of 25% (17,466 L) comparing with 2015.

The energy and resource (electricity, water; heavy oil, etc.) usage at each construction area is set according to each engineering contract, so the allocation of energy and resources may vary. It might be repartitioned jointly by parallel contractors or paid in whole by the business owners, so the calculation of usage is difficult. Therefore, the usage of energy and resources at each construction area is yet to be disclosed.



Gasoline Usage (Liter)

Corporate Sustainability Report

Building a Green Homeland

It has long been Acter's philosophy to fulfill its corporate responsibility and to use whatever it takes from the society in the society. It not only uses, but also cherishes resources with continuous improvements. For example, it has adopted eco-friendly equipment and materials; reduced pollutants produced during the production process; and proactively participated in relevant educational activities as it is its will to make positive contributions to the society and this planet. Acter has also applied its expertise in green sustainability: Not only discusses it the possibility of adopting low-loss, low-pollution and high-efficiency materials and equipment with its customers and suppliers in the design and planning phase, but also it has adopted BIM drawing system and reduced conflicts to minimize waste of resources. Whenever a project is completed, Acter then create a sustainable green environment with its customers and suppliers. It also discusses the power saving design concepts and methods with its customers and subcontractors during the process, and share with them the up-to-date power saving technique in order to protect our environment. In other words, instead of generating profits for stakeholders, we are doing our best to protect earth. We are therefore proud of ourselves as we are doing meaningful things.

Pollution Prevention and Control

The Company's chief business is air-conditioning engineering design and construction, and no air or water pollutants are produced during these business activities. In addition, in accordance with the provisions of "Stationary Pollution Source Installation and Operating Permit Management Regulations," there is no need for the obtainment of pollution installation, operation, or discharge license permits.

Enhancing Energy Management

Concerning the implementation of environmental sustainability and green policies, worldwide companies have not only abided by environmental protection and energy relevant regulations promulgated by their governments, but also promoted environmental and energy management systems in recent years. With the intention of fulfilling our corporate responsibility and social obligation, we are doing our best to create a safe, healthy and comfortable work environment. We have enhanced our

employees and subcontractors' concepts towards environmental protection, safety and health to effectively prevent pollution and continuously improve ourselves. It is our expectation to become a sustainable, zero-hazard and zero-disaster corporation.

Acter already acquired certifications for occupational health and safety (OHSAS18001:2007) and environmental (ISO14001:2004) management systems. Besides, according to regulations of the said systems, customers' requirements, our understanding towards the rules of the industry and international trend, we commit:

- (1) Regulatory Compliance: Comply with the regulatory provisions related to environmental protection, safety, and health, and conform to environmental, safety and health requirements of business owners.
- (2) Harm Prevention: Promote risk assessment to prevent harm and unhealthy incidents; implement pollution prevention, such as strengthening environmental protection.
- (3) Implement pollution prevention works and enhance environmental protection measures to reduce impacts to the environment.
- (4) Saving Energy and Waste Reduction: Implement garbage classification, resource recycling, saving energy use to carry out industrial waste reduction.
- (5) Adopt designs or plans that can decrease the usage of energy; purchase power-saving products.
- (6) Continual Improvement: Apply the logic concept of P-D-C-A to continue implementation, maintenance, and improvement and to enhance environmental, safety and health performances.
- (7) Employee Participation: Strengthen employees' and subcontractors' knowledge on environmental, safety and health and carrying out educational training and advocacy.

With the applications of various systems, we are able to examine impacts of each procedure to the environment, review ourselves, and then make continuous improvements. The Company has established the Quality Assurance and Safety Department to organize relevant affairs; to maintain and continuously improve the environmental management system; and to be in charge

of discussions related to the internal and external communication environment. The Company's primary product is "to provide engineering system integration services". Although it does little impact to the environment and no waste, air pollution or waste will be produced during the process, the Company still pays great attention to pollution-prevention works, and does its best to

prevent all types of pollutions to minimize impacts to the environment. We expect that, with effective management measures, impacts of pollution to our environment will be gradually decreased while our employees' awareness towards environmental protection will be increased. In this way, our commitment towards pollution prevention and reduction of environmental impacts will be fulfilled. Relevant management system certificates are as follows:



Management System : Quality Management System
Certification : ISO9001
Third-Party Certification: SGS



Management System : Environmental Management System
Certification : ISO14001
Third-Party Certification : AFNOR Asia Ltd.



Management System : Occupational Health and Safety Management System
Certification : OHSAS18001
Third-Party Certification : AFNOR Asia Ltd.

Corporate Sustainability Report

Occupational Health and Safety Management

Occupational Health and Safety Management System relevant works, trainings and internal or external communication are planned, conducted and supervised by personnel of Quality Assurance and Safety Department. Besides, the Company has established Occupational Safety and Health Committee according to Occupational Safety and Health Act; held regular quarterly meetings to ensure employee' safety and health with relevant management measures; stipulated rules governing employees' safety and health, emergency response, contractors' safety and health, labor safety and health, and other disaster prevention and management works; organized auto-check and safety / health trainings and drills that are required to prevent disaster. The purpose is to enhance employees' awareness towards hazards in the workplace and their emergency response ability while ensuring the effectiveness of emergency response plans. Concerning factors that may endanger employees' health or safety in the workplace, the Company not only holds regular cleaning, disinfection, environment testing and patrol activities, but also provides employees with free annual health check, health consultation and health promotion services and activities, ensuring all employees have a safe and comfortable work place.

Environmental Sustainability

Although engineering service industry produces little pollution, we understand that all energy and resources that we use or waste derived in the process, as well as our operations and procurement process can cause impact to the environment. To realize our commitment as a green enterprise, we have been proactively promoted environmental sustainability targets and action plans to facilitate our development in this area. Our environmental sustainability targets are as follows:

- (1) Abide by environmental protection regulations and start from autonomous environmental protection measures;
- (2) Innovate green techniques and develop green economy;
- (3) Enhance power efficiency and conduct power-saving and carbon reduction measures;
- (4) Adopt green energy and implement green procurement;
- (5) Adopt recycling and reduction measures, and create environmental sustainability.

Green Procurement

The Company mainly provides integrated air-conditioning engineering services, with the reduction concept incorporated in construction works. Since 2011, Revit/BIM was introduced to run 3D drawing simulations, which are applied in building tubing and equipment database. This helps the Company to save design time; facilitate the communication between the design unit, construction unit, and upstream or downstream suppliers; minimize construction error, conflict and modification; effectively estimate the cost and minimize unnecessary costs; and enhance the quality, execution speed and precision of project.

In the aspect of the procurement of materials and equipment, it varies in accordance with the provisions of the engineering contracts. The main procurement operating modes of the Company can be divided into two types: (1) Using the method labor with materials to contract out to contracting firms and (2) the Company will do the procurement themselves. The engineering materials and equipment that the Company primarily procured include various machines, air-conditioned boxes, draught fan equipment, pumps, water towers, power generators, clean room equipment and relevant materials. Eco-friendly materials and equipment that comply with construction regulations, specifications, quality and efficiency are adopted with an expectation of reducing power consumption and protecting our environment.

Environmental Expenditure of 2016

Investment Category	Content	Number of Cases	Expenditure Amount	Total
Renewal of Environmental Certification	ISO14000 and OHSAS18000	1	16,000	16,000
Environmental Certification (Re-Evaluation)	ISO14000 and OHSAS18000	1	80,000	80,000
Environmental Testing	CO ₂ concentration testing in offices	2	10,500	10,500
Total			106,500	106,500

Note: As the office was relocated at the end of 2016, the re-evaluation of environmental certification was delayed to the beginning of 2017, followed by the application of certification renewal.

The Company has stipulated the "Procurement and Material Management Procedures" in accordance with the standard of ISO9001. Through the signing of basic procurement contracts, the specifications and requirements that the Company has to comply with in purchasing items are clearly defined and based on these, the related rights and benefits of the Company are ensured. In the future, we plan to list "Corporate Social Responsibility" into the vendor evaluation, such as environmental protection and energy-saving, number of employees, welfare, health management, and safety issues, and perform auditing according to these items in hopes of spreading the concept and practice of corporate social responsibility to the Company's supply chain and to create a brighter future together.

Environmental Expenditure

Referring to the Industrial Environment Accounting Guideline announced by the Environmental Protection Administration, Executive Yuan, the Company defined the environmental protection expenditures as any type of event expenditures for the purpose of environmental protection and they all belong to industrial environmental protection costs, which can be divided into equipment investment or operating expenditures. In order to achieve the objectives of energy-saving, carbon reduction, and sustainable development, Acter conducts regular environmental certification and testing works every year. In 2016, the total of planned and actual environmental expenditure was NTD106,500, which was spent on relevant operations. Details of environmental expenditure are as follows:



4.4 Happy Workplace

Human Resources

Talents are the most important foundational stones for the sustainable management of a Company, Acter highly values the cultivation of talents and provides them with the platform to grow and exert their strengths. In addition to being able to accomplish the individual vocations of employees, Acter can also continue to grow and thrive. As respecting the employees is one of the Company's core business philosophies, the Company is committed to providing a safe and reasonable working environment, educational trainings that fit employees' aptitude, and career planning and counseling. Although the Company has currently not yet established a labor union, the Company still encourages the employees to freely form associations, so as to unite the coherence and jointly create a happy working environment.

There are 24 affiliated companies in Acter Group

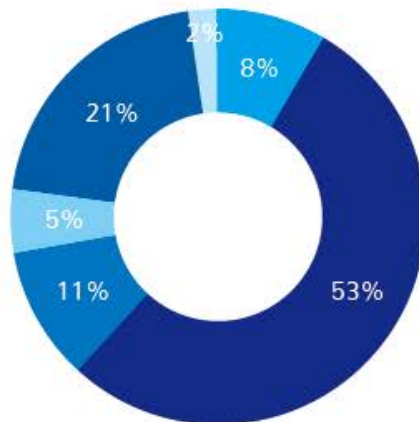
(including Acter Co.) distributed in Taiwan, Mainland China, and various locations in Southeast Asia. As of the end of 2016, the Group's total number of employees reached 987 people (713males, 274 females) and there are 282 people at Acter Co. (201 males, 81 females). In terms of employment, the Company fully abides by the Labor Standards Act and other related laws and regulations. Besides, not only has it never hired child labor, but also it has set its job promotion standards without restriction to gender, age, race, political affiliation, or religion: Everyone who has the ability and is qualified to the position will have the same and equal opportunity at Acter.

In order to prevent the occurrences of sexual harassment in the office, Acter Co. has already set "Sexual Harassment Prevention Measures at the Workplace." If sexual harassment or related incidents occur, one can make appeals to the complaint window of the Sexual Harassment Complaint Processing Committee and can also use e-mail to make appeals. The Company will process various complaint cases as projects. Through

investigation, no cases of human rights, discrimination, or sexual harassment violations occurred at Acter Co. in 2016.

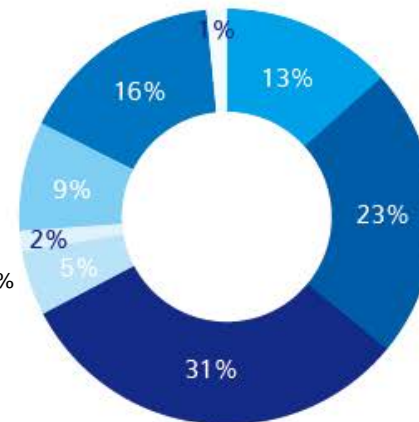
(1) Employment

In 2016, a total of 214 new employees were hired at Acter Group. The Company also actively acts in concert with the "People with Disabilities Rights Protection Act" and recruited a total of five persons with disabilities in 2016. In order to let the work interest of employees become more secure, and the work become more at ease; therefore, no dispatched manpower are hired and we try to reduce the hiring of contractual personnel. Due to the attributes of the industry, the chief business content of Acter is in the supervision and management of construction sites; therefore, the staff members are mostly male personnel. During interviews, we also encourage diverse personnel and personnel with rich experiences to join Acter, where their analyses are as follows:



Gender and Age of Group Employees

- Male below 25 years old: 8%
- Male between 26 and 45 years old: 53%
- Male above 46 years old: 11%
- Female below 25 years old: 5%
- Female between 26 and 45 years old: 21%
- Female above 46 years old: 2%



Gender and Educational Background of Group Employees

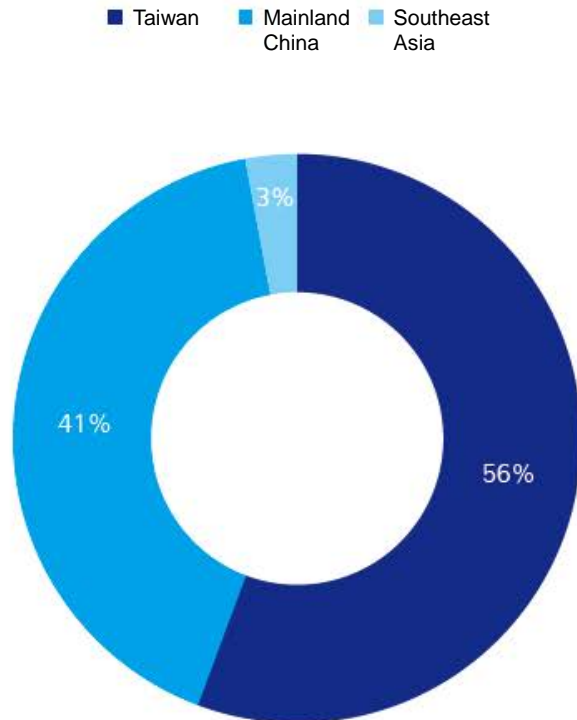
- Male with a degree below senior high school: 13%
- Male with a college degree: 23%
- Male with a bachelor degree: 31%
- Male with a master above degree: 5%
- Female with a degree below senior high school: 2%
- Female with a college degree: 9%
- Female with a bachelor degree: 16%
- Female with a master above degree: 1%

Corporate Sustainability Report

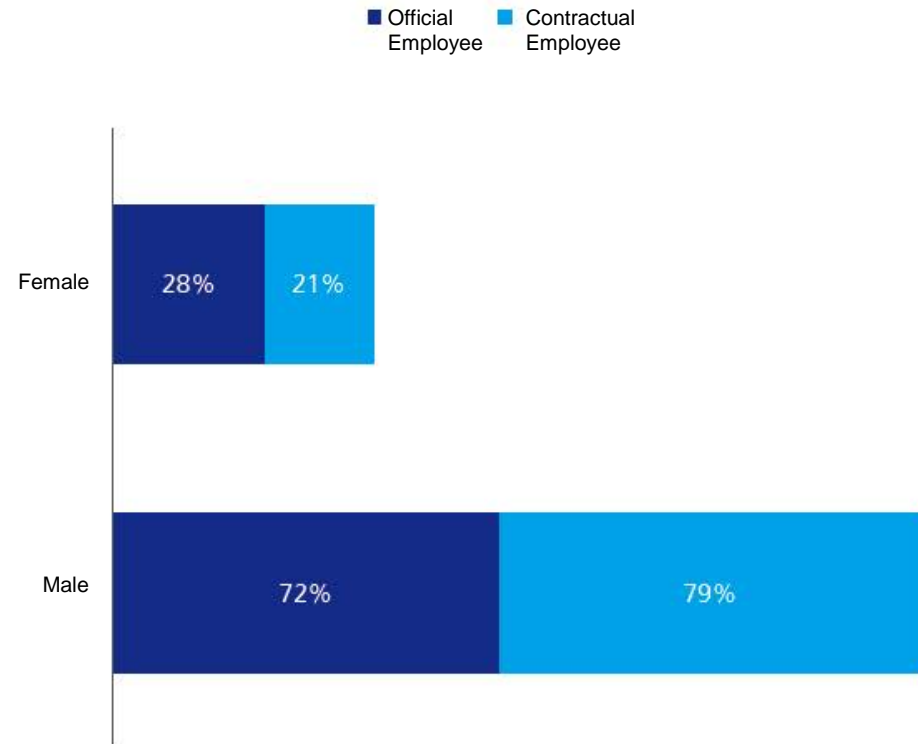
Talents are the greatest resources of a company, so cultivating talents is one of the important key factors in Acter's sustainable management. Only by attracting the appropriate talents to join Acter can we create effective output. The Company uses many channels to hire talents, and related educational trainings start up after personnel enter Acter, so that they can quickly enter into the workplace. And along with related welfare systems

and talent-retaining measures, key talents are retained. The Company highly values the employees' career planning, so open and transparent incentive and reward systems and promotional standards are set in hopes that those with outstanding performance can receive affirmation and a space for them to exert their strengths is provided.

Classification of Employees according to their Region



Classification of Employees according to Employment Type and their Gender



The number of newly-hired employee and employee turnover in 2016 are as follows:

			Acter	Taiwan Subsidiaries	Mainland China	Southeast Asia
New Employees	Male	Below 25 years old	5	1	42	-
		Between 26 and 45 years old	13	28	32	1
		Above 46 years old	7	15	5	-
	Female	Below 25 years old	3	2	23	1
		Between 26 and 45 years old	12	7	15	-
		Above 46 years old	1	-	1	-
Total			41	53	118	2

			Acter	Taiwan Subsidiaries	Mainland China	Southeast Asia
Resigned Employees	Male	Below 25 years old	2	3	23	-
		Between 26 and 45 years old	25	43	41	3
		Above 46 years old	8	22	5	-
	Female	Below 25 years old	3	2	11	2
		Between 26 and 45 years old	19	10	16	1
		Above 46 years old	-	-	-	-
Total			57	80	96	6

Note: Summer interns are excluded in the number of new and resigned employees.

Corporate Sustainability Report

Analysis of the demand for new employees:
 Due to business needs and filling in the manpower gap, personnel were hired to join Acter Group to jointly complete projects. Acter participated in various recruiting events and worked together with schools to provide internship opportunities. We used many channels to search for related talents in hopes of satisfying the needs for manpower.

Analysis of resigned employees:
 Engineering industry is different from other industries, where the comfort of the work environment is comparatively lower and the work locations shift following the completion of engineering projects. Along with a lack in talent resources, it is not easy to recruit and personnel resigned after taking post due to not being able to adapt to the environment, causing a high employee turnover ratio. The turn over in Mainland China is higher than the new recruits mainly because of organizational restructuring, where the departments are adjusted,

merged, and abolished appropriately. A portion of the personnel was unable to adapt to the organizational changes and, therefore, chose to leave. Because business growth remained the same, manpower were not added to some of the job vacancies.

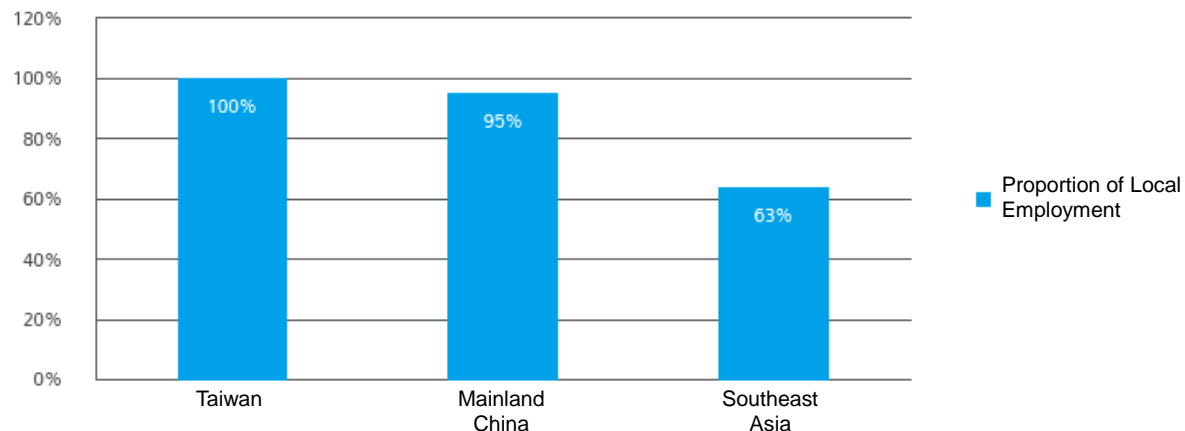
Countermeasures:
 In the talent training strategy, Acter adopts the "Mentorship System" and "Learn as You Work," where a mentor will lead and teach mentees, including the passing on of corporate culture, the sharing of professional techniques and experiences, the transferring of positive energy, etc. Through interaction, the mentees will feel the warm leading and care of the mentor and be able to more easily assimilate into the company and the mentors will feel the passion for learning from the mentees. They will mutually influence each other and enhance work efficiency. Through the implementation of mentorship system and employee care, using the care and guidance of peers, they can quickly assimilate into

the corporate culture and operational procedures. We also review our adequately to encourage, retain and inspire the talents, and create a good atmosphere in the organization.

Local Employment

Acter believes that if we want to deeply develop the local market, we must understand the local culture, lifestyle, and related laws and regulations before being able to use the professional techniques to create service value. We implemented personnel localization and hired local personnel to carry out the businesses, where the local leaders lead the staff of the departments to provide professional engineering services. Not only can these policies facilitate the local employment rate, they can also elevate the Company's professional abilities in serving the local market, where a win-win situation is created for both the Company and the local communities.

Proportion of Local Employment



*Explanation: Due to a smaller organizational size in Southeast Asia, personnel appointed from Taiwan by the Taiwan headquarter are mainly in charge of management and operations.



(2) Employee Trainings

Acter believes that building an environment for cultivating talents and establishing a sustainably learning corporate culture are the keys to ensure business sustainability. We have therefore adopted the TTQS training quality system, which includes steps of “Plan”, “Design”, “Do”, “Review” and “Outcome”, to solve problems at the training and planning stage and to further ensure our training quality. Besides, the TTQS spirit (“staffs’ participation with the training” and “sustainable improvements”) has not only ensured the reliability of our training procedures, but also motivated us to obtain the “TTQS copper medal” as our next goal. On the hand, to enable employees freely decide their

training time, Acter will launch online learning courses, which will be classified based on their level and function in the system, in 2017. It is our expectation that the training system will help Acter to cultivate more professionals, enhance our competitiveness, and realizing our goal of maintaining business sustainability.

Orientation Training

Starting from the first day the employees join Acter, we have planned a complete educational training blueprint for the employees. Each newly-recruited employee that joins the big Acter family has to go through a series of new employee training. The course contents include the

introduction of Acter’s corporate policies and culture, the environment of the departments, and practical operations, so that the new employees can quickly adapt and assimilate into the work environment of Acter and can possess excellent work attitudes. In the training for newly-recruited employees, there are 6.5 hours where we especially advocate the human rights system of the Company and teach the health and safety at work. Therefore, when each of the employees are executing their daily work, they will all uphold the respect for human rights and the importance of health and safety, whereby unleashing the spirit of being Acter’s personnel.



Corporate Sustainability Report

Work Safety Training

“Zero accident” is the utmost goal for Acter when we contract a project. Abiding by relevant regulations, the Company has been proactively promoted industrial safety trainings to ensure employees' safety and health. The trainings include "Emergency Personnel on-the-job Training", "Safety and Health Training for Supervisors of Organic Solvent Operations", "Labor Safety and Health Training", "Type A: Labor Safety Supervisors for

Construction Industry" and "Type A: Occupational Safety and Health Supervisor for Construction Industry", helping the Company's employees to enhance their professional skills sustainably.

On-the-job Training

Trainings provided by Acter are related to the engineering and design. To cultivate excellent engineering and design talents, Acter has not only invited professional

air-conditioning technical and design consultants to the company to provide relevant trainings, but also held special lectures and 3D design trainings, and established 3D design modules for the application in 4D construction procedures. It is the Company's goal to continuously improve ourselves in order to reach the excellence and cultivate even more ordinary talents.





Acter Academy

In order to stimulate the potential of the colleagues in Acter, Acter Co. founded the Acter Academy in 2014, arranging different courses for different ranks, customizing the courses for each individual. We combine academic

and theoretical basis along with industrial needs in hopes of enhancing the professional abilities and uniting the spirits. The courses include professional skill courses, engineering close out report courses, elite training courses, and LOHAS for all courses, etc, and the participants and content taught are as follows. We hope

that through the execution of Acter Academy, during the process of learning, different thoughts are stimulated and they are able to think outside the box and encourage each other to head towards professional service. A total of 16 courses were held with a total of 4,171 learning hours. The attendance rate is 67.64% and the total cost was NTD326,187.

<p>Professional Skill Courses Participants: Designated by the department head. Lecturers: Manager-level supervisors of Acter or external lecturers Course Contents: Pump system design, cost estimation and price adjustment skills, CSD skills, practice of piping, mechanical and electrical construction and inspection standards, and fire smoke and industrial dust collection systems.</p>	<p>LOHAS Courses Participants: All Employees Lecturers: External professional lecturers Course Contents: Unite in consensus, release pressure, communication, coordination and LOHAS relevant courses.</p>
<p>Elite Training Courses Participants: Supervisors above the manager level Lecturers: External professional lecturers Course Contents: Project management skills and applications</p>	<p>Project Close Out Report Courses Participants: All employees of the Technology Division Lecturers: Project managers Course Contents: Understanding customers' needs, design concepts, construction and supervision skills, and inheritance of professional skills.</p>

Outline of Acter Academy courses and participants.

Corporate Sustainability Report

Scenes during Acter Academy Courses





Training Statistics

In 2016, Acter Group's employee training expenses were NTD 1,658,559. As the Group's number of employees in Southeast Asia is less than that in Taiwan and Mainland China, the Group has relatively less training hours in the region. The average training hours based on trainees' position and gender are as follows:

Statistics of Employee Training Hours in 2016

Content		Acter	Taiwan Subsidiaries	Mainland China	Southeast Asia
Average training hours per senior supervisor (above the manager level)	Male	18	5.6	58	8
	Female	17	17	15	-
Average training hours per middle range supervisor (deputy section chief)	Male	15	12.8	14	16
	Female	26	14	16	-
Average training hours per general employee	Male	24	14	21	-
	Female	15	14	23	12

Educational Training Satisfaction Survey

In order to deeply understand whether the Company's educational training has tangible benefits, we conducted a satisfaction survey towards the colleagues that were trained to deeply understand the views of the employees. And improvements were carried out according to the feedback and suggestions of the employees to enhance learning effectiveness, whereby raising the Company's competitiveness. In 2016, the satisfaction survey results are as shown in the following chart, the overall average satisfaction was 4.51 points (the total score is 5).



Note: Above statistics has included the training hours of resigned personnel in 2016.

Note: A difference may be observed in above numbers as the statistics of annual report only include reported trainees, and courses across the years are calculated according to the original plan.

Corporate Sustainability Report

Workshops for Board Directors and Supervisors

According to the provisions of "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies," Acter holds at least three

hours of educational courses for directors and supervisors so as to enhance the exertion of the occupational functions of directors and supervisors. In 2016, the total training hours for the Company's board directors and supervisors are 60 hours with details as follows:

Job Title	Name	Date	Organizer	Workshop	Hours
Chairman	Jin-Li Liang	Feb 26 th , 2016	Taiwan Corporate Governance Association	Strategy and Executive Power	3
		Jun 14 th , 2016	Taiwan Institute of Directors	Major Decision of Board of Directors – Taiwanese Companies' Deployment Strategy in China	3
		Jun 16 th , 2016	Securities & Futures Institute	The 2 nd Corporate Governance Assessment Award Ceremony and Theme Lecture	3
Chairman	Dennis Yang	Mar 15 th , 2016	Taiwan Corporate Governance Association	How to protect business secret and prevent fraud to enhance corporate governance.	3
		Jun 1 th , 2016	Securities & Futures Institute	Employees' Remuneration Strategy and Discussion on the Application of Tools.	3
		Jun 21 st , 2016	Accounting Research and Development Foundation	Analyzing the Criminal Legal Liability for Offenses of "Breach of Trust" of Public Entity.	3
		Aug 19 th , 2016	Securities & Futures Institute	Analysis M&A Scam: From the Perspective of Corporate Governance.	3
		Nov 2 nd , 2016	Accounting Research and Development Foundation	Discussion on the "Supervising and Auditing" Power and Legal Liability of Board Directors, Supervisors and Senior Executives of Public Entity: The Legal Liability for Nonfeasance.	3
		Nov 9 th , 2016	Chinese National Association of Industry and Commerce, Taiwan	Impacts of Tax Law Change to Board Directors, Supervisors and Major Shareholders, and Response Planning.	3



Job Title	Name	Date	Organizer	Workshop	Hours
Director	Tai-Chen Hu	Mar 8 th , 2016	Taiwan Corporate Governance Association	The Court Does Not Think in the Way as I Think? When is the Line for the Material Information of Insider Trading – A Perspective from the Recent Judicial Trial Trend.	3
		Mar 15 th , 2016	Taiwan Corporate Governance Association	How to protect business secret and prevent fraud to enhance corporate governance.	3
Independent Director	Hsin-Ming Kao	Dec 6 th , 2016	Taiwan Corporate Governance Association	Legal Compliance and Risk Management of Anti-Money Laundering and Anti-Terrorism Financing Act; Tax Anti-Avoidance Regulations and Response Strategy, and an Update of Tax Acts.	6
Independent Director	Hui-HsinYeh	Apr 1 st , 2016	Securities & Futures Institute	2016 Corporate Governance Forum: Insider Trading and Corporate Social Responsibility.	3
		Jul 20 th , 2016	Accounting Research and Development Foundation	Applications and Evaluation on Stock related Tools.	3
		Aug 25 th , 2016	Taiwan Corporate Governance Association	Development Trend of Corporate Governance and Green Industry: Low-Carbon Investment and Business Strategy after the Paris Climate Agreement	3
Independent Director	Chyan Yang	Mar 1 st , 2016	Securities & Futures Institute	How Listed Companies Implement CSR and Prevent Insider Trading.	3
		Apr 29 th , 2016	Taiwan Corporate Governance Association	The Global Trend of Long-Term Incentive and Bonus Plan for Senior Executives.	3
Independent Director	Marlon Wang	Apr 1 st , 2016	Securities & Futures Institute	2016 Corporate Governance Forum: Insider Trading and Corporate Social Responsibility.	3
		May 25 th , 2016	Securities & Futures Institute	A Discussion on Human Resource and Integration Issues during the M&A process.	3

Welfare Measures

Establishing a Communication Channel for Employees: Acter holds irregular offsite meetings for all employees. Through the meeting, the Chairman shares with all employees regarding of the Company's operating performance and exchanges ideas with them. Besides, the Company also holds staff meeting at the end of each year to understand the voices of the colleagues and to assist the colleagues in resolving issues in a timely manner. Acter also set an employee mailbox through which employees can provide their opinions, and the General Management Division will reply to them. Acter did not receive any mail from the employee in 2016.

Incentive System

Acter gives contracted salaries according to the employees' educational backgrounds and work experience. And, through methods such as market survey, we obtain the salary standards of other companies in the same industry in hopes of providing a competitive remuneration. The starting salary that Acter provides the employees with is better than the provision of local basic wage. "Gender" is never a factor that the Company uses when assessing salary or considering the issue of benefits. Therefore, at Acter, for either gender in the same position and same rank, there is no difference in the basic salary.

In the Group, remuneration is closely connected to employees' performances. Each employee has to go through mid-year and end of year assessments, where, during the process, the employee has the opportunity to review and discuss the performances of that year with their direct supervisors and to discuss the development plans for the coming year. Acter provides the full-time employees with complete remuneration and welfare system, the goal being to not only encourage the employees to do their best at work, but to also assist the employees' career developments and maintain the employees' physical and mental health. The related management systems are as follows:

Employee Management System	
Items	Descriptions
Leaves and Retirement	According to Labor Standards Act
Group Insurance	The Company pays for the life insurance, accidental injury insurance, and occupational hazard insurance.
Parental Leave without Pay	Upon taking the job for a half year, each employee whose spouse is also employed may apply for unpaid parental leave before each child reaches 3 years old. The said period shall not exceed 2 years and shall be terminated before the child reaches 3 years old. An employee who needs to raise more than two children shall have the parental leave calculated altogether. The longest period shall be limited to 2 years, which shall be calculated based on the youngest child's age.
Ordinary Leave without Pay	An employee may apply for an ordinary unpaid leave due to sickness, training or other reasons approved by the Company.
Share Holding	Issuing new restricted employee shares.
Company Trips	Domestic and international tours are planned regularly each year to let employees relax and be refilled with energy.
Physical Check-Up	Subsidies are provided each year to care for the physical condition of each employee.
Educational Training	Expertise, health and safety oriented internal trainings; and external trainings based on employees' vocational demand.
Pension	Conforming to the pension allocation systems as stipulated by local laws.
Bonus	Bonuses for three major Chinese festivals, birthday and wedding.
Incentives / Bonus	Personal performance incentive and year-end bonus.



Trip to Kinmen and Xiamen.



Trip to Zhangjiajie.



Trip to Korea.



Trip to Hokkaido.

In order to provide generous working conditions and satisfy employees' welfare needs, nine people from both parties, employers and employees, have formed the Employee Welfare Committee. The company sets aside a certain proportion of the year's revenue as most of the funds for Employee Welfare Committee. For the various welfares provided, the employees are the main consideration. Many employee welfare services are held with fairness being the highest guiding principle, including birthday gift vouchers, wedding subsidies, Acter Family Day, children's education scholarships, care in distress, and related subsidies, etc.

In order to let employees balance the leisure life outside work and to achieve LOHAS (lifestyles of health and sustainability), the Company provides employees a set amount of travel subsidy. Through the Employee Welfare Committee's arrangement, excellent travel agencies will plan out domestic and international travels, and after collecting and organizing the travel locations, the colleagues can then carry out the voting. The colleagues are encouraged to bring their family dependents along, and, through the participation of the event, the relationships between colleagues and family members are drawn closer. And after understanding Acter, the

employees' degree of recognition towards the Company can be further raised. In 2016, Employee Welfare Committee held a number of trips to domestic and foreign destinations, including Kinmen, Xiamen, Hokkaido (Japan), Korea and Zhangjiajie.

Corporate Sustainability Report

In addition to holding events from time to time, Acter even encourages the colleagues to spontaneously hold various healthy events (sports competition, mountain climbing...) and establish associations. The 2016 activities include: baseball game watch in northern / central / southern

Taiwan, two-day tour to Kenting and Yilan, and one-day tour to Taian. It is expected that the activities will enhance the relationship among employees and their coherence, as well as their recognition towards the Company.



Two-day tour to Yilan.



Baseball game watch in Xinzhuang.



Two-day tour to Kenting.



One-day tour to Taian.

Health Promotion

(1) No Smoking Healthy Workplace

In order to enhance a healthy working environment for employees, Acter is committed to promoting tobacco control at the workplace, actively implement non-smoking measures at the workplace, establish a working environment without the harm of secondhand smoke, and carry out health promotion related activities in accordance with central government policies. Through assessment, Acter conforms to the Badge of Accredited Healthy Workplace – Smoke-Free & Health Promotion since 2014.

(2) Labor Health Service Network

Since 2015, to promote labor health service network, Acter especially established partnership with network institution Taichung Veterans General Hospital and arranged occupational medical science physician, occupational

health management specialist, and basic occupational health care service to jointly promote corporate labor health service, where the content of focus is mostly on motherhood protection, health consultation, and health guidance, so as to implement safety and health at work and to prevent the occurrence of occupational diseases. Besides, to comply with labor health protection principles of Occupational Safety and Health Act, the Company hired more medical personnel in 2016 to provide its employees with disaster prevention and treatment, health consultation, first-aid, health education, health facilitation and health guidance services.

(3) Provide Health Messages

The Company uses internal mail from time to time to advocate health and promote knowledge. Also in the Company's Reading Area, health-related books are purchased for colleagues to borrow and read, so as to enhance and enrich the health knowledge of colleagues.

(4) Healthy Weight Loss Project

In order to raise the employee's health management awareness, cultivate good physical and mental health, and create a happy enterprise, Acter intends to promote "Healthy Weight Loss Project" to plan a series of health care and weight loss courses and advocate joint maintenance of physical, mental, and spiritual health in 2017.

(5) Health Check

Permanent employees who have taken the job for more than one year will receive a free health check every year. For any abnormality observed in the health check, the Company's medical personnel will note it done and remind the person to go back to the hospital for treatment and follow-up, and to prevent relevant diseases. Health check relevant information over the years is as follows:

Items	2015	2016
No. of Employees with Free Health Check	210	245
No. of Employees who participated in Health Check	91	121
Health Check Examination Rate	43.3%	49.3%
Amount put into Health Check	363,000	483,000

Corporate Sustainability Report

Occasional Seminars

Acter holds financial management seminars from time to time, where the colleagues can freely participate. Lecturers in different fields are invited to share their specialty and experience so that colleagues can accumulate knowledge and energy.

Pension Management in Taiwan

In accordance with the provisions of "Labor Standards Act," Acter has set and established employee retirement regulations that conform with the provisions, and pensions are appropriated and paid to the Company's employees according to statutory standards. The retirement fund that the Company appropriates in accordance with the Labor Standards Act is planned and managed by Labor Pension Fund Supervisory Committee, Council of Labor Affairs, and Executives. The amount of pension appropriated each year is calculated by professional actuaries to make sure that the appropriated amount is enough to safeguard the future welfare of the Company's employees. On December 31, 2016, the balance in the reserve account for labor retirement at the Bank of Taiwan was NTDS\$ 6,262 thousand, and the pension liabilities that shall be paid individually were NTDS\$ 19,095 thousand, so the Company has actively communicated with the actuaries to make sure that pension amount appropriated each year is sufficient to pay the retired employees in the future. The determined appropriation plan of the Company is based on the provisions of "Labor Pension Act," which is the contribution rate of 6% of the monthly wage of the labor, and is appropriated to individual labor pension accounts of the Bureau of Labor Insurance. The Company implements the compliance of related laws and regulations to safeguard the employees' rights and benefits regarding labor pension.

Maintenance of Employees' Rights and Benefits

Acter neither recruits child labor nor forces the employees to provide labor service. Through on-site inspection and regular communication from time to time, the Company makes certain that our suppliers and contractors do not use child labor as well. If our employees have any opinions regarding human rights, social and environmental issues, or others that the Company can improve upon, they can all communicate with our senior managers via our employees' exclusive mailbox.

Balance Between Work and Life

Acter does not encourage our employees to work overtime blindly, instead, for them to make plans for the progress of a project in advance in hopes that they can enjoy their individual lives or take care of their family responsibilities amid their busy work. It is the Company's ideal to let the employees achieve a balance between work and life, and if the employees must work overtime because of the engineering progress, they can choose to take leave later to appropriately allocate their family life. In Acter, employees can freely choose the overtime remuneration that best suits their individual needs. In

addition to the overtime compensatory leave system, the Company has set related provisions of "Parental Leave without Pay" in the Employee Handbook according to the Act of Gender Equality in Employment, after a person has been employed for a year, with regard to having a child that is not yet three years old, the employee can apply for parental leave without pay until the child is three years old, but the leave cannot exceed two years. In addition to parental leave without pay, when employees have special needs, they can also apply for leave without pay and take a long-term break to take care of family life, they can be reinstated after the period has expired.

Content		ACTER	Taiwan	Mainland	Southeast Asia
No. of Leave of Absences	Male	1	2	11	-
	Female	2	1	12	-
Total No. of Leave of Absences (employees who submitted the application from Jan 1 st of 2016 to Dec 31 st 2016)		3	3	23	-
No. of Reinstatements (A)	Male	3	-	2	-
	Female	3	1	1	-
Total No. of Reinstatements (employees who applied for parental leave and reinstated up to the end of 2016)		6	1	3	-
No. of employees who reinstated and retained the post.	Male	3	-	-	-
	Female	3	-	1	-
No. of employees who retained the post (employees who reinstated for more than 12 months up to the end of 2016)		6	-	49	-

Statistical Chart of Employees Applying for Parental Leave without Pay

Statistics Collected Until December 31st, 2016



Safety and Health of Employees

Acter convenes two meetings for all the staff each year to explain the Company's major operational directions and precautionary matters regarding job safety and health. Moreover, Acter has a Labor Safety and Health Committee, which is composed of our associate general manager and six labor representatives. The Labor Safety and Health Committee holds meetings on a regular basis to convey engineering health and safety behaviors. The Committee will also review the recent audit deficiencies, immediately set up related improvement and protective measures, and plan to include these issues into the educational training courses in the future. The labor representatives will convey information from the meetings to all the Acter staff. Through the structure of the Labor Safety and Health Committee, the Company can effectively convey safety and health messages to all the Acter staff. The Acter headquarters was awarded Proof of No Harm Work Hour Record for 2,913,224 Hours by the Occupational Safety and Health Administration, Ministry of Labor and was awarded the Safe Work Hour Certificate by business owners in November of 2016, which showed Acter's guarantee and diligence towards occupational safety.



The chart below is the statistical chart of work injury notifications at Acter and some of the subsidiaries in 2016:

Company		2016		
		Acter	Nova Technology	Acter (Suzhou)
Work Injury Notifications		0 Case	0 Case	1 Case

Explanation of work injuries:
The moment this incident occurred, the related executives were notified immediately and the incident was instantly and properly handled, so no significant damages were caused. In the future, we will be implementing SOP and enhancing risk management awareness

Corporate Citizenship





5.1 Public Wealth and Environmental Protection

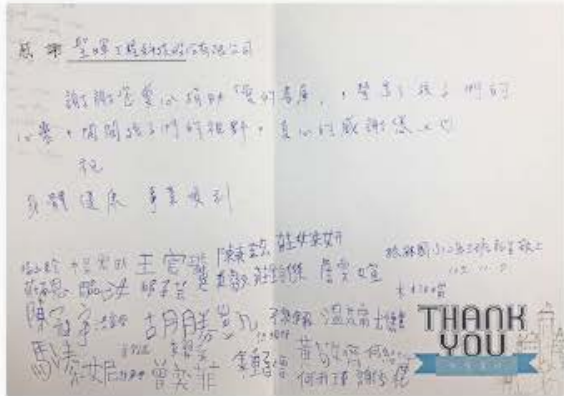
Acter believes that all companies are liable to the society as they receive benefits from the society, and that children are the social pillars of the society. Upholding the faith of taking care of the future of our society, Acter provides children in remote countries, children of minority, and teenagers with some assistance. It is the Company's expectation that, through resource integration and with its assistance, these children will not only be better taken care of and receive more opportunity, but also have their confidence and learning motivation enhanced. We believe that, by protecting families of minority, we will have a stable society.



Letter of Appreciation from Caohu Elementary School, Zhanghua County.

Philanthropic Library

Since 2012, Acter and our customers started promoting events such as "Book Donation to Promote Reading" together. We have the schools to jointly promote the libraries of love plan with schools to support and to give to the life of each child. Through this event, we have established a space for local children to grow, encouraging the children to fervently read and gain new knowledge. This event enabled Acter and our customers not only to share the same values and concepts, but also to reach a consensus to make more contributions to the society. As



Letter of Appreciation from Class 3B of Songlin Elementary School, Hsinchu County.

we encourage children to read and learn new things, we have created a space for local children to develop themselves. It is also our expectation that, through this activity, our staffs will give care to our future pillars, helping these children grow strong and create a beautiful future. By doing so, we provide the children with good books and make them an open resource for sharing. Up to 2016, we donated NTD480,000 to the "Philanthropic Library" of Taiwan Reading and Culture Foundation, and assisted it to set up 45 boxes of books. In average, the books are read for 3.4 times, and over 3,325 people have borrowed the books.



Certificate of Appreciation by Taiwan Reading and Culture Foundation

Charity Sale at Garden Fair

Children will be the backbone of our country. Protecting every child's health and safety is to protect the future prosperity of our country. We hope to help children with slow development and, with our assistance, increase their ability and opportunity to connect to the society while lessening the burdens of their family and cost of the society.

Acter understands that families that take care of slowly developed children suffer from a lot of pressure. Therefore, together with our subcontractors, we have participated in garden fairs held by families engaged in early intervention education and encouraged these families to have outdoor activities, in order to enhance their interaction with the society and further release their pressure. Our employees also joined the line of garden fair volunteers, assisting these families to set up booths and carry out charity sale. With our little help, we hope that these families will become even more stable and the children will adapt to the society.



Photos of the Activity and Letter of Appreciation

Donating Charitable Computer Monitors

To increase the use rate and extend the life of all resources, Acter donated its relatively old computer equipment to Changhua County Grace Home for Children and Juveniles starting from 2015. This not only gives computers a new life, but also enables the children to bridge the learning gap. In 2016, the Company totally donated 6 second-hand computer hosts and 11 second-hand computer monitors. It is our expectation to minimize digital dividend of our society while protecting our planet.

Donation to TEACHER CHANG Foundation

Concerning abrupt changes of the society and increasing number of adolescent problems, Acter aims to, with the belief of "lighting a light for the children", cooperate with the Foundation to enhance teenager guidance programs that help them to develop themselves. Over the years, TEACHER CHANG Foundation has been continuously expanding and the Foundation's services and contributions have been highly and widely recognized by the public. Acter therefore supports the Foundation with real action by donating NTD110,000 in 2016. It is our expectation that teenagers will have their potential motivated to create a happy life, and further build a harmonious and prosperous society.

The "Timely Help" Project of TAITRA

To proactively provide children of minority with assistance, Acter joined the "Timely Help" project conducted by Taiwan External Trade Development Council (TAITRA) with a donation of NTD50,000. Acter expects that the donation will not only help families of minority reduce their burdens, but also give the children a prosperous childhood with love.

The Vegetarian Day

The excessive emission of CO2 gas has changed the state of earth and intensified the greenhouse effect, resulted in global warming. The CO2 emitted from the production of 1 kg meat equals to the amount of a three-hour driving. On the other side, 1 acre of farmland can have 10,000 kg of potatoes harvested. Vegetables can not only reduce the emission of CO2, but also provide more people with the food they need in a limited space. Acter therefore launched "The Vegetarian Day" on the 15th of each month with an expectation that we will be able to reduce the emission of CO2 by eating vegetables. We also encourage our employees to eat vegetables more often for their health and our planet.

Reducing Environmental Impacts

The development of our society and economy shall comply with the principle of "sustainable resources" that conforms to the ecology of earth. That is, with the idea of sustainable resources, we shall recycle and reuse materials in order to be friendly to our environment; Acter started the concept from our engineering design. Through a series of discussions with our customers, we do not only use eco-friendly, power-saving and renewable key materials, but also recycle and recreate them to enhance the efficiency and create a sustainable recycling cycle. Further, we use our BIM drawing skills to precisely locate the pipelines to reduce the material consumption. This enables us to successfully reduce customers' construction cost and prevent a waste of resources.



5.2 Industrial and Academic Cooperation

Industrial and academic cooperation can provide on-site internship, practical trainings and in-school trainings. With an equal emphasize on theory and practice, students are able to build their future competitiveness. Over the years, Acter has been continuously cooperated with schools and relevant educational institutes for industrial and academic projects, including “school-to-work programs and internship”, “academic research and cooperation programs”, and “scholarships”. It is the Company’s expectation to integrate the industry and school resources to generate more benefits.

Industrial and Academic Cooperation of Workforce Development Agency, Ministry of Labor

To train engineering professionals and assist students in obtaining a job immediately after the graduation, we provide students with career-planning services, helping have a picture of their future. With multiple solutions, the work-to-school programs enable students not only to have an equal balance on their studies and career, but also to reduce their economic burdens and pressure from finding a job. Besides, as the courses are designed with a focus on both of the theory and practice, it can train professionals required by the industry. In 2016, around 7 students joined the program with a total budget of NTD1.8 million.

Internship Programs

Acter not only expects that its employees will enhance their vocational capabilities through educational trainings, but also provides students who are interested in engineering an opportunity to take internship in the Company. It has therefore established a long-term cooperative partnership with National Taipei University of Technology, National Taiwan University of Science and Technology, National Chin-Yi University of Technology and Feng Chia University for technical alliance, work-to-school programs, and summer internship. The formation of technical alliance enables Acter to complete customers’ projects based on their technical experiences and schools’ theoretical concepts. Work-to-school programs, on the other hand, enable the

students to start their career life earlier, accumulate their practical experiences through “learning from doing”, and become even more professional through the integration of theories and practice. In 2016, 8 students participated in the programs with a total budget of NTD180,000.

Scholarships

To encourage extraordinary college (university) engineering students with a poor family background, the Company started to offer scholarships to extraordinary students in 2011. In 2016, it further offered a scholarship of NTD100,000, expecting that the students will be able to continue their learning without economic pressure. The Chairman also donates money to the alumni association of graduation school on a regular basis. The Company aims to encourage students having a sustainable development and strive for every learning opportunity. It is also the Company’s expectation that these students will join the Acter family to fight for the future together.

Entrepreneurship Forum

Acter encourages youths to find new roads with their creativity. Through the sharing of experiences of youths who have successively become an entrepreneur, it is the Company’s expectation to push the momentum for entrepreneurship. In 2016, it donated NTD70,000 to the International Youth Entrepreneurship Forum.

5-3 Public Advocacy – Participations of Professional Associations

As the pioneer of creating quality space, Acter has been dedicated to public advocacy of its core business, including industrial and economic development; technological innovation and sustainable development. Public advocacy is in forms of a direct participation of professional association including Taiwan Refrigeration and Air-Conditioning Engineering Association, in which Acter has participated for over 30

years with a membership. Over the years, Acter has not only participated in relevant activities, but also assisted associations in promoting relevant business. The Company have been dedicated itself to the refrigeration and air-conditioning engineering development with TRACEA; to have a healthy competition with other industry players; to provide customers with technology and services; assist relevant associations to create economic values; and to upgrade the industry in order to create another economic miracle of Taiwan. In 2016, Acter totally invested NTD131,414 in this field and participated in a number of associations as follows:

- Taiwan Water Pipe Engineering Industry Association
- Taiwan Electric Engineering Industry Association
- Taiwan Energy Service Association
- Taichung Importers and Exporters Chamber of Commerce
- Taiwan Parenteral Drug Association
- Taiwan Pharmaceutical Manufacturers’ Associations
- Solar Photovoltaic Power Generation System Association of the Republic of China
- Semiconductor Equipment and Materials International (SEMI)

Responsibility



Corporate

Social

About This Report



6 About This Report

About This Report

In November 2013, Acter Co., Ltd. published the Corporate Social Responsibility Report for the first time and will be published regularly each year to report the Company's concrete measures and performances on sustainable management to present the Company's efforts and results of continual improvement on the aspect of sustainable development.

Scope and Boundaries of the Report

This Report mainly presents the Company's deeds and various performance data of environmental protection, corporate governance, and community participation from January 1st, 2016, to December 31st, 2016. Among which, part of the content involves the affiliates of Acter Co., including subsidiaries in Taiwan (Winmega Technology Corp.; Heshuo Engineering Co.; Nova Technology Corp; and Winmega Technology Corp.), Mainland China (Shezhen, Suzhou and Shanghai), and other southeast Asian countries; and the sources of information are especially noted within the Report so as to clearly expound on the Company's deeds in sustainable management.

Writing Principle

To write this Report, we referred to the framework and aspects of G4 Reporting Guidelines of the Global Reporting Initiative. The Company's senior executives and various department heads have carried out deep discussions on the framework and aspects and will present the performances of the issues related to the operations of Acter and that the stakeholders are concerned about in this Report. Moreover, the Company also carried out explanations and presented related performance results of the identified major aspects.

External Authentication

Acter Co. entrusted the PricewaterhouseCoopers (PwC) Taiwan to carry out independent limited assurance according to Standard 1 of Statement of Assurance Standards of Republic of China we prepared according to the G4 of the Global Reporting Initiative (GRI). The Verification Statement is attached in the Appendix of this Report.

Publication Information

This Report is the Corporate Social Responsibility Report that the Company has published for the fourth year. The planned publication time for the 2017 Corporate Social Responsibility Report: August of 2018

Contact Information

If you have any suggestions or questions regarding the content of this Corporate Social Responsibility Report, we welcome you to contact us with the following methods:

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CSR Coverage Reference



7. CSR Coverage Reference

CSR Coverage Reference

No.	Assurance	Statement Standards	Page
1	Regarding the average customer satisfaction level of Acter, the Engineering Department was score 90 and the Maintenance Department was score 94 in 2016.	An investigation (total mark: 100) conducted according to "Procedures Governing Customer Satisfaction Level and Sustainable Operational Improvement". The totaled score of investigations conducted by the Engineering Department and Maintenance Department was divided by each department according to the number of investigations conducted by each department for their respective average score.	37
2	In 2016, the checked and accepted procurement bill of Acter's level 1 suppliers in Taiwan was NTD2,624,250,000 without tax, where the local procurement counted 99.4% of its total procurement bill (NTD2,639,371,000)	The checked and accepted procurement bill of level 1 suppliers in Taiwan in 2016; and its proportion of the total procurement amount in 2016.	39
3	Please refer to the environmental expenditure stated in "Environmental Expenditure of 2016" on page 46.	According to the actual and planned environmental expenditure; the term shall refer to the term defined in "Industrial Environment Accounting Index", which was promulgated by EPA of Department of Executive.	46
4	Please refer to the number of employees stated in "The number of newly-hired employee and employee turnover in 2016" on page 49.	The newly-hired summer interns and intern turnover were not calculated.	49
5	Please refer to the number of hours stated in "Statistics of Employee Training Hours in 2016" on page 55.	The totaled hours of permanent employees at all levels (including those who resigned in 2016) is divided by the number of trained employees of specific level to get the average training hours of each level respectively.	55



會計師有限確信報告

資會證字第 170-02268 號

聖暉工程科技股份有限公司 公鑒：

本所受聖暉工程科技股份有限公司（以下稱「貴公司」）之委任，就選定民國 105 年度企業社會責任報告書（以下稱「社會責任報告書」）所報導之績效指標執行確信程序。本會計師業已確信竣事，並依據結果出具有限確信報告。

確信標的資訊與報導基準

有關 貴公司所選定民國 105 年度社會責任報告書所報導之績效指標（以下稱「確信標的資訊」）及其報導基準詳列於 貴公司民國 105 年度社會責任報告書第 71 頁之「確信項目彙總表」。

管理階層之責任

貴公司管理階層應依據適當報導基準編製及報導民國 105 年度社會責任報告書及其績效指標，並應建置相關流程、資訊系統及內部控制以防範民國 105 年度社會責任報告書及績效指標有重大不實表達之虞等。

執業人員之責任

本執業人員依據確信非利公報第一號「非屬歷史性財務資訊直接或間接之確信案件」，對確信標的資訊執行確信工作，以發現前述資訊是否存在所有重大方面有未依報導基準評估而須作重大修正之情形，並出具有限確信報告。此報告不對民國 105 年度社會責任報告書整體及其相關內部控制設計或執行之有效性提供任何確信。

執業人員之獨立性及品質管制規範

本執業人員及本所已遵循會計師職業道德規範中有關獨立性及其他道德規範之規定。該規範之基本原則為正直、公正客觀、專業能力及盡專業上應有之注意、保密及專業態度。

本所適用審計準則公報第四十六號「會計師事務所之品質管制」，因此維持獨立之品質管制制度，包含與遵循職業道德規範、專業準則及所適用法令相關之書面政策及程序。

資誠聯合會計師事務所 PricewaterhouseCoopers, Taiwan
11012 台北市信義區基隆路一段 333 號 27 樓 / 239, 333, Keelung Road, Sec. 1, Xinyi Dist., Taipei City 11012, Taiwan
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所執行確信工作之彙總說明

本次確信工作欲確信標的資訊，以 貴公司為工作執行範圍，執行之程序包括：

- 閱讀企業社會責任報告書
- 對參與提供績效指標的相關人員進行訪談，以瞭解其評估編製前述資訊之流程、內部控制與資訊系統；
- 基於上述瞭解與評估，對績效指標進行分析性程序，如必要時，則選取樣本進行測試，以取得有限確信之證據。

上述執行程序之選擇係基於本執業人員之專業判斷，包括辨認確信標的資訊可能發生重大不實表達之領域，以及針對前述領域設計及執行程序，以取得有限確信並作出執業人員之結論。有限確信所執行程序之性質及時間與適用於合理確信案件者不同，其範圍亦較小。有限確信所取得之確信程度明顯低於合理確信案件所取得者。

先天限制

本業務諸多確信項目涉及非財務資訊，相較於財務資訊之確信受有更高先天性之限制，對於資料之相關性、重要性及正確性等之質性解釋，則更取決於個別之假設與判斷。

有限確信結論

依據所執行之程序與所獲取之證據，本執業人員並未發現確信標的資訊在所有重大方面有未依報導基準評估而須作重大修正之情形。

其它事項

貴公司網站之維護係 貴公司管理階層之責任，對於確信報告於 貴公司網站公告後任何確信標的資訊或報導基準之變更，本執業人員將不負該等資訊重新執行確信工作之責任。

資誠聯合會計師事務所

會計師 李宜樺

中華民國 106 年 8 月 1 日



G4 Index

8 G4 Index

G4 Index

G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
Strategy and Analysis					
G4-1	Provide a statement from the most senior decision-maker of the organization about the relevance of sustainability and the strategy for addressing sustainability	6	Message from the Chairman	Fully Disclosed	–
G4-2	Provide a description of key impacts, risks, and opportunities	23	Message from the Chairman	Partially Disclosed	–
Organizational Profile					
G4-3	Report the name of the organization	8	About This Report	Fully Disclosed	–
G4-4	Report the primary brands, products, and services	8	Brief Introduction of Acter	Fully Disclosed	–
G4-5	Report the location of the organization's headquarters	8	Brief Introduction of Acter	Fully Disclosed	–
G4-6	Report the number of countries where the organization operates, and names of countries	9	Brief Introduction of Acter	Fully Disclosed	–
G4-7	Report the nature of ownership and legal form	10	Brief Introduction of Acter	Fully Disclosed	–
G4-8	Report the markets served	8	Brief Introduction of Acter	Fully Disclosed	–



G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
G4-9	Report the scale of the organization	8	Brief Introduction of Acter	Fully Disclosed	–
G4-10	Report the total number of employees by employment contract, employment type, region, and gender	47-50	Happy Workplace	Fully Disclosed	–
G4-11	Report the percentage of total employees covered by collective bargaining agreements	47	Happy Workplace	Fully Disclosed	–
G4-12	Describe the organization's supply chain	38-40	Cooperative Partners	Fully Disclosed	–
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	16	Corporate Governance	Fully Disclosed	–
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization	21	Risk Management	Partially Disclosed	–
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization endorses	65	Public Welfare and Environmental Protection	Partially Disclosed	–
G4-16	List memberships of associations and national or international advocacy organizations in which the organization participates	67	Public Advocacy – Participations of Professional Associations	Partially Disclosed	–
Identified Material Aspects and Boundaries					
G4-17	List all entities included in the organization's consolidated financial statements	69	About This Report	Fully Disclosed	–
G4-18	Explain the process for defining the report content and the Aspect Boundaries	28	Major Issues	Fully Disclosed	–
G4-19	List all the material Aspects identified in the process for defining report content	28	Major Issues	Fully Disclosed	–

G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
G4-20	For each material Aspect, report the Aspect Boundary within the organization	27	Major Issues	Fully Disclosed	–
G4-21	For each material Aspect, report the Aspect Boundary within the organization	27	Major Issues	Fully Disclosed	–
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements	–	None	Fully Disclosed	–
G4-23	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements	–	None	Fully Disclosed	–
Stakeholder Engagement					
G4-24	Provide a list of stakeholder groups engaged by the organization	26	Identification of Stakeholders	Fully Disclosed	–
G4-25	Report the basis for identification and selection of stakeholders	26	Identification of Stakeholders	Fully Disclosed	–
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group	26	Communications with Stakeholders	Fully Disclosed	–
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded	26	Identification of Major Aspects	Fully Disclosed	–
Report Profile					
G4-28	Reporting period for information provided.	69	About This Report	Fully Disclosed	–
G4-29	Date of most recent previous report	69	About This Report	Fully Disclosed	–



G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
G4-30	Reporting cycle	69	About This Report	Fully Disclosed	–
G4-31	Provide the contact point	69	About This Report	Fully Disclosed	–
G4-32	Report the 'in accordance' option, the GRI Content Index, and the reference to the External Assurance Report	73	GRI G4 Index	Fully Disclosed	–
G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report	69	About This Report	Fully Disclosed	–
Governance					
G4-34	Report the governance structure of the organization	16	Corporate Governance	Fully Disclosed	–
G4-35	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	22	Operation and Management of Corporate Social Responsibility	Fully Disclosed	–
G4-36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	22	Operation and Management of Corporate Social Responsibility	Partially Disclosed	–
G4-37	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	–	–	Not Disclosed	–
G4-38	Report the composition of the highest governance body and its committees	16-17	Composition of the Board of Directors	Fully Disclosed	–
G4-39	Report whether the Chair of the highest governance body is also an executive officer	20	Composition of Senior Managers	Fully Disclosed	–
G4-40	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	–	Composition of Board of Directors	Not Disclosed	–

G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed	16-17	Composition of the Board of Directors	Fully Disclosed	–
G4-42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts	–	–	Not Disclosed	–
G4-43	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	–	–	Not Disclosed	–
G4-44	Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics	–	–	Not Disclosed	–
G4-45	Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities	–	–	Not Disclosed	–
G4-46	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	–	–	Not Disclosed	–
G4-47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	–	–	Not Disclosed	–
G4-48	Report the highest committee or position that formally reviews and approves the organization's sustainability report	22	Operation and Management of Corporate Social Responsibility	Fully Disclosed	–
G4-49	Report the process for communicating critical concerns to the highest governance body	47	Employee's Suggestion Box	Partially Disclosed	–
G4-51	Report the remuneration policies for the highest governance body and senior executives	19	Remuneration Committee	Fully Disclosed	–
G4-52	Report the process for determining remuneration	19	Remuneration Committee	Fully Disclosed	–



G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
G4-53	Report how stakeholders' views are sought and taken into account regarding remuneration	–	–	Not Disclosed	–
G4-54	Report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees	–	–	Not Disclosed	–
G4-55	Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees	–	–	Not Disclosed	–
Ethics and Integrity					
G4-56	Describe the organization's values, principles, standards and norms of behavior	21	Integrity Management	Fully Disclosed	–
G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity	47	Employee's Suggestion Box	Partially Disclosed	–
G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity	47	Employee's Suggestion Box	Partially Disclosed	–
Economic Performance					
G4-EC1	Direct economic value generated and distributed	11-12	Business Performance	Fully Disclosed	–
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	24	Climate Changes	Partially Disclosed	–
G4-EC3	Coverage of the organization's defined benefit plan obligations	58-62	Incentive System	Fully Disclosed	–
G4-EC4	Financial assistance received from government	–	The Company did not receive assistance	Fully Disclosed	–

Corporate Sustainability Report

G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
Market Presence					
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	–	The Company's standard starting wage is better than the local minimum wage	Not Disclosed	–
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	50	Local Employment	Fully Disclosed	–
Indirect Economic Impacts					
G4-EC7	Development and impact of infrastructure investments and services supported	–	–	Not Disclosed	–
G4-EC8	Significant indirect economic impacts, including the extent of impacts	–	–	Not Disclosed	–
Procurement Practices					
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	39	Local Procurement	Fully Disclosed	74-75
Materials					
G4-EN1	Materials used by weight or volume	–	Acter is non-manufacturing; so, usage volume of raw materials is not significant	Fully Disclosed	–
G4-EN2	Percentage of materials used that are recycled input materials	–	No recycled input materials are used	Fully Disclosed	–



G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
Energy					
G4-EN3	Energy consumption within the organization	43	Reduction Achievements	Partially Disclosed	–
G4-EN4	Energy consumption outside of the organization	–	Involves the trade secrets of other firms, difficult to calculate	Not Disclosed	–
G4-EN5	Energy intensity	43	Reduction Achievements	Partially Disclosed	–
G4-EN6	Reduction of energy consumption	43	Reduction Measures	Fully Disclosed	–
G4-EN7	Reductions in energy requirements of products and services	31-36	Overall Planning, Innovative Engineering Methods / Engineering Achievements	Partially Disclosed	–
Water					
G4-EN8	Total water withdrawal by source	43	Reduction Achievements	Partially Disclosed	–
G4-EN9	Water sources significantly affected by withdrawal of water	–	No significant effects	Fully Disclosed	–
G4-EN10	Percentage and total volume of water recycled and reused	–	Water is not recycled and reused	Fully Disclosed	–
Biodiversity					
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	–	–	Not Applicable	–

G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	–	–	Not Applicable	–
G4-EN13	Habitats protected or restored	–	–	Not Applicable	–
G4-EN14	Total number of IUCN Red List species and National Conservation List species with habitats in areas affected by operations, by level of extinction risk	–	–	Not Applicable	–
Emissions					
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	–	–	Not Disclosed	–
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope2)	–	–	Not Disclosed	–
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	–	–	Not Disclosed	–
G4-EN18	Greenhouse gas (GHG) emissions intensity	–	–	Not Disclosed	–
G4-EN19	Reduction of greenhouse gas (GHG) emissions	–	–	Not Disclosed	–
G4-EN20	Emissions of ozone-depleting substances (ODS)	–	No emissions of ozone-depleting substances	Fully Disclosed	–
G4-EN21	NO _x , SO _x , and other significant air emissions	–	Acter is an engineering services and non-manufacturing industry, no SO _x , NO _x emissions	Fully Disclosed	–



G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
Effluents and Waste					
G4-EN22	Total water discharge by quality and destination	–	Non-manufacturing, no significant effluents or waste	Fully Disclosed	–
G4-EN23	Total weight of waste by type and disposal method	–	Non-manufacturing, no significant effluents or waste	Fully Disclosed	–
G4-EN24	Total number and volume of significant spills	–	No significant spills	Fully Disclosed	–
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and the percentage of transported waste shipped internationally	–	–	Not Applicable	–
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	–	–	Not Applicable	–
Products and Services					
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	31-36	Overall Planning, Innovative Engineering Methods	Partially Disclosed	–
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	–	Acter is non-manufacturing, not applicable	Fully Disclosed	–
Compliance					
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	–	No circumstances where Acter was penalized for violating environmental laws and regulations in 2013	Fully Disclosed	–

Corporate Sustainability Report

G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
Transport					
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	-	-	Not Disclosed	-
Overall					
G4-EN31	Total environmental protection expenditures and investments by type	-	Environmental Protection Expenditures	Fully Disclosed	74-75
Supplier Environmental Assessment					
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	-	-	-	-
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	-	-	-	-
Environmental Grievance Mechanisms					
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	-	In 2013, Acter received no grievances from business owners or residents about environmental issues	Fully Disclosed	-
Employment					
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	47	Employment and Development of Employees	Fully Disclosed	74-75
G4-LA2	The business location possessed, leased or managed by the organization, or the surrounding area is within the environmental protection zone or areas with high biological diversity.	51-62	Incentive System	Fully Disclosed	-



G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
G4-LA3	Return to work and retention rates after parental leave, by gender	62	Maintenance of Employees' Rights and Benefits	Partially Disclosed	–
Labor/Management Relations					
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	–	Handled according to the Taiwan's local Labor Standards Act	Partially Disclosed	–
Occupational Health and Safety					
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	63	Safety and Health of Employees	Partially Disclosed	–
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	63	Safety and Health of Employees	Fully Disclosed	–
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	–	–	Not Disclosed	–
G4-LA8	Health and safety topics covered in formal agreements with trade unions	–	–	Not Disclosed	–
Training and Education					
G4-LA9	Average hours of training per year per employee by gender, and by employee category	55	Employee Training	Fully Disclosed	74-75
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	51-57	–	Not Disclosed	–
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	47	Employment and Development of Employees	Fully Disclosed	–

G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
Diversity and Equal Opportunity					
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	47	Happy Workplace	Fully Disclosed	–
Equal Remuneration for Women and Men					
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	47	Incentive System	Fully Disclosed	–
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	–	–	Not Disclosed	–
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	–	–	Not Disclosed	–
Labor Practices Grievance Mechanisms					
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	62	Maintenance of Employees' Rights and Benefits	Fully Disclosed	–
Investment					
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	–	No significant investments in 2013	Fully Disclosed	–
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	55	Employment and Development of Employees	Fully Disclosed	–



G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
Non-discrimination					
G4-HR3	Total number of incidents of discrimination and corrective actions taken	-	Maintenance of Employees' Rights and Benefits	Fully Disclosed	-
Freedom of Association and Collective Bargaining					
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	-	Maintenance of Employees' Rights and Benefits	Partially Disclosed	-
Child Labor					
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	-	Maintenance of Employees' Rights and Benefits	Partially Disclosed	-
Forced or Compulsory Labor					
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	-	Maintenance of Employees' Rights and Benefits	Partially Disclosed	-
Security Practices					
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	-	-	Not Disclosed	-
Indigenous Rights					
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	-	-	Not Disclosed	-

G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
Assessment					
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	–	–	Not Disclosed	–
Supplier Human Rights Assessment					
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	–	–	Not Disclosed	–
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	–	–	Not Disclosed	–
Human Rights Grievance Mechanisms					
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	62	Maintenance of Employees' Rights and Benefits	Fully Disclosed	–
Local Communities					
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	–	Acter headquarters has 100% gone through assessment, and engage with the local community from time to time	Partially Disclosed	–
G4-SO2	Operations with significant actual and potential negative impacts on local communities	–	The nature of Acter operations does not have negative impacts on local communities	Partially Disclosed	–
Anti-corruption					
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	21	Integrity Management	Partially Disclosed	–



G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
G4-SO4	Communication and training on anti-corruption policies and procedures	21	Integrity Management	Fully Disclosed	–
G4-SO5	Confirmed incidents of corruption and actions taken	21	Integrity Management	Fully Disclosed	–
Public Policy					
G4-SO6	Total value of political contributions by country and recipient/beneficiary	–	No political donations in 2013	Fully Disclosed	–
Anti-competitive Behavior					
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	21	Integrity Management	Fully Disclosed	–
Compliance					
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	–	No significant fines in 2013	Fully Disclosed	–
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	–	–	Not Disclosed	–
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	–	–	Not Disclosed	–
Grievance Mechanisms for Impacts on Society					
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	21	Integrity Management	Fully Disclosed	–

Corporate Sustainability Report

G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
Customer Health and Safety					
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	36	Persistence in Quality and Safety	Fully Disclosed	–
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	–	No violations in 2013	Fully Disclosed	–
Product and Service Labeling					
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	–	Instruction manual and maintenance manual are 100% provided for air-conditioning engineering	Partially Disclosed	–
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	–	No violations in 2013	Fully Disclosed	–
G4-PR5	Results of surveys measuring customer satisfaction	37	Customer Satisfaction Survey	Fully Disclosed	74-75
Marketing Communications					
G4-PR6	Sale of banned or disputed products	–	No related violations in 2013	Fully Disclosed	–
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	–	No related violations in 2013	Fully Disclosed	–



G4	Indicator	Page	Reference Section and Related Explanation	Level of Disclosure	External Assurance Report for Acter Co.
Customer Privacy					
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	-	No violations regarding breaches or losses in 2013	Fully Disclosed	-
Compliance					
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	-	No violations in 2013	Fully Disclosed	-



Acter
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