

***Getac***

Getac Technology Corporation

2017

# Corporate Sustainability Report

[www.getacgroup.com](http://www.getacgroup.com)

Published on June 28<sup>th</sup>, 2018



# Message From The CEO

Dear partners and friends,

Surging prices of critical parts and components combined with dramatic exchange rate fluctuations provided challenges for the business environment in 2017. The hard work of our employees enabled Getac to experience another year of exceptional performance in 2017. The company saw positive growth in terms of business revenue for the sixth consecutive year and operating profits have been increasing for the past three years. As a result, we have received both support and recognition from our shareholders.

In our pursuit of business growth, Getac also actively promotes sustainability policies, in order to live up to everyone's expectations. Extreme climate changes during recent years have raised worldwide awareness on environmental protection. Chinese government has changed their mindset and started to prioritize environmental protection over economic development. They have not only facilitated industrial transformation and implemented restrictions on polluting factories, but also launched a unified Chinese carbon emission trading market. A series of green actions have prompted firms in China to adopt measures for pollution prevention, energy conservation, and carbon reduction. The 17 UN Sustainable Development Goals have also impacted the direction of international and industrial development. Getac established the Corporate Sustainability Development Committee established in 2017. The committee is responsible for implementing sustainable economic, environmental, and social practices, in order to elevate the company's competitiveness in sustainability.

Following the worldwide commitment to greenhouse

gas reduction, Getac has been promoting green products for many years as a way of fulfilling our duty as a corporate citizen. In addition to banning the use of harmful substances, we continue to improve the energy-saving technologies of Getac' rugged computers and reduce the energy consumption of products. The rugged computers sold in 2017 are expected to be able to reduce 186 MWH of electricity consumption per year, which is equivalent to a reduction of 985 metric tons of carbon emissions. In addition to introducing green designs, we also targeted the production processes with the highest energy consumption by increasing the penetration of automation, which in turn optimizes production efficiency and reduces power-consumption time. Furthermore, improved process technology also improves energy efficiency. In 2017, two of our production bases in Kunshan completed the incorporation of Green Molding technology and equipment, which increased the efficiency of energy use. As a result, Getac reduced its energy intensity from 0.96GJ per US\$1,000 in 2016 to 0.91GJ in 2017. The water recycling rate of factories reached 89%, while water intensity also decreased from 0.87m<sup>3</sup> per US\$1,000 in the previous year to 0.85m<sup>3</sup>.

With respect to pollution prevention, we continue to improve our waste management and waste treatment practices while striving toward the goal of achieving zero violations. In 2017, the Kunshan Plant upgraded its energy-saving system and water-saving and recycling system, as well as introduced new waste gas filtration equipment in order to control emissions and reduce pollution.



The plant's discharged wastewater and waste gases therefore comply with laws and regulations, and was not affected by the wastewater restriction policy issued without prior warning by the Kunshan government in December 2017.

As for corporate governance, Getac continues to conduct business with integrity, strengthen corporate governance, and adhere to the laws and regulations required of public listed companies. As a law-abiding corporate citizen, we scheduled quarterly meetings with auditors and independent directors/supervisors in 2017, so as to help board members gain a better understanding of the company's business conditions and fulfill their duty to supervise and manage the company's business. In the beginning of 2018, we approved the board performance evaluation regulations, and we plan to set up an Audit Committee in 2019 to further improve the integrity of our management system. We simultaneously also reinforced the transparency of the information we disclose, regularly hosted investor conferences, and participated in overseas investor activities, in order to keep our investors well-informed of company operations and protect their rights and interests.

Innovation, commitment, and value form the core of Getac. With our people-oriented approach, we value our employees as crucial corporate assets and one of the keys to sustainability, and hope to build a better future together. Building a happy enterprise and secure workplace is a goal we strive to achieve. Such a workplace provides employees a place to work happily and in harmony with each other. We care deeply about our

employees and provide them with generous compensation and benefits, as well as offer them opportunities for international development, thus establishing Getac as one of the best of choices for job seekers.

The company has experienced a business growth during the past 3 years. We share the profits we make with our employees, as reflected in their salary and benefits. In our pursuit of steadier and longer-term development, we have implemented a five-year business development plan. Through regular Reviews of our goal, we continue to improve our business direction and raise business performance in order to increase the resources available for sustainable development.

Going forward, Getac will continue to adhere to our goal of giving back to society. With broader perspectives and greater commitments, we aim to foster the company's competitive edge in sustainable management, so as to live up to our stakeholders' expectations.

James Hwang  
Chairman, Getac Technology Corporation



## Management Direction and Performance

	Major Material Topic	Management Methods	2017 Goals	Performance In 2017	Page
1	Corporate Governance	Comply with the Company Act, Securities and Exchange Act, and regulations for public listed companies in order to ensure that the company operates legally.	No violations of the laws and regulations of the competent authorities.	1. No penalty or violation 2. Established a communication channel for auditors, independent directors, and supervisors. A merger and purchasing committee was also set up.	33
2	Information Disclosure And Transparency	Develop a spokesperson and acting spokesperson system, as well as operating procedures for handling internal material information, and designate a dedicated division for maintaining effective communication with investors.	Increase the disclosure of information for investors.	1. Implemented regular and institutional investor conferences. 2. Participated in investment forums at home and abroad. 3. Set up new website and included a Corporate Social Responsibility section.	33
3	Economic Performance	Formulate performance goal management-oriented strategies and action plans by holding regular strategic meetings incorporating different management levels, and increase the target completion rate through periodic performance inspection meetings.	Achieve the consolidated revenue target for 2017.	The completion rate of consolidated revenue in 2017 was 105%, with earnings per share at NT\$3.38.	36
4	Operational Risk Management	The company complies with the laws and regulations to develop internal control systems and organizational management policies. Internal control systems include managing and monitoring operational risks, thereby prompting our branch offices to convert risks into business opportunities.	Minimize and eliminate risks as much as possible. No violation or transaction penalties.	Getac did not receive any penalties for transactions or violations in 2017.	33, 40
5	Information Security	Implement the five major guidelines of information security and develop continuous management practices, including regulations governing information security management systems, campaigns and education, information security prevention, and early warning measures related to information security.	Prevent disclosure of company trade secrets and customer information.	There was no disclosure of trade secrets or infringement of customer privacy in 2017.	42-43
6	Anti-corruption	Uphold the principle of ethical management, encourage integrity and sincerity through multiple internal systems and regulations, and simultaneously establish a whistleblowing system through contract management mechanisms, in order to deter unethical conducts.	Zero corruption incidents	Getac was not involved in any corruption incidents, neither internally nor externally, in 2017	32

## Management Direction and Performance

	Major Material Topic	Management Methods	2017 Goals	Performance In 2017	Page
7	Intellectual Property Rights	The Intellectual Property Office under the jurisdiction of our Legal Affair Center serves to understand patent application trends in different industries, identify and analyze potential risks of infringement, in order to achieve risk aversion. The Legal Affair Center is responsible for handling intellectual property disputes.	No lawsuits resulting from infringement of others' intellectual property rights.	Getac was not involved in any appeals or lawsuits relating to infringement of our own or others' intellectual property rights.	41
8	Customer Privacy	Pay attention to customer privacy laws in different countries, research and develop removable hard drives for customers to protect their personal information, remind the service department to ensure that employees remove customers' hard drives before repair, and sign NDA forms with customers in order to uphold the security of personal information.	No infringement of customer privacy or loss of customer information.	The company did not receive any complaints regarding infringement of customer privacy or loss of customer information in 2017.	43
9	Supply Chain Management	Establish effective supplier management systems, including qualification reviews and regular TQRDC (Technology, Quality, Responsiveness, Delivery, Cost) evaluations, and ask that our suppliers sign a statement of commitment to sustainability issues via supplier qualification reviews and contract mechanisms.	Request suppliers who have signed long-term procurement contracts with Getac to comply with the Electronic Industry Citizenship Coalition (EICC) Code of Conduct.	Getac partnered with 50 new suppliers in 2017, 86.21% of whom agreed to comply with the Responsible Business Alliance (formerly EICC) regulations concerning environment, labor rights, and ethical management.	45-46
10	Environmental, Social And Economic Regulatory Compliance	Comply with the laws of competent authorities and implement internal control regulations relating to environmental protection, economy, and society.	1. Complete the revised ISO9001, ISO14001, and OHSAS18001 certifications by the specified deadline. 2. No violations.	1. The company did not violate any environmental, social, and economic laws or regulations in 2017. 2. In 2017, 60% of our production base completed the revised ISO9001:2015 certification and the ISO14001:2015 certification before the deadline.	33, 54
11	Effluents And Waste	Obtain ISO14001 environmental system management certification, implement internal waste disposal procedures, and choose legal waste disposal vendors.	1. Comply with discharge standards and regulations; 2. Zero violations of environmental laws.	There were no violations of environmental laws nor any major environmental leaks in 2017.	61, 62
12	Discharges	Obtain ISO14001 environmental system management certification, implement internal waste gas management procedures, and stop using old refrigerants in order to avoid ozone depletion.	Comply with discharge standards and regulations; reduce the emissions of greenhouse gases on a yearly basis.	1. There were no violations of discharge standards in 2017. 2. Greenhouse gas emissions were reduced by 0.002GJ per US\$1,000 compared with the previous year.	63



## Management Direction and Performance

	Major Material Topic	Management Methods	2017 Goals	Performance In 2017	Page
13	Energy	Implement ISO14001 in daily energy management and set process energy conservation as a business development goal, in order to reduce energy consumption.	Reduce energy consumption intensity every year.	1. Energy consumption intensity decreased from 0.96GJ per US\$1,000 in 2016 to 0.91GJ. 2. Saved 4,361 MWh of electricity.	54-56
14	Water	Implement ISO14001 in water management and reduce water consumption intensity through daily reminders and use of water-saving and water-recycling methods.	Reduce water consumption intensity every year and increase the recycling rate.	The water recycling rate reached 89%, and water consumption intensity decreased by 0.02m <sup>3</sup> per US\$1,000 compared with previous year.	59, 60
15	Customers' Health And Safety	Implement QC08000 hazardous substance management process systems and green product management systems in pursuant to national product safety laws of sales region (e.g., UL, CCC, CE) in order to end the use of raw materials containing hazardous substances.	All of our products shall comply with the product safety requirements of sales regions.	1. There were no penalties or lawsuits in relation to product health and safety in 2017. 2. Our automotive plant completed the new IATF 16949 automobile quality safety system certification in 2017.	53
16	Marketing And Labeling	Conform to laws and regulations of sales regions regarding product safety, environmental protection, and other marketing and labeling regulations (e.g. Energy Star, WEEE EPEAT, CE).	Comply with laws and regulations regarding advertising and marketing labels.	There were no incidents of false advertising or labeling in 2017.	53
17	Occupational Safety And Health	Obtain the OHSAS18001 certification as the basis for daily management of regulatory compliance.	Zero fatalities, zero occupational illnesses.	There were no reports of occupational death or illness in 2017	77-79
18	Child Labor	Comply with local child labor prohibition law at production bases, strictly enforce the company's internal regulations, strengthen identification inspection measures, and monitor the IT system, in order to prevent identity fraud.	Strictly enforce the prohibition of the hiring of underage children.	The company did not hire any underage children in 2017.	76
19	Training And Education	Develop training programs and provide training courses in accordance with the nature of the operations and work of different business divisions.	Provide training programs according to the job requirements of different employees.	Training hour per capita reached 67.52 hours in 2017. Direct employees received 75.12 hours of training, which is better than the statutory requirement of 48 hours in China.	69, 70



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# 1.0 Overview

1.1 About this Report

1.2 About Getac

# 1.1 About This Report

## Reporting Principles and Guidelines

Getac Technology Corporation regards the Corporate Sustainability Report as an important basis for reviewing the company's non-financial performance. A team was formed in 2016 that is responsible for compiling, organizing, and publishing the report every year. The report is also verified by external parties.

In 2017, Getac voluntarily implemented the latest 2016 version of the Global Reporting Initiative (GRI) Standards reporting guidelines, and also complied with the AA1000 Accountability Principles, adopting the Core Options of the GRI standards to disclose details on strategies, action plans, and implementation outcomes with respect to economic, environmental, and social issues to demonstrate to the stakeholders the company's determination in implementing sustainable management policies.

## Scope and Boundary

This report covers the CSR performance of Getac Technology Corporation between January 1, 2017 and December 31, 2017, and contains three additional production bases this year as compared to the previous year, in order to embody the company's support and emphasis on CSR. The boundary of the Report encompasses Getac Technology Corporation HQ, System Product manufacturing site (Getac Kunshan), Combo Mechanical Solution manufacturing sites (MPT Kunshan, MPT Suzhou), and Automotive Mechanical Solution manufacturing sites (Getac Changshu, Getac Vietnam). The scope of disclosure already covers more than 85% of the company's consolidated revenue.

Data from other branch offices that engage in marketing and sales activities were excluded in this report. Depending on the situation in the future, we will disclose the information of other subsidiaries with control over manufacturing and operational activities.

The financial data in this report is based on the consolidated statements of Getac Technology Corporation. The report is certified by PwC Taiwan, and all figures are presented in NTD, unless otherwise indicated.

The company has not increased any new entities in the consolidated financial statements during the reporting period, except in November 2017 when we approved the issuance of new shares in exchange for shares held by the shareholders of the U.S. company WHP Workflow Solutions, Inc. (WHP). The deal was completed in February 2018, turning WHP into a subsidiary that is 100% held by Getac.

All entities in the consolidated statements of the company are detailed on page 90 of the 2017 Annual Report.

## Reediting Information

1. Due to an error in the original greenhouse gas inventory report, the greenhouse gas emission data for 2015 and 2016 were revised after corrections were made.
2. The method of calculation for recycled water usage was corrected to include system capacity and estimated number of recycling in the scope of calculation. The data for 2015 and 2016 were revised accordingly.

## Report Issuance

Reporting Period :  
January 1, 2017 to December 31, 2017.

Getac CSR Report will be published on a yearly basis.  
Current issue: Published in June, 2018  
Previous issue: Published in June, 2017  
Next issue: Schedule to publish in June, 2019

An electronic version of this Report, in both Mandarin and English, is available on the CSR section of the company's website.

## Scan To Visit Getac Corporate Website



## Scan To Download This Report



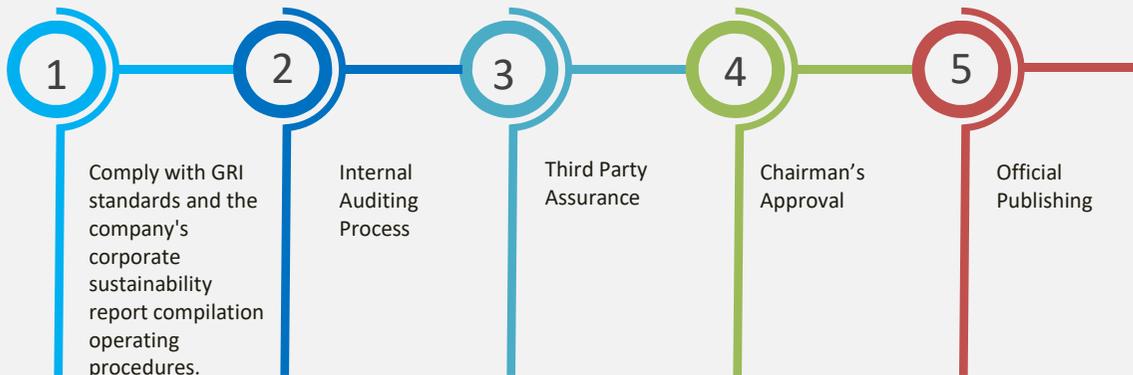


### Report Assurance

The company will include the reporting process in its internal standard operating procedures. The completed report will be verified internally so as to increase the quality and accuracy of the financial and non-financial information in the report. Deficiencies discovered during the verification process will be corrected and presented to the Corporate Sustainability Development Committee after it has been verified internally and by a third-party verification unit. The report will be issued after it has been approved by the committee chairperson (chairperson of the board of directors).

To enhance stakeholder trust in the information presented in this Report, TUV NORD was commissioned to verify the content of this Report, and confirmed that this Report is in accordance with the core options of the GRI Standards framework and AA1000 Type 1 moderate-level assurance. TUV NORD's Report Assurance Statement is provided on page 11 of this report.

### Getac Corporate Sustainability Report Issuance Process



### CSR Contact Information

We sincerely welcome any suggestions regarding this Report.

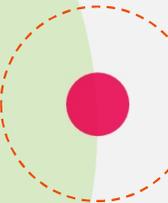
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# Third Party Assurance Statement



**Assurance Statement**

TUV Asia Pacific Ltd, Taiwan Branch (TUV NORD) has been commissioned by the management of Getac Technology Corporation (the Company) to carry out an independent assurance of the Company's Sustainability Report for the fiscal year 2017 (CSR Report) against TUV Asia Pacific CSR Assurance Protocol for Assurance of Sustainability Reporting and the Global Sustainability Reporting Standards (GRI Standards).

Getac Technology Corporation is responsible for the collection, analysis, aggregation and presentation of information within the Report. TUV NORD's responsibility in performing this work (assurance of the report) is in accordance with terms of reference agreed in the scope of engagement with the Company. The management of Getac Technology Corporation are the intended users of this statement.

The assurance engagement is based on the assumption that the data and information provided to in the Company's sustainability report is complete and true.

**Nature and Scope the Assurance**

TUV NORD has developed a set of protocols for the Assurance of Corporate Social Responsibility Report based on our professional experience, international assurance best practice and the Global Sustainability Reporting Standards (GRI Standards), include the text, and data in accompanying tables, contained in this report.

The assurance of the Company's Sustainability report for the fiscal year 2017 related to Getac Headquarter—Getac Technology Corporation, System Products - Getac Kunshan, Combo Mechanical Solutions- MITAC Kunshan and MITAC Suzhou, Automotive Mechanical Solutions- Getac Changshu, and Getac Vietnam.

The content of the report includes the following:

- 1) Reporting of economic, environmental, and social indicators; the year of activities covered in the Sustainability Report is 01.2017 to 12.2017;
- 2) Information related to the Company's issues, responses, performance data, case studies and underlying systems to manage Sustainability related data and information;
- 3) Information related to the Company's adherence to inclusivity, materiality and responsiveness and stakeholder engagements;
- 4) The report is "in accordance" with the GRI Standards – CORE option.

**Assurance Methodology**

TUV NORD is a licensed global assurance provider of Sustainability services, with quality, environmental, social and sustainability assurance specialists working all over the world.

Our assurance engagement was planned and carried out in accordance with the GRI Standards and the TUV Asia Pacific CSR Assurance Protocol for Assurance of Sustainability Reporting. Assessment of the company's adherence to inclusivity, materiality and responsiveness and stakeholder engagements was based on GRI Standards.

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Our assurance involved the following activities:

- Gather objective evidence on the performance indicators as mentioned in the report.
- Review any issues raised by external parties that could be relevant to the Company's policies.
- Review of expectations of local and national regulations, international standards and those of general concern both in the public eye and/or raised by expert opinion.
- Documentation, record review and evaluation of the report contents against the GRI Standards application requirements.
- Discussion with managers and relevant staff on the Company's approach to stakeholder engagement.
- Interviews with relevant staffs involved in sustainability management, gathering information and report preparation.
- Review key organizational developments.
- Review of internal and external audits findings.
- Review of supporting evidence based on the information made in the report.
- Sampling method used to ensure the correctness of the data

**Opinion Statement**

The Company's Social Responsibility Report 2017 provides an appropriate view of the Company's CSR programs and performances during fiscal year 2017.

The economic, social and environment performance indicators as mentioned in the Sustainability report are represented appropriately. The CSR performance indicators disclosed in the report demonstrate the Company's efforts recognized by its Top Management and stakeholders.

The report also presents the company's performance in the wider context of sustainability.

**Stakeholder Inclusiveness**

The company conducted the participation of all stakeholders with 184 effectiveness questionnaires, and consolidation each material impacts in Economic, Environment and social aspect by 13 management and division heads, the effort has been showcased in For consideration the reasonable expectations and interests of stakeholders, the diversified methodologies for stakeholder engagement is expected.

**Sustainability Context**

The Report has fairly attempted to disclose the General and Specific Standard disclosures including the disclosure on management approach and performance indicators for identified material aspects. The company's report is expected to be declared more comprehensive how economic, environmental, and/or social topics relate to its long-term strategy, risks, opportunities, and goals, including in its value chain.

**Materiality**

The Company assess the aspect and boundaries through questionnaires feedback from stakeholders and prioritization of key managers & functional heads. It was expected to follow the GRI standard example matrix to identify the material topics based on two dimensions: Significance of economic, environmental, & social impacts and Influence on stakeholder assessments & decisions.

**Completeness**

The report well included coverage of material topics, sufficient to reflect significant economic, environmental, and social impacts. The company might be involved with impacts either through their own activities or as a result of their business relationships with other entities (i.e. supply chain). The report in accordance with the GRI Standards is expected to report not only on impacts it causes, but also on impacts it contributes to, and impacts that are directly linked to its activities, products or services through a business relationship.

Page 2 of 3



**Statement of Independence and Competence**

TUV NORD Group is the world's leader in inspection, testing and verification, operating in more than 70 countries throughout the world and providing services which includes management systems and product certification; quality, environmental, social and ethical auditing and training; environmental, social responsibility and sustainability report assurance.

TUV Asia Pacific Ltd, Taiwan Branch, affirms its independence from Getac Technology Corporation and confirms that there are no conflicts of interest with the organization or any of its subsidiaries and stakeholders when performing the assurance of the Sustainability Report. TUV Asia Pacific Ltd, Taiwan Branch was not involved in any manner with the said Company, when the latter was preparing the Sustainability report.

The assurance team consists of well experienced, qualified and registered Quality - ISO 9001 - ISO 14001 - ISO 14064-1 - ISO 45001 - SA 8000 - QCR0000 - ISO 50001 - ISO 27001 Lead Auditors and Social Accountability trained CSAP - Certified Sustainability Assurance Practitioner. The team based on their qualifications, extensive knowledge and experience of the industry provided the much required expertise for this assignment.



Jack Yeh  
General Manager  
TUV Asia Pacific Ltd., Taiwan Branch

Issue Date : 2018.06.13  
Statement No. :  
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## 1.2 About Getac

Getac Technology Corporation was established in 1989 and publicly listed on the Taiwan Stock Exchange in 2002. The company was established by MiTAC Inc. and GE Aerospace as a joint venture, providing defense electronic equipment for military use. In 1998, Getac merged with the Getac notebook business division of MiTAC International Corporation, and became an OEM supplier of consumer/commercial notebook computers, accumulating years of experience in computer product design and manufacturing. In 2007, Getac invested in a rugged computing solutions brand and acquired plastic-injected and die-casting metal mechanical solutions companies, in order to provide comprehensive mechanical solutions.

In 2017, Getac's consolidated revenue amounted to NT\$22.197 billion, the number of employees numbered 8,282 around the globe, and the company had a total capital of NT\$5.7 billion. Its main business coverage included Rugged Computing Solutions, Combo Mechanical Solutions, Automotive Mechanical Solutions, and Aerospace Fasteners.



# Business Scope



## Rugged Computing Solutions

Provides rugged notebooks, tablet computers, and hand-held devices that are well-suited for critical environments; products are used in areas such as defense, public safety, utility, transportation and logistics, and manufacturing.

Provides mechanical solutions of composite materials, using Rapid Heat Cycle Molding (RHCM) process to create trendy, aesthetic, lightweight, and eco-friendly mechanical parts.

## Combo Mechanical Solutions



## Automotive Mechanical Solutions

An IATF16949-certified manufacturer specializes in providing die-casting light metal parts to world-class automotive parts suppliers.

Certified by GE Aerospace in the United States and Snecma under the Safran Group in Europe to provide aerospace fasteners for aircraft engines and airframes.

## Aerospace Fasteners



# Company Milestones



## Company History

**1989**

MiTAC and GE Aerospace jointly established Getac Technology selling defense electronic devices

**2002**

Publicly listed on Taiwan Stock Exchange

**1998-2006**

Began manufacturing consumer/commercial notebooks

**2007-Present**

Promoted Getac's rugged computing solutions brand

## Getac Brand Development

**2007**

Launched Getac rugged computing solutions brand.

**2012**

Cooperated with FedEx to provide after-sales services in North America

**2014**

Getac launched sub-brand- VERETOS (renamed Getac Video Solution) mobile digital surveillance System

**2016**

Partner up with DHL to provide logistic and repairing service for Getac customers in the EMEA region

**2016**

Getac signed leading European distributor, Ingram Micro to expand reach and reseller community across Western Europe.

**2017**

"S410 Semi-rugged Notebook" and "Body-worn Camera" received the Taiwan Golden Pin Design Mark(s).

## Investment, Merger and Acquisition

**2006**

Invested in National Aerospace Fastener Corporation

**2007**

Merged with MiTAC Precision Technology Corporation

**2009**

Invested in Waffer Technology Corporation and acquired Waffer Precision Metallic Technologies ( Changshu ) Co., Ltd

**2018**

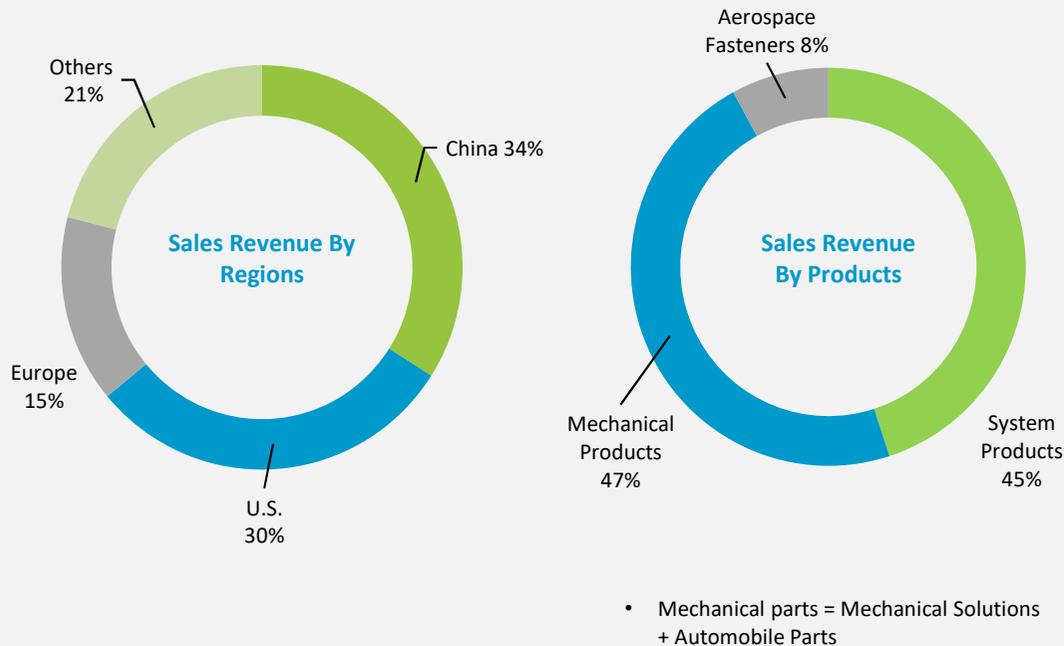
Acquired WHP Workflow Solutions LLC. to develop Getac Video Solutions for public safety, transportation and field service application.



## Business Operations

Getac headquarters is based in Taiwan, and serves as a global hub, undertaking R&D, sales, legal affairs, finance, and information system management activities. The company's primary production plants are located in China, specifically Changshu and Kunshan in Jiangsu Province, as well as in Hanoi, Vietnam. Getac's products are sold in 80 countries worldwide, with major clients located in the United States, China, the United Kingdom, Germany, France, Italy, Russia, and India.

## Sales Revenue Breakdown By Region And By Products



## Getac Participation In External Associations

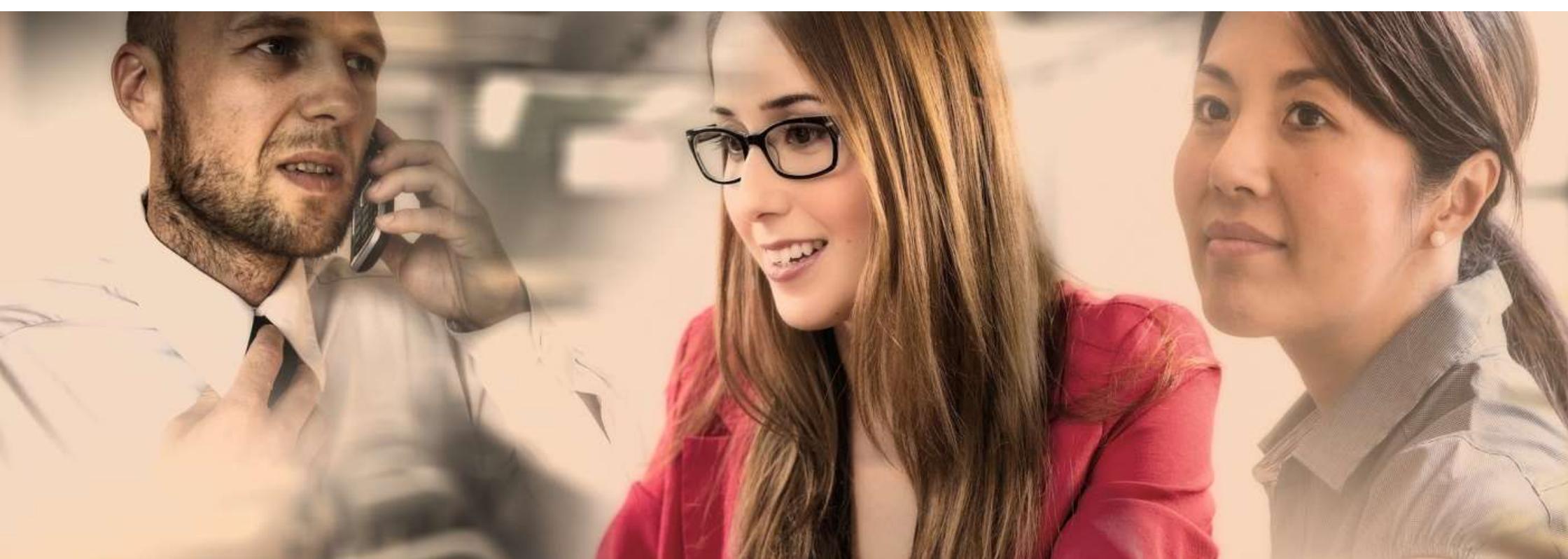
Getac is an active participant of industrial associations, communicates and interacts with key members of the industry, keeps abreast of international trends, and monitors regulatory amendments, in order to reduce operational risks.

Organization	Membership	Management Role
Taiwan Electrical And Electronic Manufacturers' Association	Class One Membership	Director
Taiwan Monte Jade Science And Technology Association	Corporate Member	
SINOCON Industrial Standards Foundation	Corporate Member	
The Allied Association For Science Park Industries	Corporate Member	
North American Die Casting Association	Corporate Member	
Kunshan Tongbao Association	Corporate Member	
China Plastics Processing Industry Association	Corporate Member	
Degradable Plastics Committee Of China Plastics Processing Industry Association	Corporate Member	
Kunshan Economic And Technological Development Zone Association Of Work Safety And Environmental Protection	Corporate Member	
Suzhou Work Safety Management Association	Corporate Member	
The Council Of Taiwanese Chambers Of Commerce In Bac Ninh Of Vietnam	Corporate Member	

# Getac Global Operations



HQ	System Product 1 Site	Mechanical Products 7 Sites	Branch office and liaison office 11 offices		
Taiwan	China	China	Vietnam	US/Europe	Asia & ROW
Nangang HQ	Getac Kunshan	MPT Kunshan	MPT Vietnam*	Getac US	Getac Beijing
		MPT Suzhou	Getac Vietnam	Getac UK	Getac Shanghai
		Getac Changshu	Taiwan	Getac Germany	Getac Linko
		NAFCO Suzhou*	NAFCO Taoyuan*	Getac France	MPT Kyoto
				Getac Italy	Getac India
The business location with * mark are not included in the scope of disclosure.					Getac Russia



# 2.0

## Sustainability Communication

**2.1 Sustainability Governance  
Framework**

**2.2 Stakeholder Engagement**

## 2.1 Sustainability Governance Framework

### Commitment To Sustainability

Climate change resulting from global warming has affected the development of industrial and economic policies around the world, and has also led to changes in terms of laws and regulations. Enterprises must not only elevate their core competitiveness and operational capabilities, they must also pay attention to the status of sustainability issues, and improve their economic, environmental, and social practices, in order to be able to grow in the dramatically changing industrial environment.

China's economy has grown rapidly in recent years. The new 13<sup>th</sup> Five-Year Plan promises to reduce 18% of carbon emissions by 2020, and simultaneously sets out to develop renewable energy resources. These efforts will inevitably influence Taiwanese businesses located in China and create more challenges to their business operations. According to an investigation by consulting company Innosight, the S&P 500 average corporate lifespan was 33 years in 1964, and 24 years in 2016. This number is expected to shrink to 12 years by 2027, while the number of longer lifespan companies is also decreasing. The investigation showed that there are serious obstacles impeding the path toward sustainable management; businesses must incorporate sustainable practices in their business management in order to ensure competitiveness in corporate sustainability.

Getac believes that the promotion of sustainable practices requires the input of everyone's intelligence and efforts. Getac supports and abides by the Responsible Minerals Initiative (RMI) and the Responsible Business Alliance (RBA, formerly EICC) Code of Conduct in its daily operations, but also in our supply chain management, in order to encourage more people to assume their responsibility as corporate citizens. Furthermore, Getac has also started combining the company's sustainability policy with the 17 Sustainable Development Goals in an effort to create a better planet.

Getac supports and abides by the following international codes of conduct:



Responsible Minerals Initiative (RMI) – Getac does not use minerals from conflict-affected and high-risk areas.



Responsible Business Alliance (RBA) – Getac strives to protect labor rights, build a safe and healthy workplace, and promote sustainable practices for a green planet.



The UN 17 Sustainable Development Goals – Getac combines these goals with the company's sustainable development goals, in order to contribute to human development and environmental protection.



## Getac CSR Committee

In order to promote sustainability affairs, Getac established the Corporate Sustainability Development Committee (hereafter as CSR Committee) in September 2017. The committee acts as the decision-maker and promoter of Getac's corporate social responsibilities and sustainable management.

The committee is chaired by the chairperson of the board, who may appoint or dismiss members as needed, in order to assist with implementing sustainability tasks. An implementation and promotion team under the jurisdiction of the committee is charged with the responsibility to promote and follow-up on the committee's resolutions. The chairperson assigns high-level managers of the business divisions to serve as the standing committee members, and sets up five functional teams. The teams' members are comprised of tier-1 managers, each of whom is responsible for the promotion of economic, environmental, or social matters pertaining to sustainability issues within the scope of their duties.

Team members follow the committee's decisions and are authorized to take charge of the administration, environmental safety and health, manufacturing center, industrial safety, R&D, marketing and public relations, legal affairs, finance and accounting, human resources, and business management divisions, thereby integrating the sustainability policies with daily affairs, in order to fully implement the company's sustainability policies.

Getac CSR Committee convenes at least once every quarter. In 2017, the committee held two meetings after its establishment in September, during which members discussed the sustainable goals and visions for the next three to five years. The committee also closely monitors sustainability issues and development trends that are of concern to the international community and suppliers, and discusses how to integrate the company's

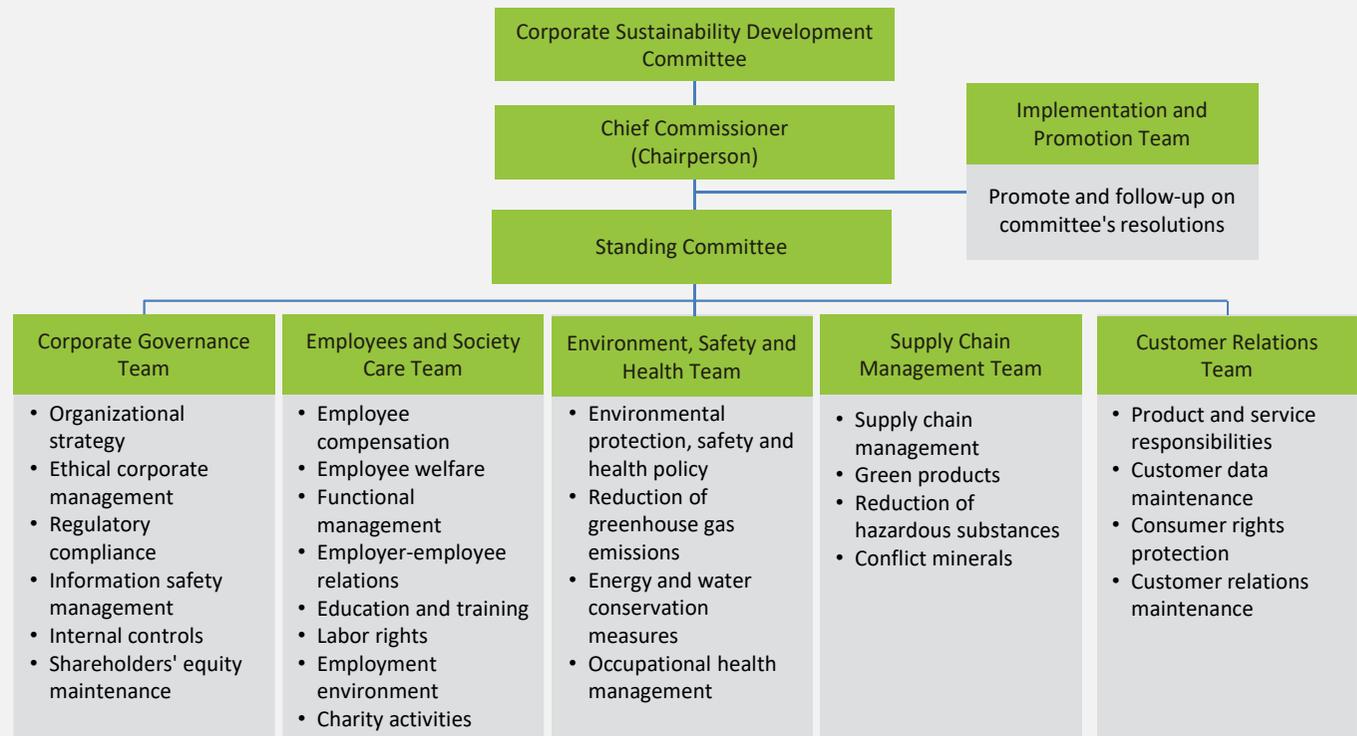
sustainability goals with the UN Sustainable Development Goals. The committee assists with identifying potential operational risks and keeps abreast of industrial trends in order to devise response strategies.

Furthermore, in order to promote compliance with GRI standards in our sustainability report and respond to stakeholders' questions concerning Getac's sustainability policies, the company established a Corporate Relations Office in November 2016. The office is in charge of the producing corporate sustainability reports.

External consultants were hired to guide employees in the establishment of a system for sustainability report writing.

During the annual report publication process, the Chairperson calls for a meeting to set the boundary and identify stakeholders and material aspects. The Corporate Relations Office notifies relevant parties to attend the meeting, where they collect, summarize, verify, and publish the data in the report according to the report compilation process.

### Organizational Of Getac CSR Committee



## 2.2 Stakeholder Engagement

### Identification Of Stakeholders

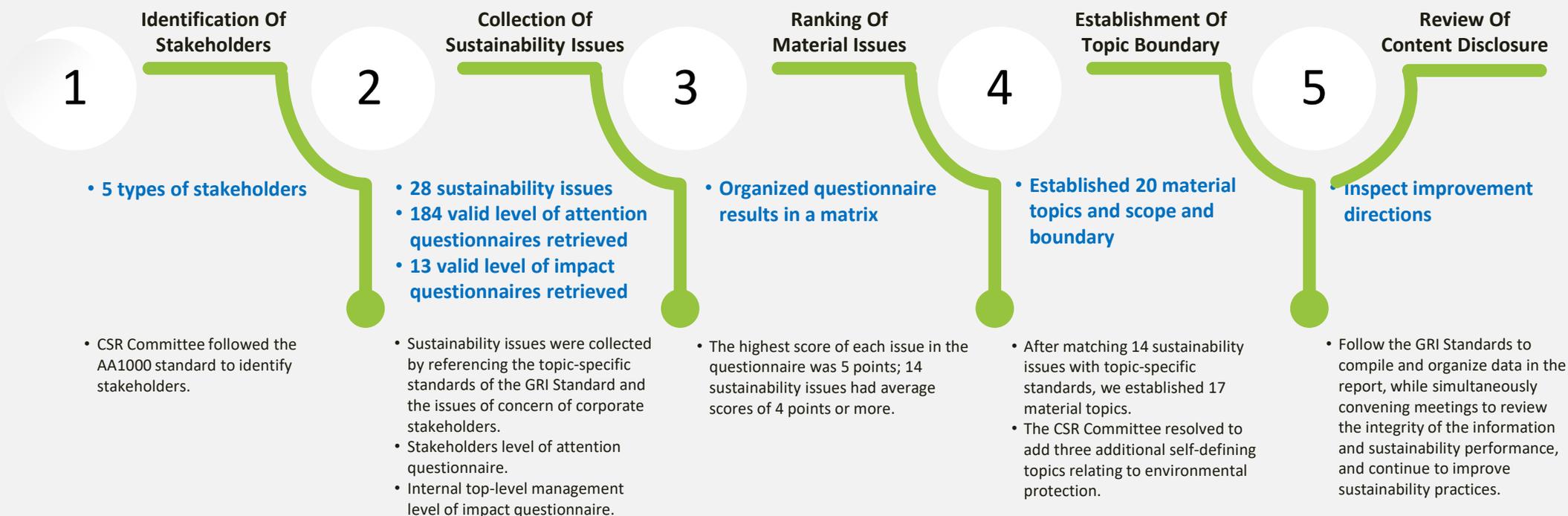
Getac adopts an attentive, communicative, understanding, and responsible attitude when communicating with stakeholders. Each department normally interacts with stakeholders within the scope of their duties, and to delivers their opinions to the company management. In addition, the chairperson of the Corporate Sustainability Development Committee (CSR Committee) calls regular meetings with all committee members every year to identify major stakeholders. This is done by rating the five attributes of stakeholders according to the AA1000 Stakeholder Engagement Standard: dependency, influence, diverse

perspectives, responsibility, and tension. The assessment results of 2017 showed that the top five major stakeholders of Getac were: employees, customers/distributors, suppliers, investors, and government agencies.

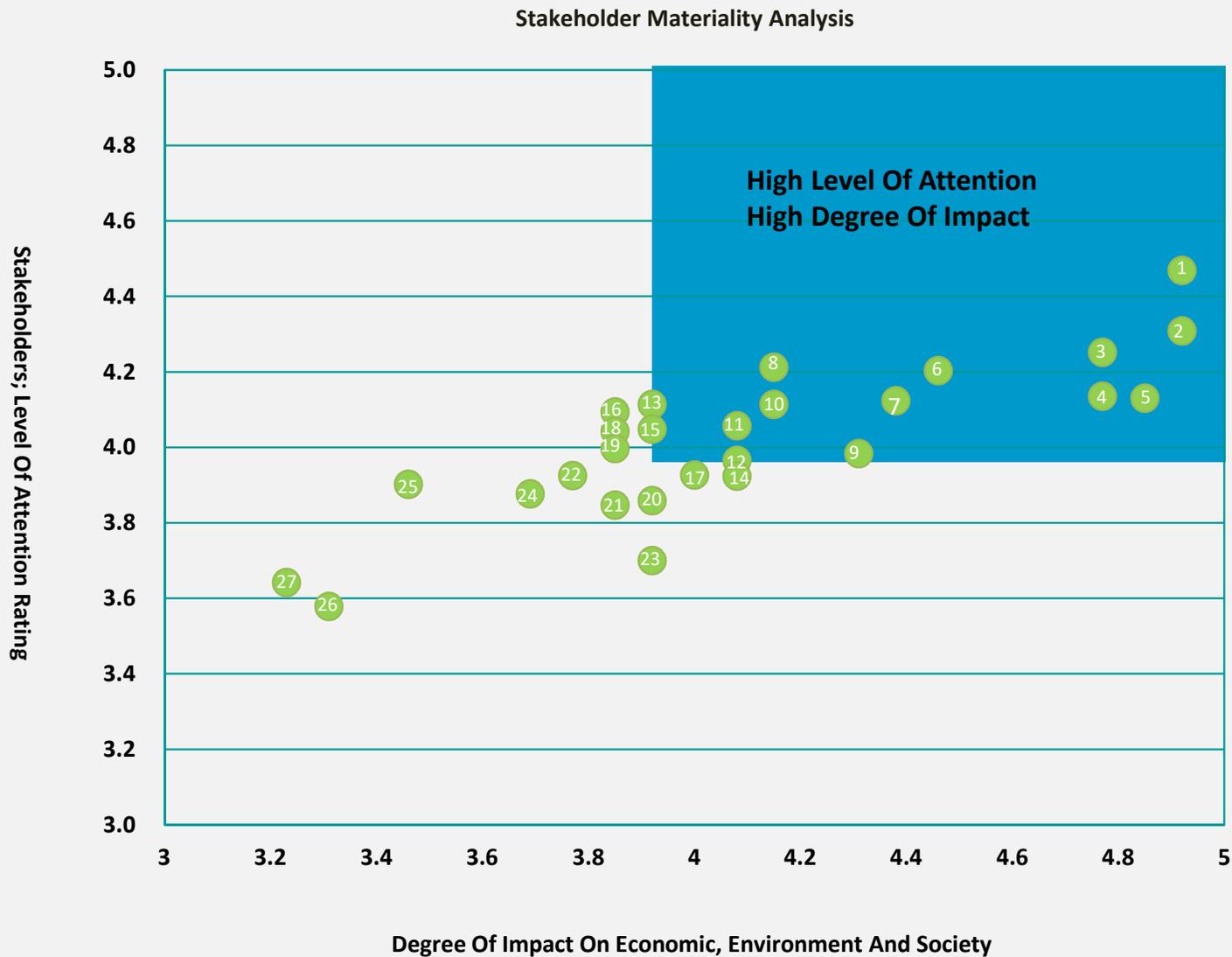
### Material Topic Identification And Boundary Setting

With reference to the GRI Standards and the Supplier Codes of Conduct adopted by major international initiatives and benchmark companies, the company identified 28 sustainability issues in 2017 and used these as the basis for a questionnaire survey. Members of the CSR committee

were invited to assess the impacts of these issues, and level of attention questionnaires were distributed to stakeholders. These results were cross-analyzed in order to obtain the materiality ranking. The chairperson then called a CSR committee meeting. Referring to the methods of benchmark companies, customer supply chain policy requirements, and international initiatives and trend developments, the members evaluated the ranking results and finally determined the material topics and boundary of disclosure for the year. In 2017, we identified 20 material topics, which is five more than in 2016.



## Prioritization Of Sustainability Issues



No.	Sustainability Issues
1	Corporate Governance & Transparency Of Information Disclosure
2	Economic Performance
3	Operational Risk Management
4	Social/Economic Compliance
5	Information Security & Customer Privacy
6	Customer's Health & Safety
7	Intellectual Property Rights
8	Occupational Health & Safety
9	Anti-corruption
10	Effluents And Waste
11	Supply Chain Management
12	Marketing & Labeling
13	Child Labor
14	Training & Education
15	Emissions
16	Labor Management Relations \ freedom Of Association & Collective Bargaining
17	Materials & Product Energy -saving
18	Employment
19	Forced Or Compulsory Labor
20	Anti-competitive Behavior
21	Non-discrimination
22	Energy & Water
23	Market Presence
24	Diversity & Equal Opportunity
25	Human Rights Assessment
26	Local Purchase
27	Security Practices
28	Local Community

\* Above list is ranked by scores, from the highest scores to the lowest scores.

## Getac CSR Topics Boundary And Management Approach

No	Category	Major Material Topic	New Or Self-defining Topic	Chapter	Getac HQ	Getac Kunshan	MPT Kunshan	MPT Suzhou	Getac Changshu	Getac Vietnam	Vendors
1	Economics	Corporate Governance, transparency Of Information Disclosure	New/ Self-defining topic	3.0 Corporate Governance	●						
2	Economics	Economic Performance	Same as 2016	4.1 Business Development	●	●	●	●	●	●	
3	Economics	Operational Risk Management	New/ Self-defining topic	4.2. Corporate Risk Management	●						
4	Environmental	Environmental Compliance	Same as 2016	5.3 Corporate Pollution Prevention	●	●	●	●	●	●	
5	Economic	Social/ Economic Regulatory Compliance	Same as 2016	3.0 Corporate Governance	●	●	●	●	●	●	
6	Economics	Information Security	New/ Self-defining topic	4.4 Information Security	●						
7	Social	Customer Privacy	Same as 2016	4.5 Customer Privacy	●						
8	Social	Customer Health And Safety	Same as 2016	5.1 Green Design	●	●	●	●	●	●	
9	Economics	Intellectual Property Rights	Same as 2016	4.3 Intellectual Property Rights	●						
10	Social	Occupational Health & Safety	Same as 2016	6.2 Safe Workplace	●	●	●	●	●	●	
11	Economics	Anti-corruption	Same as 2016	3.2 Ethical Management	●	●	●	●	●	●	●
12	Environmental	Effluents & Waste	Same as 2016	5.3 Corporate Pollution Prevention	●	●	●	●	●	●	
13	Environmental	Supplier Environment Assessment	Same as 2016	4.6 Supply Chain Management	●	●	●	●	●	●	●
14	Social	Supplier Social Assessment	Same as 2016	4.6 Supply Chain Management	●	●	●	●	●	●	●
15	Social	Marketing And Labeling	Same as 2016	5.1 Green Design	●						
16	Social	Child Labor	Same as 2016	6.1 Happy Enterprise	●	●	●	●	●	●	
17	Social	Training & Education	Same as 2016	6.1 Happy Enterprise	●	●	●	●	●	●	
18	Environmental	Emissions	Same as 2016	5.3 Corporate Pollution Prevention	●	●	●	●	●	●	
19	Environmental	Energy	New	5.2 Green Production	●	●	●	●	●	●	
20	Environmental	Water	New	5.2 Green Production	●	●	●	●	●	●	

# Stakeholder Communications

To implement CSR and integrate the needs and expectations of shareholders into Getac's CSR policies, the company sets up diverse range of communication channels for stakeholders to communicate CSR-related issues concerning the dimensions of environment, society, and corporate governance. Meanwhile, stakeholder opinions were compiled to provide a reference for developing or revising CSR policies



## CSR Contact Information

tel: +886-2-2785-7888#5124

email: getac.csr@getac.com.tw

	 <b>EMPLOYEES</b>	 <b>CUSTOMERS/RESELLERS</b>	 <b>SUPPLIERS</b>	 <b>STAKEHOLDER/INVESTOR</b>	 <b>GOVERNMENT</b>
<b>Issues Of Concerns</b>	<ul style="list-style-type: none"> <li>• Employment</li> <li>• Occupational health and safety</li> <li>• Corporate governance</li> <li>• Information disclosure and transparency</li> <li>• Emissions</li> <li>• Training and education</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Information disclosure and transparency</li> <li>• Information security</li> <li>• Customer privacy</li> <li>• Customer health and safety</li> <li>• Marketing and labeling</li> <li>• Environmental &amp; social regulatory compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Information disclosure and transparency</li> <li>• Information security</li> <li>• Customer privacy</li> <li>• Customer health and safety</li> <li>• Supply chain management</li> </ul>	<ul style="list-style-type: none"> <li>• Economic performance</li> <li>• Corporate governance</li> <li>• Information disclosure and transparency</li> <li>• Corporate risk management</li> <li>• Labor management relations</li> <li>• Freedom of association &amp; collective bargaining</li> </ul>	<ul style="list-style-type: none"> <li>• corporate governance</li> <li>• information disclosure and transparency</li> <li>• labor management relations</li> <li>• freedom of association &amp; collective bargaining</li> <li>• corporate risk management</li> <li>• intellectual property rights</li> </ul>
<b>Communication Channels</b>	<ul style="list-style-type: none"> <li>• Performance appraisal (annually)</li> <li>• Internal announcement (immediately)</li> <li>• Employee meeting (annually)</li> <li>• Labor management meeting/supervisor meeting/training (periodically)</li> <li>• Employee consultation hotline (immediately)</li> </ul>	<ul style="list-style-type: none"> <li>• Customer service section on corporate website (immediately)</li> <li>• Non-disclosure agreement (immediately)</li> <li>• Telephone customer service hotline (immediately)</li> <li>• Channel partner conference (periodically)</li> <li>• Consumer service mailbox (immediately)</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier visit (immediately)</li> <li>• Supplier procurement contract (immediately)</li> <li>• Supplier audit (annually)</li> <li>• Supplier query mailbox (immediately)</li> </ul>	<ul style="list-style-type: none"> <li>• Shareholders' meeting/investor conference (annually)</li> <li>• Corporate website (immediately)</li> <li>• Market observation post system (immediately)</li> <li>• Investor query mailbox/hotline (immediately)</li> </ul>	<ul style="list-style-type: none"> <li>• Official documents (immediately)</li> <li>• Regulatory meetings and training</li> <li>• Seminars(periodically)</li> </ul>
<b>Getac's Response Methods</b>	<ul style="list-style-type: none"> <li>• Setup different types of communication channels to listen to the voices of employees; implement comprehensive performance evaluation system to facilitate communication among management levels.</li> </ul>	<ul style="list-style-type: none"> <li>• Customer service hotline and mailbox</li> <li>• Hold partner conference</li> <li>• Auditing conducted by customers on Getac following the RBA</li> <li>• Regularly conduct customer satisfaction survey</li> <li>• Questionnaire survey on CSR-related issues</li> </ul>	<ul style="list-style-type: none"> <li>• Questionnaire survey on CSR-related issues</li> <li>• Supplier signs procurement contract</li> </ul>	<ul style="list-style-type: none"> <li>• Announce financial information according to law</li> <li>• Investor zone on corporate website</li> <li>• Annual report disclosure</li> <li>• Designated personnel respond to investors' inquiries</li> </ul>	<ul style="list-style-type: none"> <li>• Comply and communicate relevant matters</li> <li>• Participate in governmental regulatory meetings to understand implementation of laws and regulations</li> <li>• Participate in courses by Taiwan stock exchange</li> </ul>



# 3.0 Corporate Governance

- 3.1 Corporate Governance Structure
- 3.2 Ethical Management

## 3.1 Corporate Governance Framework

Sound corporate governance is the backbone of corporate sustainable management. Getac adheres to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and to relevant regulations set by competent authorities, and implements corporate governance from multiple levels abreast of new developments, including maintaining shareholders' equity, strengthening board operations, elevating information transparency, and fulfilling corporate social responsibilities, in order to build up our capacity in sustainable development.

### Board Of Directors

The Board of Directors of Getac is the company's highest level governing body and the primary business decision-maker. The duties of the Board of Directors include the appointment and monitoring of management teams; supervising business performance; preventing conflicts of interest; ensuring the company's compliance with laws and regulations, filing Articles of Incorporation; and maximizing shareholders' equity. The Board of Directors is also responsible for the company's overall operational activities, for establishing definitive goals, and striving to achieve those goals. The company's directors and supervisors are elected through a candidate nomination system, in which director (including independent director) and supervisor candidates are assessed by the Board of Directors on whether or not they satisfy all criteria. Their ruling is then forwarded to the shareholders' meeting for appointment.

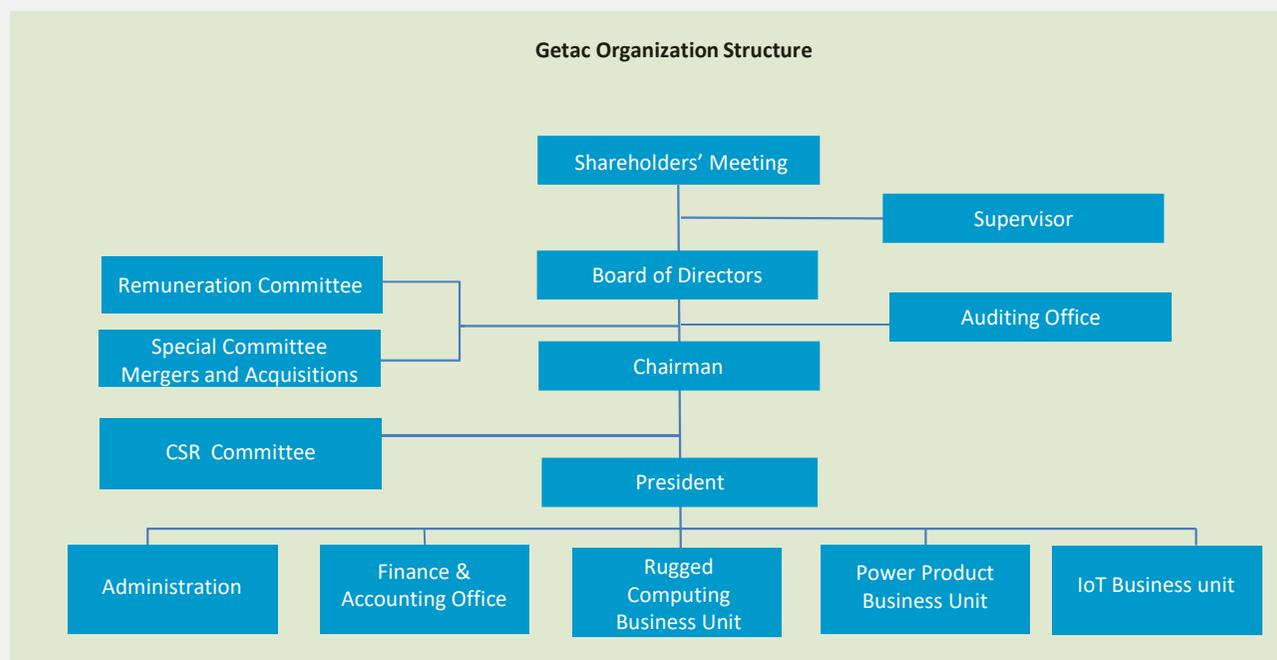
In 2016, seven directors (including two independent directors) and two supervisors were elected. Independent directors were elected from among external independent bodies, accounting for 28.6% of the total number of directors. Getac elects board members from among experts with extensive knowledge and years of experience in their respective industry. Directors and supervisors hold expertise in venture capital, management, machinery, electronics, and chemical

engineering, which enables the company to leverage their professional experience and objective viewpoints to guide the company through business development, and aid in making the most beneficial decisions for the company and for society.

In 2017, Getac held a total of seven board meetings. The total average attendance rate of the seven members of the board was 88%. The company approved the Board Performance Evaluation Regulations at the board meeting on January 12, 2018. Performance evaluation will be conducted in December 2018, and the results will be presented in the first board meeting of 2019.

### Organizational Structure

The company's organizational framework provides a clear division of rights and responsibilities. The chairperson acts as the president and is responsible for the operational directions of the Board of Directors. The chairperson plans and implements the business strategies and oversees all business operations of the company. The management team is composed of experienced elites from different industries. Details of the company's existing framework and responsible units are presented on page 5 of the 2017 Annual Report. Details on the organizational structure of affiliated enterprises are presented on page 90 of the Annual Report.





## Getac's Board Of Directors (2016.06.23 ~ 2019.06.22)

Title	Name	Gender	Age	Education & Experience	Current Jobs
Chairman	James Hwang (Hwang, Ming-Hang)	Male	50+	<ul style="list-style-type: none"> <li>Bachelor of Electrical Engineering , National Taiwan University.</li> <li>M.S. of Electrical engineering, Utah State University, U.S.A.</li> <li>VP, MiTAC International Corporation.</li> </ul>	<ul style="list-style-type: none"> <li>Chairman and President, Getac Technology Corporation.</li> <li>Director, Waffer Technology Corporation.</li> </ul>
Vice Chairman	Francis Tsai (Tsai, Feng-Tzu)	Male	50+	<ul style="list-style-type: none"> <li>B.S of Computer/Control Engineering Department, Chiao-Tung University.</li> <li>VP, Lian Tong Electronics Ltd.</li> <li>VP of Sales, MiTAC Inc.</li> <li>Vice Chairman, MiTAC International Corporation.</li> <li>Chairman and CEO, Getac Technology Corporation.</li> </ul>	<ul style="list-style-type: none"> <li>Chairman, Waffer Technology Corporation.</li> <li>Chairman, National Aerospace Fasteners Corporation.</li> <li>Independent Director/ Member of Remuneration Committee/ Member of Audit committee, Winbond Electronics Corporation.</li> </ul>
Director Representative Of MiTAC International Corporation	Matthew Miao (Miao, Feng Chiang)	Male	50+	<ul style="list-style-type: none"> <li>MBA, Santa Clara University, U.S.A.</li> </ul>	<ul style="list-style-type: none"> <li>Chairman, MiTAC Holdings Corporation.</li> <li>Chairman, Lien Hwa Industrial Corporation.</li> <li>Chairman, UPC Technology Corporation.</li> <li>Chairman, SYNEX Technology International Corporation.</li> <li>Chairman, MiTAC International Corporation.</li> <li>Director, MiTAC Information Technology Corporation.</li> <li>Director, BOC Lien Hwa Industrial Co., Ltd.</li> <li>Director, Winbond Electronics Corporation.</li> <li>Director, Synnex Corporation.</li> <li>Independent Director, Cathay Financial Holding Co., Ltd.</li> <li>Independent Director, Cathay Life Insurance Co., Ltd.</li> <li>Independent Director, Cathay Century Insurance Co., Ltd.</li> <li>Independent Director, Cathay United Bank.</li> <li>Independent Director, Cathy Securities Corporation.</li> </ul>



## Getac's Board Of Directors (2016.06.23 ~ 2019.06.22)

Title	Name	Gender	Age	Education & Experience	Current Jobs
Director Representative Of MiTAC International Corporation	John Lin (Lin, Chuan Cheng)	Male	50+	<ul style="list-style-type: none"> <li>Ph.D. of Mechanical Engineering, National Cheng Kung University.</li> <li>Senior Specialist, National Chung-Shan Institute of Science &amp; Technology.</li> <li>AVP of R&amp;D and Sales Department, Tsann Kuen Enterprise Co. Ltd.</li> <li>R&amp;D Project Manager, Altek Corporation.</li> </ul>	<ul style="list-style-type: none"> <li>Chairman, MiTAC Precision Technology (Kunshan) Co., Ltd.</li> <li>Chairman, Suzhou MiTAC Precision Technology Co., Ltd.</li> </ul>
Director	James Chew (Chew, Lo-Hou)	Male	50+	<ul style="list-style-type: none"> <li>MBA, Massachusetts Institute of Technology, U.S.A.</li> <li>President, H&amp;Q, Taiwan.</li> <li>President, EMMT Systems Corporation.</li> <li>Head, Center for Measurement Standards of Industrial Technology Research Institute(ITRI).</li> <li>Manager and Engineer, Electronic Research &amp; Service Organization, ITRI.</li> <li>Chief Engineer, ITT Unitron.</li> </ul>	<ul style="list-style-type: none"> <li>Chairman, Fortune Venture Investment Group.</li> <li>Chairman, Telegent Technology Corporation.</li> <li>Chairman, Fortune Service Innovation Fund I.</li> <li>Director, Toplus Energy Corporation.</li> <li>Director, L.H.Asset Management Corporation.</li> <li>Director, ARC Solid-State Lighting Corporation.</li> <li>Independent Director, Lien Hwa Industrial Corporation.</li> <li>Independent Director, Tyson Bioresearch, Inc.</li> </ul>
Independent Director	Tsai , Duei	Male	50+	<ul style="list-style-type: none"> <li>Ph. D of Electrical Engineering, National Taiwan University.</li> <li>Prof., EE Department of National Taiwan University of Technology.</li> <li>Minister, Ministry of Transportation &amp; Communications (MOTC), ROC.</li> <li>Director General, Civil Aeronautics Administrations, ROC.</li> <li>Deputy Director General, D.G. of Telecommunications (DGT), ROC.</li> </ul>	<ul style="list-style-type: none"> <li>Independent Director, Compal Electronics, INC.</li> <li>Independent Director, Taiwan Taxi Corporation.</li> <li>Independent Director, TTY Biopharm Company Limited.</li> </ul>
Independent Director	Lin, Kuan-Ming	Male	50+	<ul style="list-style-type: none"> <li>Bachelor of Electrical Engineering , National Taiwan University.</li> <li>Chairman, Taiwan Venture Capital Association.</li> <li>Chairman, Taiwan Private Equity Association.</li> <li>CEO, SINOCON Industrial Standards Foundation.</li> <li>Chairman, System General Corporation.</li> </ul>	<ul style="list-style-type: none"> <li>Chairman, Premier Capital Management Corporation.</li> <li>Chairman, Premier Venture Capital Corporation.</li> <li>Chairman, Ruby Tech Corporation.</li> <li>Director, China Petrochemical Development Corporation.</li> <li>Director, Lung Hwa Electronics co., Ltd.</li> <li>Director, Eexin Corporation.</li> <li>Director, Terawins,inc.</li> <li>Director, Eeltamac (Taiwan) Co.,Ltd.</li> <li>Supervisor, United Integrated Services Co., Ltd.</li> </ul>

## Getac's Board Of Directors (2016.06.23 ~ 2019.06.22)

Title	Name	Gender	Age	Education & Experience	Current Jobs
Supervisor Representative Of Lien Hwa Industrial Corporation.	Charles Ching (Ching, Hu-Shih)	Male	50+	<ul style="list-style-type: none"> <li>• M.S. of Chemical Engineering , National Tsing Hua University.</li> <li>• AVP, UPC Technology Corporation;</li> <li>• Adjunct Lecturer, Department of Chemical Engineering of Feng Chia University.</li> <li>• Senior Technical Specialist, Council for Economic Planning And Development of Executive Yuan.</li> <li>• Director, SYNEX Technology International Corporation.</li> </ul>	<ul style="list-style-type: none"> <li>• Director and President, Lien Hwa Industrial Corporation.</li> <li>• Director, Pao Long International Co.,Ltd.</li> <li>• Supervisor, MiTAC Holdings Corporation.</li> <li>• Supervisor, MiTAC Information Technology Corporation.</li> </ul>
Supervisor Representative Of Lien Hwa Industrial Corporation.	Chou, Teh-Chien	Male	50+	<ul style="list-style-type: none"> <li>• Ph. D. of Engineering ,Rutgers, The State University of New Jersey, U.S.A.</li> <li>• Investment special assistant to Chairman , MiTAC International Corporation.</li> </ul>	<ul style="list-style-type: none"> <li>• Director, MiTAC Inc.</li> <li>• Director, National Aerospace Fasteners Corporation.</li> <li>• Director, SYNEX Technology International Corporation.</li> <li>• Supervisor, Waffer Technology Corporation.</li> <li>• Supervisor, Intech Biopharm Corporation.</li> </ul>





## Remuneration Committee

In wake of the "anti-fat cat pay" policies of international communities and legislative agencies in Taiwan, Getac established the Remuneration Committee in 2011 in order to construct a more sound director and manager remuneration system. The Remuneration Committee is composed of three committee members: the company's independent directors Tsai Duei and Lin Kuan-Ming, and the outsider Tong Chia-Ching, each of whom has no interest relationship with the company, which ensures independence in executing their authority. The term of office is three years.

Getac's Remuneration Committee held four meetings in 2017; the attendance of new and old committee members at these meetings was 100%.

## Remuneration Policy

The company's Remuneration Committee is mainly responsible for regularly inspecting the performance evaluations of directors, supervisors, and managers, as well as remuneration policies, systems, standards, and structures, and for reporting their activities and resolutions to the Board of Directors on a regular basis.

Remunerations are paid to directors and supervisors in compliance with laws and regulations. The Remuneration Committee proposes a remuneration plan and implements it following board resolution. The company's Articles of Incorporation mandate that directors' and supervisors' remuneration may not be higher than 1% of the profit for the year. The Remuneration Committee is also responsible for ensuring that the remunerations to directors, supervisors, and managers are subject to monitoring

within reason. Currently, the remuneration profile for Getac's directors, supervisors, and managers mainly includes basic salary, allowance, and rewards. The Remuneration Committee regularly assesses and formulates remuneration proposals according to salary standards of peer industries, personal performance, business performance, and association and rationality of future risks. The final remuneration proposal is submitted to the Board of Directors for discussion. The Remuneration Committee's operation does not involve remuneration consultants during the formulation of remuneration policy. The policy is based on the comprehensive considerations of market standards and company performance. The remuneration paid to directors, supervisors, and managers as a percentage of after-tax profit in individual financial reports in 2017 was approximately 3.36%. Please refer to page 16 of the 2017 Annual Report for details.





Regulatory Standards Practices  
 Risks  
 Protection Governance  
**COMPLIANCE**  
 Business Regulations Requirements Policy  
 Laws Manage Control  
 Transparency



### Avoidance of Conflicts of Interest

In order to prevent the highest governance body from engaging in conducts involving conflicts of interests, the Company's Ethical Corporate Management Best Practice Principles stipulate that if a conflict of interest exists for a director/supervisor or the legal person they represent with a specific matter on the agenda, then the director/supervisor may not take part in the discussion and voting. They shall recuse himself/herself when the matter is being discussed and resolved; nor shall the relevant director exercise voting rights on behalf of another director. The directors shall exercise self-discipline and must not support one another in improper dealings, in order to ensure independence, fairness, and transparency in corporate governance.

### Supervisor System

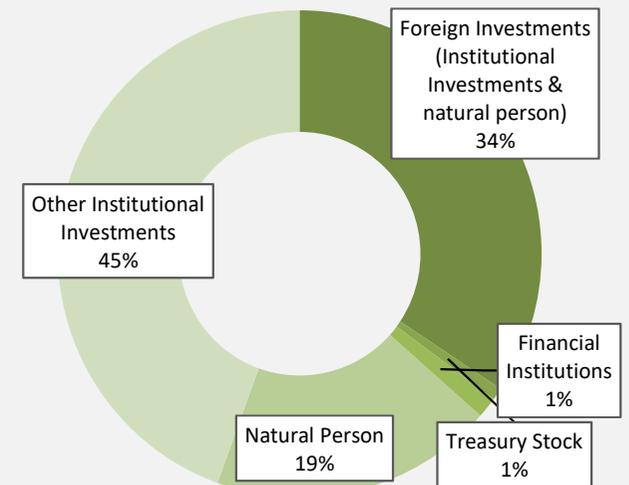
The Board of Directors has two supervisors under its jurisdiction who are responsible for supervising the setup process on behalf of the Board and for carrying out the duties specified in the Securities and Exchange Act, Company Act, and other regulatory requirements. An audit committee will be established in 2019. For now, the head of the Audit Division and accountant will regularly report the company's sales performance to supervisors.

Since 2017, the head of the Audit Division convenes a communication meeting comprising independent directors and supervisors once per quarter, to provide descriptions of internal audit implementations and control operations. These meetings are documented. If any significant abnormalities are found, the head of the Audit Division may report to the independent directors and supervisors at any time, and track the improvement status. Meeting minutes are published in the Investor Relations section on the company's official website.

Getac's directors and supervisors have performed their duties with integrity in 2017; therefore, there were no incidents of litigation or violations. The percentage of shareholdings of all of the company's directors shall be

based on the regulations of the competent authority. When discussing any topic with the Board of Directors, opinions of the independent directors must be taken into full consideration. Any reasons for agreement or disagreement must be fully documented in the meeting minutes, and conflict of interest prevention principles must be adhered to in order to actively protect the company's interests.

**Getac Technology Corporation  
Shareholding Structure**



## 3.2 Ethical Management

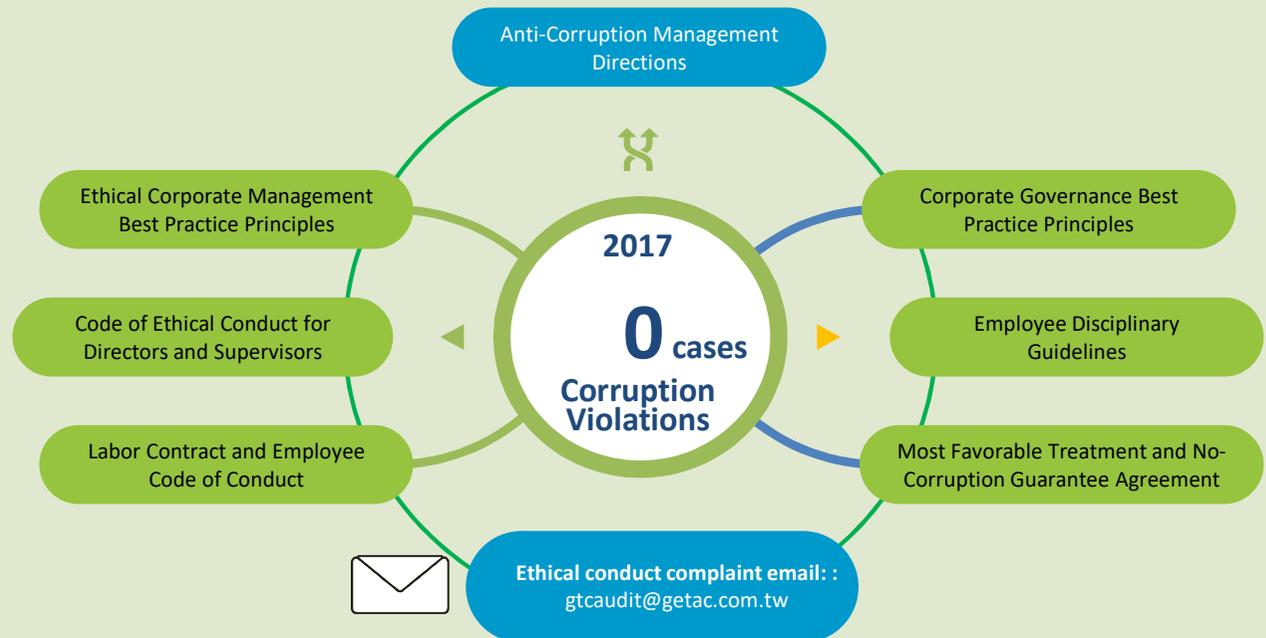
Getac believes that an ethical corporate culture is the foundation of corporate sustainability. Ethical conducts must start with day-to-day practices, and will gradually become integrated into the company's culture and employee behavior. Getac's Employee Code of Conduct requires employees to "Be the Best, Be Sincere and Honest, Take Responsibility, and Create Value." Our offices and plants constantly advocate the company's sincere and honest corporate culture and employees characteristics, through orientation training, the company's official website, or our Intranet portal. They also provide anti-corruption reporting channels. Supervisors will occasionally issues reminders so as to ensure that 100% of our employees are fully aware of the

company's level of attention to ethical conducts and that they are sincere and honest in work-related activities. 2,124 employees completed anti-corruption training courses in 2017, accounting for 31.19% of the entire employee base, of which direct employees make up almost 70%. The proportion of employees who have received anti-corruption training is low, and we therefore aim to increase this percentage in the future.

As for governance executives, all of Getac's board members attended anti-corruption training and courses in 2017, which included topics on corporate governance and insider trading, as well as corporate social responsibility seminars.

In addition to creating a sincere and honest corporate culture, Getac complies with external laws and regulations and establishes internal systems to ensure that Getac employees operate by the highest level of ethical standards. The company strictly prohibits employees from making illegal political donations in exchange for commercial gains or business advantages. As for laws and regulations, Getac complies with the Corporate Governance Best Practice Principles to be a law-abiding corporate citizen. The company formulated the Ethical Management Best Practice Principles and the Code of Ethical Conduct for Directors and Supervisors to act as the business ethics and ethical management standards, and requires all directors, supervisors, and employees to abide by these standards.

### Employee Code Of Conduct





Employee contracts and the Employee Code of Conduct expressly prohibit corruption and theft, abuse of power, bribery, acts of malpractice for personal gain, and other violations of professional ethics or conducts that harm the interests of the company. In addition, relevant personnel are required to sign confidentiality agreements for certain projects. If it is found that an employee has violated the aforementioned code of conduct, the issue will be handled in accordance with the Employee Disciplinary Guidelines. In severe cases, the company may terminate the labor contract with the employee without prior notice. Employees involved in criminal offenses shall be brought to justice and will be liable for the relevant damage compensation.

With respect to external governance, vendors who exchange transactions more than NT\$80,000 with Getac must sign the Most Favorable Treatment and No-Corruption Guarantee Agreement. If a vendor does not sign such an agreement, the system will automatically suspend any payment activities, in order to prevent vulnerabilities. Contracts signed with vendors also provide information on reporting hotlines. The Audit Division of the company is responsible for handling complaints concerning unethical conducts.

Getac monitors and checks corruption incidents through internal control and internal audit systems. Material corruption risks identified through risk assessments include violation of trade secrets, embezzlement, theft and distribution of company assets, and reception of rebate or improper benefits.

We did not find or receive any internal or external reports of unethical conducts by business locations in 2017, as disclosed in this report.

**Irregular Business Conduct Reporting Contact**  
 Head of Auditing Office  
[gtcaudit@getac.com.tw](mailto:gtcaudit@getac.com.tw)



**Whistleblowing System**

1. Develop the Anti-Corruption Informant Regulations
2. The informant is given a maximum reporting reward of NT\$200,000 or 5% of the loss amount.
3. The report or relevant information will be kept strictly confidential to protect the safety of the informant.

**Anti-corruption Informant Regulation Work Flow**





TRANSPARENCY

**Investor Relations Contact**  
Irene Sun  
Tel : 02-2785-7888 #5124  
Email: stocks@getac.com.tw

**Stock Transfer Agent**  
CTBC Bank  
Tel : 02-6636-5566

### Transparent Information Disclosure

Getac upholds the principle of fair and open information. Information disclosure and operations at Getac follow the Procedures For Handling Material Inside Information Of Listed Companies. Getac has an established institutional spokesperson system for the appointment of spokespersons and acting spokespersons, and discloses relevant information in accordance with the Procedures For Handling Material Inside Information, in order to ensure that the disclosed information is correct, consistent, and up-to-date.

To strengthen interaction and communication with investors, Getac has set up a dedicated investors relations and shareholder service unit that communicates the company's business directions directly to investors and answers any stock and share-related questions. The company organized two investor conferences in 2017 and hosted five domestic and foreign investment forums, which were organized by securities companies. Investors can also voice their opinions and questions by contacting the dedicated address for investors.

Getac legally implements the TWSE List of Matters Required to Be Handled by Issuers of Listed Securities. The company's material information and financial reports are not only disclosed on the Market Observation Post System (MOPS), but also in the Investor Relations section on the official website. Two versions, one in Chinese and one in English, are provided to facilitate domestic and foreign access to the company's business and financial information. In 2017, Getac's official website was updated according to the latest corporate governance evaluation indicators; this is aimed to strengthen the disclosure of corporate social responsibility information and the availability of information in English, promote communication with stakeholders regarding corporate governance and sustainability issues, as well as to increase Getac's ranking in corporate governance evaluation,

thereby establishing the company as an ethical and responsible business operator.

To protect shareholders' equity, the company has incorporated an e-voting system for shareholder meetings, which can be used in conjunction with voting by ballot, so that shareholders can use their computers or phones to cast votes, without having to attend the meeting in person.

### Regulatory Compliance

Getac strictly abides by regulatory laws relating to corporate governance and integrity management, environmental protection, and labor human rights to implement civic and law-related education within the organization. There were no incidents of the following violations in 2017:

1. Environmental penalties and related disputes.
2. Significant penalties or non-monetary sanction due to legal violation.
3. Product or service in violation of consumer health and safety laws and principles.
4. Product or service in violation of information or labeling laws and principles.
5. Significant fines due to violation of laws and regulations relevant to provision or use of products or services.
6. Marketing activities (including advertising, promotion, and sponsorships) in violation of relevant laws and principles.
7. Violation of bribery policies, anti-competitive behaviors, anti-trust and anti-monopoly laws and regulations.

# 4.0 Operation Management

4.1 Business Development

4.2 Corporate Risk Management

4.3 Intellectual Property Rights

4.4 Information Security

4.5 Customer Privacy

4.6 Supply Chain Management

## 4.1 Business Development

### Economic Performance Management

In addition to constructing a sound corporate governance structure, Getac's management team has also been conscientiously guiding employees to work together, to be serious and responsible, and to be brave in making a difference and challenging themselves, in order to achieve business goals and seek better benefits for the company's stakeholders, especially shareholders. Getac emphasizes a strategy-guided management to set clear goals, and embraces open communication to establish a common consensus. Through regular performance examinations, Getac ensures that its business goals are achieved.

Managers of business units regularly (twice a year) report to the Board of Directors the current operational risks in the greater environment and business strategies, describe performance goals and achievements, and help the board to keep abreast of the company's business status.

Furthermore, the chairperson also gathers the executive managers every year and organizes departmental executive strategic meetings to share business strategies, promote teamwork, and encourage resource sharing.

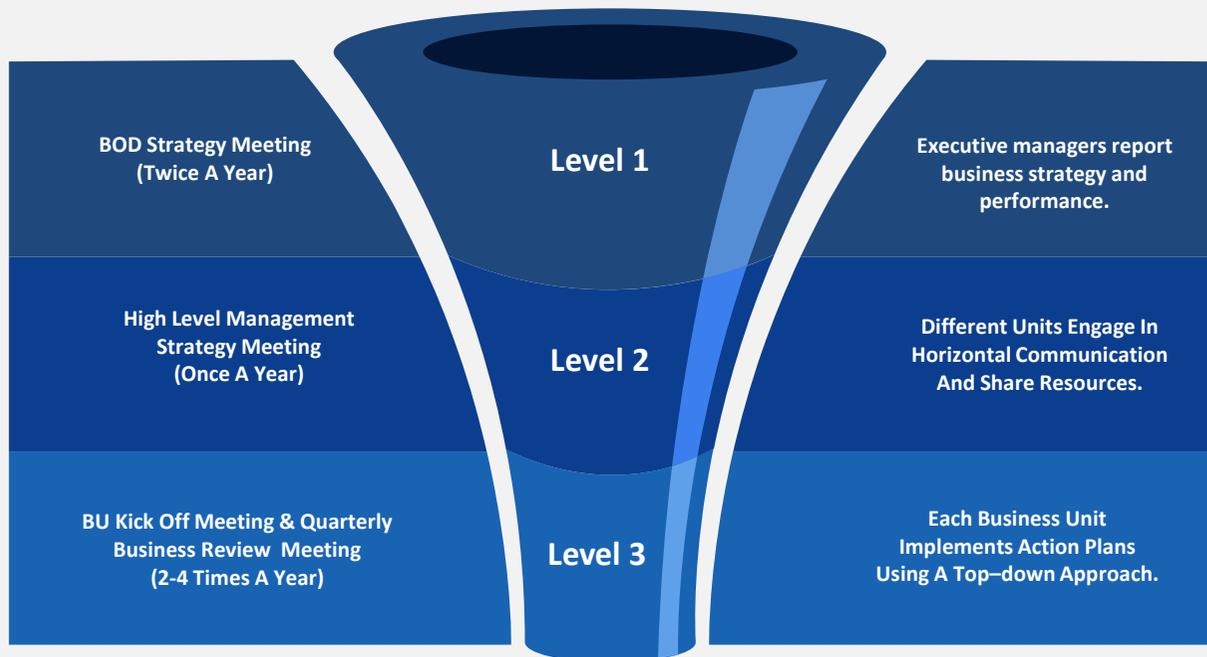
Managers of each business unit also held kick-off meetings with their department employees once or twice a year to communicate actions plans and sales performance goals for the year, in order to establish team consensus. Depending on business conditions, quarterly business review meetings are also held to promote improvement directions for improving business performance.

### Business Performance Achievement

Getac Technology Corporation reported a consolidated revenue of NT\$22.197 billion in 2017, which translates to a target attainment of 104.73% and represent an increase of approximately 8.77% compared to NT\$20.407 billion the previous year. The consolidated gross profit was NT\$6.261 billion, up 11.01% from 2016. The consolidated operating profit was NT\$2.513 billion, an increase of 14.02% compared with the previous year, which indicates a favorable business performance. This demonstrates that the company's efforts in product mix strategy, automation deployment, and cost management have yielded positive results. In 2017, the net income attributable to the parent company was NT\$1.91 billion, a decrease of 8.17% compared to 2016.

The earnings per share (EPS) was NT\$3.38. The net income attributable to the parent company in 2017 was NT\$170 million less than in 2016. This was due to the fact that Waffer Technology Corporation, a company we invested in, sold the shares of its C&M Plant in Shanghai in 2016, prompting Getac Technology to recognize NT\$465 million of gain on equity method investments. Deducting this one-time gain, the profit in 2017 increased by 18.27% compared to 2016.

In 2017, Getac Taiwan Headquarters received NT\$109 million in subsidies for R&D investments approved in 2015 by the National Taxation Bureau. Apart from this, no other major government subsidies were received. Details of the company's financial information and business overview are presented on page 80 of the 2017 Annual Report.





## Financial Report Summary Of Last Three Years

### Getac Consolidated Financial Report Summary

		2015	2016	2017
Economic Value Produced Unit: NT\$Thousand	Operating Revenue			
	Gross Margin	18,334,953	20,406,945	22,197,033
	Operating Income	4,591,580	5,640,482	6,260,568
	Profit Before Income Tax	1,444,333	2,204,281	2,512,800
	Net Profit Attributable To Parent Company	1,854,632	2,732,035	2,625,853
Profitability	EPS(NT\$)	1,274,281	2,080,113	1,910,136
	ROA (%)	2.19	3.68	3.38
	ROE(%)	6.08	9.30	8.02
Economic Value Distributed Unit: NT\$Thousand	Total Salary	9.74	15.03	13.58
	Total Benefits	3,159,583	3,590,358	3,754,944
	Income Tax Expense	406,245	520,535	561,177
	Cash Dividends For Shareholders	426,562	468,039	579,640



## Getac Business Performance

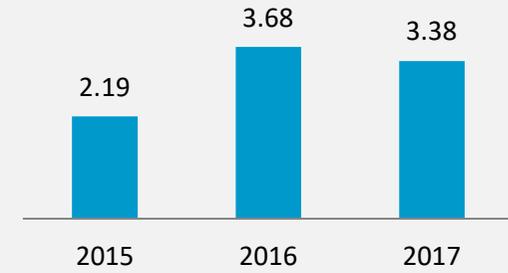
**Consolidated Revenue**  
(Unit: NT\$ Billion)



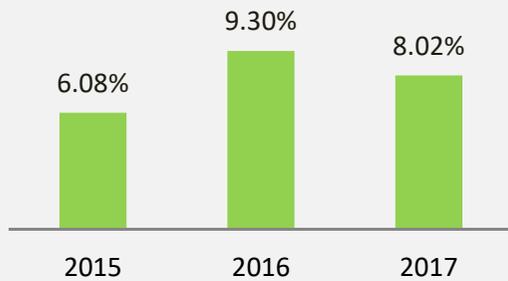
**Market Cap**  
(Unit: NT\$ Billion)



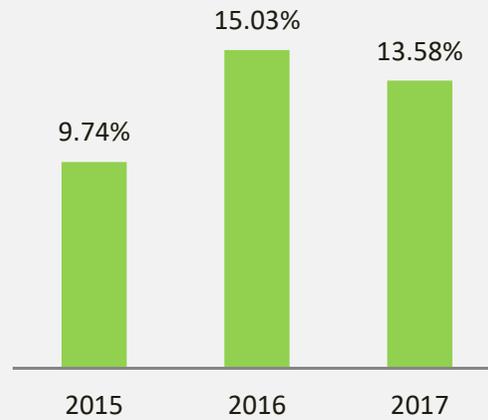
**Earning Per Share**  
(Unit: NT\$)



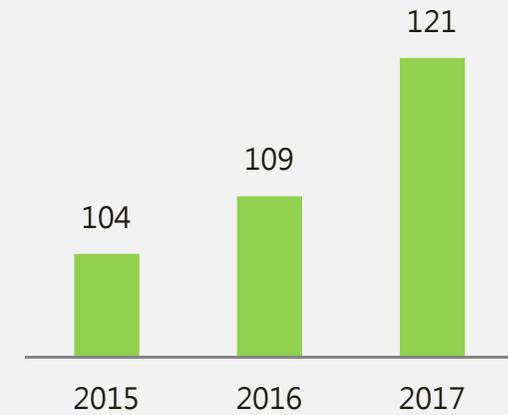
**Return On Assets(%)**



**Return On Equity(%)**



**Number Of Patents Received**



## Combo Mechanical Solutions

The global notebook market performed better than expected in 2017. During the second half of the year, the release of North American tenders, the recovery of the regional economy, and enterprises continuing to upgrade to Windows 10 drove the demand for business computers. Our composite material casing is well-liked among our customers, which has led to it having been incorporated in mid- high-end machines. As a result, sales have been stable and smooth. A strong demand for mechanical parts for the use in gaming consoles in the electronic entertainment market continued to attract sales and contributed to Getac's business revenue. The future development of the notebook market remains filled with uncertainties. According to DigiTimes, the average CAGR of global notebook shipments between 2017 and 2022 is estimated at -2%. In such a harsh market climate, Getac has responded cautiously, and continues to invest in new materials and process development, in order to develop innovative technologies that will help the company bolster its competitiveness and develop new business opportunities.



## Rugged Computing Solutions

In 2017, our sales revenue and sales volume of rugged computing solution both set new records, thanks in part to the recovery of the U.S. economy and the increase of the national defense budget by the Trump administration. Enterprise replacement of Windows 10 boosted the sale of rugged computers, resulting in continuous orders from businesses in the vertical market, e.g. national defense, public safety, utilities and automotive. Our new market expansion has also yielded significant results, particularly in securing large orders from iconic customers in the automobile maintenance and telecommunication industries. This has helped to expand Getac's share of the vertical market. In order to expand the scope of products and services and thereby introduce new growth momentum, Getac announced the acquisition of WHP Workflow Solution in November 2017. This acquisition will strengthen the company's hardware and software integration capabilities, accelerate the market expansion of Getac Video Solution in public safety sector, and secure our position in the cloud, big data, and Internet of Things market.

# Business Strategy

## Automotive Mechanical Solutions

In 2017, the total export volume of the global automobile market exceeded 90 million cars, successfully boosting the shipment quantity of Getac's seat belt spindles and spools. Even with the substantial strengthening of the New Taiwan Dollar, Getac still delivered favorable growing performances in terms of sales revenue and shipment quantity. IHS Markit predicted that the global new automobile market will increase to 95.90 million cars in 2018. The automobile industry remains a promising market that is expected to bring an increase in the demand for automotive parts. As the automobile industry develops new energy sources and smart applications, Getac's response is to actively promote the development of new products such as electronic control unit housing and brackets, camera housing, generators for new energy vehicles. The company has begun expanding its production capacity to prepare for the development over the next 3 to 5 years. The first stage of the new production capacity is expected to start contributing to business revenue through mass production during the fourth quarter of 2018.



## Aerospace Fasteners

In 2017, operating revenue for aerospace fasteners increased slightly compared to 2016, but the overall business was difficult to manage. The recovery of the global economy spurred an increase in the international demand for raw material and led to rising prices. Combined with the strengthening of the Taiwanese currency, this led to profit erosion of aerospace fasteners. Going forward, the market demand for aircraft manufacturing and repair is growing steadily, driven by the global demand for air freight, but the bids of large aerospace fastener manufacturers in Europe and the U.S. are getting more competitive. The company will therefore actively develop new products and super alloy forging technologies, and simultaneously work to improve production capacity and innovative production technologies in order to satisfy customer demand.

## 4.2 Corporate Risk Management

The rapid technological development and the economic and industrial impacts of dramatic climate changes have prompted firms to exercise and manage sustainability practices, and to actively commit to creating a friendly environment, social inclusion, and corporate governance in order to ensure corporate sustainable management.

The company complies with the laws and regulations to develop internal control systems and organizational management policies. Internal control systems include managing and monitoring operational risks, thereby prompting our branch offices to convert risks into business opportunities. Functional units implement risk management and response measures to identify risks and analyze opportunities within the scope of their function.

### Internal Control System

1. The internal control system of the company is designed by managers, approved by the Board of Directors, and implemented by business units after approval.
2. Auditing unit is established to report to the Board of Directors and ensure independence and objectivity.
3. Auditing units develop annual audit plans after evaluating the operational risks of each business location each year. The units follow professional auditing system and procedures to conduct monthly auditing tasks and present an audit report to independent directors and supervisors for review.
4. The head of the Audit Division regularly attends board meetings to assure the board the validity, operational efficiency, and outcomes of each business unit's internal control system design, as well as regulatory compliance status. The purpose for this is to reduce risks within the acceptable range, in response to the every-changing environment and to protect the interests of our stakeholders.
5. Getac establishes communication platforms for independent directors and supervisors, and hold quarterly communication meetings. Meeting minutes are disclosed on the company website for investors.

### Risk Identification

Based on the business environment in which it is located, Getac has identified seven high-risk factors in the company's business operations, and has also adopted response measures to reduce the impact of risks.



## Operational Risk Assessment And Response Measures At Getac

### Legal Risks

#### *Lawsuit, Patent, And Intellectual Property Rights*

- With its legal expertise, the Legal Affairs Center provides legal advice and reviews contracts in order to control operational and transaction risks.
- Assists business units in handling lawsuits, patents, and intellectual property rights-related matters, and effectively controls the probability of loss stemming from legal risks.

### Financial Risks

#### *Interest Rates, Exchange Rate Fluctuations, Inflation*

- Account receivables and payables are priced and paid in the same currency (USD) to reduce the risks of exchange rate fluctuations.
- Derivative transactions we currently engage in involve hedging of foreign currency assets and liabilities, which are regularly assessed for profit or loss in order to mitigate the effects of exchange rates on overall profits. Forward exchange and foreign currency swap transactions signed by the company are aimed at avoiding exchange rate risks in import and export prices, but are not applicable to hedge accounting.
- Monitor daily exchange rates, interest rates, and market changes.
- There was no significant inflation in 2017.

### Risks Associated With Concentration In Purchase Or Sale

- Getac maintains close and long-term cooperative relationships with its existing customers, and at the same time develops a new customer base to disperse the risks of over-concentration in sales.
- Getac forges friendly ties with suppliers to ensure stable supply. There have been no incidents of supply shortage or disruption in the past two years.
- Getac has maintained the percentage of its sales to a single customer at 13% or below in the past two years. No over concentration.

### Investment Risks

- Getac does not engage in high-risk or high-leverage investments.
- Adheres to the laws of competent authorities in lending of funds, making of endorsements, and derivative transactions.
- The Financial Center provides evaluation reports and hedges for foreign currency denominated assets (liabilities) that should be hedged twice per month.
- The company was approved by the board on November 9, 2017 to issue new shares in exchange for shares of WHP Workflow Solutions, Inc. The subsequent operations of this issuance of new shares are conducted in accordance with the law, and possible risks are carefully assessed in order to protect the interests and rights of shareholders.
- Set up a construction management committee to be in charge of assessing, planning, reviewing, and managing construction projects (including civil engineering, electromechanical engineering, and fire prevention safety). The committee holds monthly meetings to review the implementation status of construction projects and ensure the quality of constructions.

### Environmental Safety And Health Risks

- Getac has setup a management center in accordance with ISO 14001, OHSAS 18001, and laws related to occupational safety and health, in order to ensure that wastewater and waste gas discharge, waste disposal, and occupational disaster management are conducted in pursuant to the law, and to continue implement improvements and optimizations.
- Following emergency response management procedures, Getac regularly arranges to have each of its business units participate in education and training, as well as scenario-based preventive rehearsals, every year in order to achieve zero occupational injuries and minimize financial loss to the company.
- The company adjusts its internal operation measures to keep pace with amendments to laws and regulations of the competent authority.

### Climate Change Risks

#### *Force Majeure Disasters/ Delayed Delivery/Supply Interruption*

- Build local warehouses in sales regions to reduce sales risks (e.g., product loss, delayed delivery or supply interruption) due to climate changes and other environmental impacts.
- The Logistic Integration Center coordinates the distribution of supply risks at each business location.
- Production plants have installed energy-saving systems and water-saving recycling systems and introduced new waste gas filtration equipment, in order to control emissions and reduce the influence of pollution on climate change.
- China implemented the environmental protection law in 2018, which targets corporate business units and other producers that discharge taxable pollutants directly into the environment and exempts these entities from pollutant discharge fees. The company's Huadong Plant might have to pay environmental protection tax in 2018 in accordance with the Schedule of Tax Items and Tax Amounts of Environmental Protection Tax and the Schedule of Taxable Pollutants and Equivalent Values.

### Information Security Risks

#### *Business Interruptions, System Damage, Information Leakage*

- Build a UPS system and ERP off-site backup system and implement preventive rehearsals, in order to ensure that system damage can be avoided and that the normal operation of the ERP system can be quickly restored within the shortest possible time.
- In order to protect our information system against external attack, the company has developed corresponding management procedures, which are detailed in the 4.4 Information Security section in this report.
- The company has formulated the Personal and Confidential Information Policy, which is detailed in the 4.5 Customer Privacy section in this Report.

## 4.3 Intellectual Property Rights



**Building Up Innovation Capacity**  
 Innovative technologies are the key to staying competitive in the market. We also strive to develop differentiated technologies and products. In 2017, Getac invested NT\$896 million into R&D, which accounts for 4.03% of the consolidated revenue. The R&D investment were primarily focused on developing rugged computer technologies, applying new composite materials, introducing advanced processes and surface treatment techniques, and developing Getac Video Solution (smart mobile monitoring system).

### Intellectual Property Rights Management And Expansion

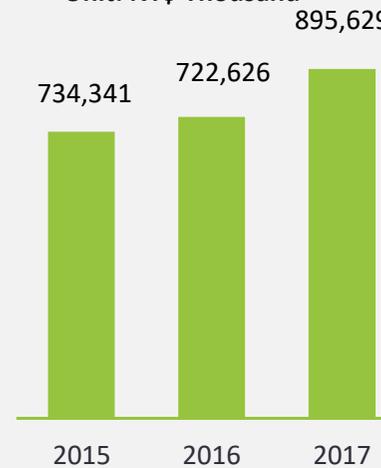
In order to protect our intellectual property rights from infringement and prevent infringement of others' patents, Getac has developed a complete management framework, as well as internal rules and regulations. The Legal Affairs Center is responsible for handling intellectual property disputes, and depending on the situation, external lawyers are commissioned to handle the procedures. The Intellectual Property Office under the jurisdiction of the Legal Affairs Center serves as the dedicated department in charge of carrying out and promoting tasks related to intellectual property rights. The Intellectual Property Office selects competitors and related products and conducts patent search, in order to understand the patent application trends of different industries, identify risks of infringement, and analyze these risks to achieve risk aversion.

We encourage innovation by formulating a complete set of regulations governing patent application processes, patent review, and patent incentive measures. Every year, our R&D, production, testing, and QC departments must submit patent proposals that secure our patent technologies. Moreover, patents are combined with the annual performance evaluation goals of employees. All patent applications are processed internally and online on an e-patent platform, which provides an online channel for patent inquiries and complaint. Patent reviews are processed by 25 internal review committee members. Employees from the Intellectual Property Office also conduct patent searches on technology patent applications submitted by employees. Risk-free patents are applied for and maintained by the Intellectual Property Department.

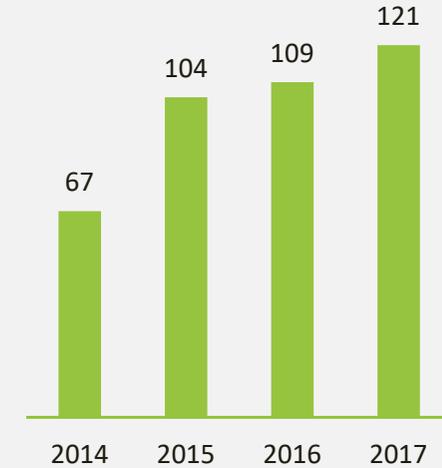
As of the end of 2017, Getac has received over 879 patents, both domestically and abroad, including invention, utility, and design patents. In 2017, Getac was not involved in any infringement cases relating to others' intellectual property rights.

### Expenditure Of Research & Development

Unit: NT\$ Thousand



### Number Of Patents Received



## 4.4 Information Security

As IoT and cloud applications become more popular and reports of hackings and ransomware scams increase, risks to corporate information security are gradually on the rise. To prevent information leakage, Getac has adopted the plan-do-check-action approach to implement the five major directions of information security and initiate a series of continuous management.

### PLAN

Formulate information security management rules

### DO

Implement preventive and active security control

### CHECK

Monitor daily Regularly audit and handle violating behavior

### ACT

Improve shortcomings and continue to reinforce information protection

### Getac Information Security Five Major Directions



1

#### **Regulations For Information Security Management Systems**

Information security management, information disaster recovery, machine room safety, virus control, system online management, network security management, account access management, system backup management, and personal and confidential information management are included in the ISO9001 system management.

2

#### **Employee Information Security Education And Training**

Employees are reminded of information security on a daily basis to strengthen the awareness of information security and relevant legal responsibilities in orientation training for new recruits.

3

#### **Information Security Prevention And History**

- All types of information security equipment and anti-hacking software are installed.
- Information security sensitive zones strictly prohibit the use of USB and are isolated from the use of the Internet.
- Highly confidential information systems are tracked. If found, violators of information security regulations will be reported to the personnel unit and punished in accordance with the law.

4

#### **Active Early Warnings Of System Information Security Events**

Surveillance equipment is installed to monitor the use of equipment resources and physical or system security all year round.

5

#### **Information Security Audit**

- Daily monitoring of information security management.
- Auditing unit regularly performs on-site sampling of Management Information System units.
- Auditing and validation of external ISO 9001 and accounting firm personnel.

## 4.5 Customer Privacy

Users of Getac's rugged computers are mostly government units or large firms that store highly sensitive and confidential information. Therefore, they have greater requirements for protective functions in the product itself. In order to ensure that users can use our products at ease and to reduce the probability and consequences of information leakage, we implement the necessary customer privacy protection measures, from the initial product design to after-sales services.

In response the implementation of the EU General Data Protection Regulation in

May 2018, Getac not only strengthens education and training on internal rules of law, but also carries out inventory on legal affairs, information, sales marketing, and customer service units. In 2017, improvement measures in line with the regulation were proposed, such as improving the policy statement on company website privacy, acquiring customer consent for the use of personal information, and consent forms for cross-border transmission. The company did not receive any complaints regarding infringement of customer privacy or loss of customer information in 2017.

We consider user information security and the legitimacy of personal information protection laws in different countries in the product development phase, and develop corresponding prevention mechanisms. The Legal Affairs Department monitors changes to laws around the world and immediately updates protective measures for customer privacy and information.

Product designs are integrated with the most advanced information security protection in the industry. By collaborating with internationally acclaimed encryption vendors, we ensure software and hardware compatibilities, providing total solutions for customers who need high-end encryption software. In addition, we provide removable hard drive mechanical designs that enable users to remove their hard drive in case of emergency.

The Internal Repair Center and authorized third-party service providers must comply with local personal information protection laws. When repairing machinery, they may not save customers' information without permission. Customers are also reminded to remove their hard drive before sending in their devices for repair. This prevents risks of information leaks due to machinery repairs and transport.

Getac provides "keep your hard drive" service. When a hard drive is damaged, it is replaced with a new hard drive while allowing customers to keep their old hard drive, so as to prevent information leaks.

Getac continues to advocate the importance of non-disclosure agreements, and informs relevant units to sign NDAs with partnering vendors and customers in order to protect information security.



## 4.6 Supply Chain Management

As globalization and informational development advance, the international community grows more aware of sustainability issues, thus integrating supply chain management with product flow, logistics flow, information flow, and capital flow is an essential topic in corporate strategic management.

Getac believes that effective supply chain management stems from close cooperation among suppliers. By sharing risks and benefits, they can increase operational efficiency through information system optimization, subsequently shortening the duration of delivery and reducing environmental costs. Furthermore, in order to increase supply chain sustainability, Getac not only complies with the RBA regulations on sustainability issues, but also exerts its influence to request upstream suppliers to comply with them as well, thereby achieving increased customer satisfaction and creating the best product and service experience.



### Types Of Suppliers

Supply chain procurements in 2017 (excluding one-time procurements) consisted of raw material (98.5%) and non-raw material (1.5%) procurements. Non-raw material procurements included asset equipment, research materials, constructions, and miscellaneous expenditure.

In 2017, the raw materials most frequently purchased included electronic parts, plastic pellets, and aluminum ingot. Production processes were conducted mostly in factories. The amount purchased for each product line as a percentage of the company's total procurements in the supply chain: 56% for electronic products, 37% for plastic mechanical part, and 7% for automotive parts.

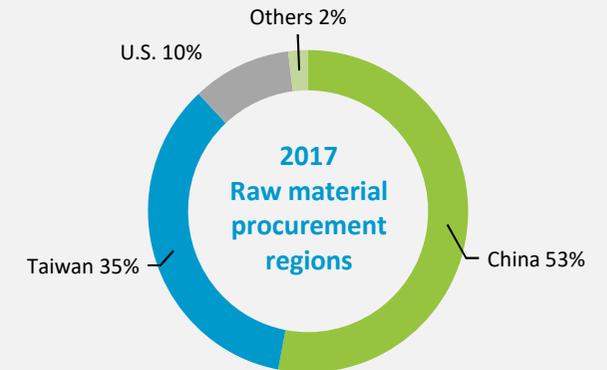
The supply chain management section of this report mainly discloses raw material-related procurements. Our suppliers are concentrated in China, Taiwan, and the United State. The amount of raw materials purchased from these areas in 2017 accounted for 98% of the total amount of raw materials purchased.

The company traded with 1,057 raw material suppliers and 50 new suppliers in 2017, showing a stable relationship with the supply chain.

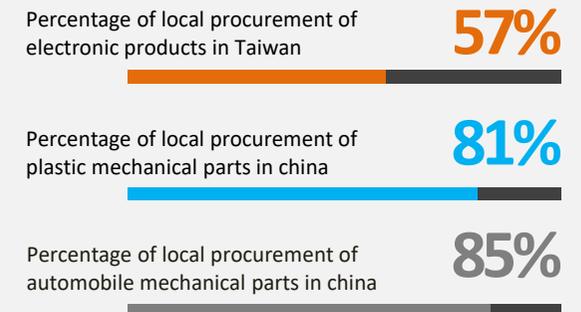
### Localized Purchasing

Localized purchasing is the supply chain policy of Getac. Increasing localized purchasing facilitates reducing the risks and costs of transportation, and also creates employment opportunities in the local manufacturing industry. Our electronic products are purchased locally in Taiwan, while plastic mechanical parts and automobile parts are purchased locally in China. In 2017, 57% of electronic products, 81% of plastic mechanical parts, and 85% of automotive parts were purchased locally.

### Breakdown Of Getac's Raw Material Procurement Based On Region



### Local Procurement By Getac





### Supplier Classification

Getac has established a complete supplier qualification review and supplier evaluation classification system. Before the official transaction after agreement signing, Getac's quality control division will appoint dedicated personnel to conduct on-site auditing of the supplier and launch a series of qualification evaluation procedures before the transaction with the company can officially be made. In order to control the quality of suppliers and their supplies, Getac conducts online TQRDC evaluation of its main suppliers once a month. The suppliers are rated in the five dimensions of technology, quality, responsiveness, delivery, and cost and classified into four levels: A, B, C, and D according to the results. Non-conforming suppliers are advised to make improvements. Those who fail to do so will have their supplier qualification revoked. Getac manages its supply chain by using TQRDC evaluation to maximize value for the company and create better and valuable service experiences for customers.

### Getac Supplier Classification Standards

#### Evaluation Criteria

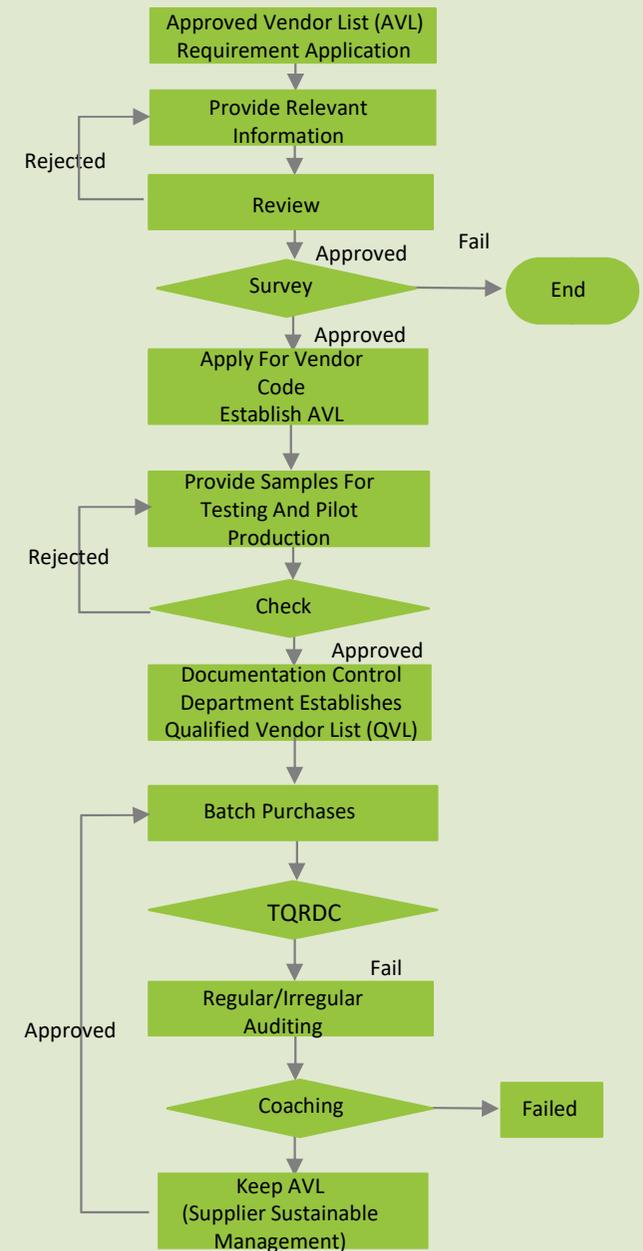
T	Technology
Q	Quality
R	Response
D	Delivery
C	Cost



#### Supplier Classification

- A** Increase Purchases For The Season
- B** Maintain Normal Purchases
- C** Reduce Purchases For The Season
- D** Reduce Purchases, Seek New Vendors

### Supplier Management Mechanism





## Supplier Sustainable Management

In addition to the traditional TQRDC standards, Getac follows the RBA regulations on sustainability issues. Through our contract management mechanism, the company includes sustainability-related issues, such as environmental protection, customer health and safety, anti-corruption, and intellectual property rights, in its standard purchase order (PO) and in its Master Purchase Agreement.

Getac's raw material suppliers must sign a statement stating their understanding of the terms and conditions of our standard PO, which states that the supplier must agree to the following statements and guarantees related to sustainability issues:

1. Products are in line with safety, health, and environmental protection laws and regulations
2. Products and packaging are free from safety and health risks
3. Products do not infringe on intellectual property rights
4. They will not directly or indirectly provide improper benefits and entice parties related to the buyer.

Suppliers violating any terms of the purchase order must compensate for all the losses suffered by Getac.

The company also asks suppliers to sign the Master Purchase Agreement, which requires suppliers and upstream suppliers to fulfill environmental responsibilities, respect labor rights, avoid the use of conflict minerals, engage in ethical management, and adopt sustainability practices. If suppliers violate any of the aforementioned requirements, Getac reserves the right to terminate the contract and request for a penalty fine 10 times the amount of the damage and product orders. In 2017, Getac cooperated with 50 new suppliers; 86.21% of these agreed to sign the Master Purchase Agreement.

## Getac includes the following sustainability issues in the Master Purchase Agreement

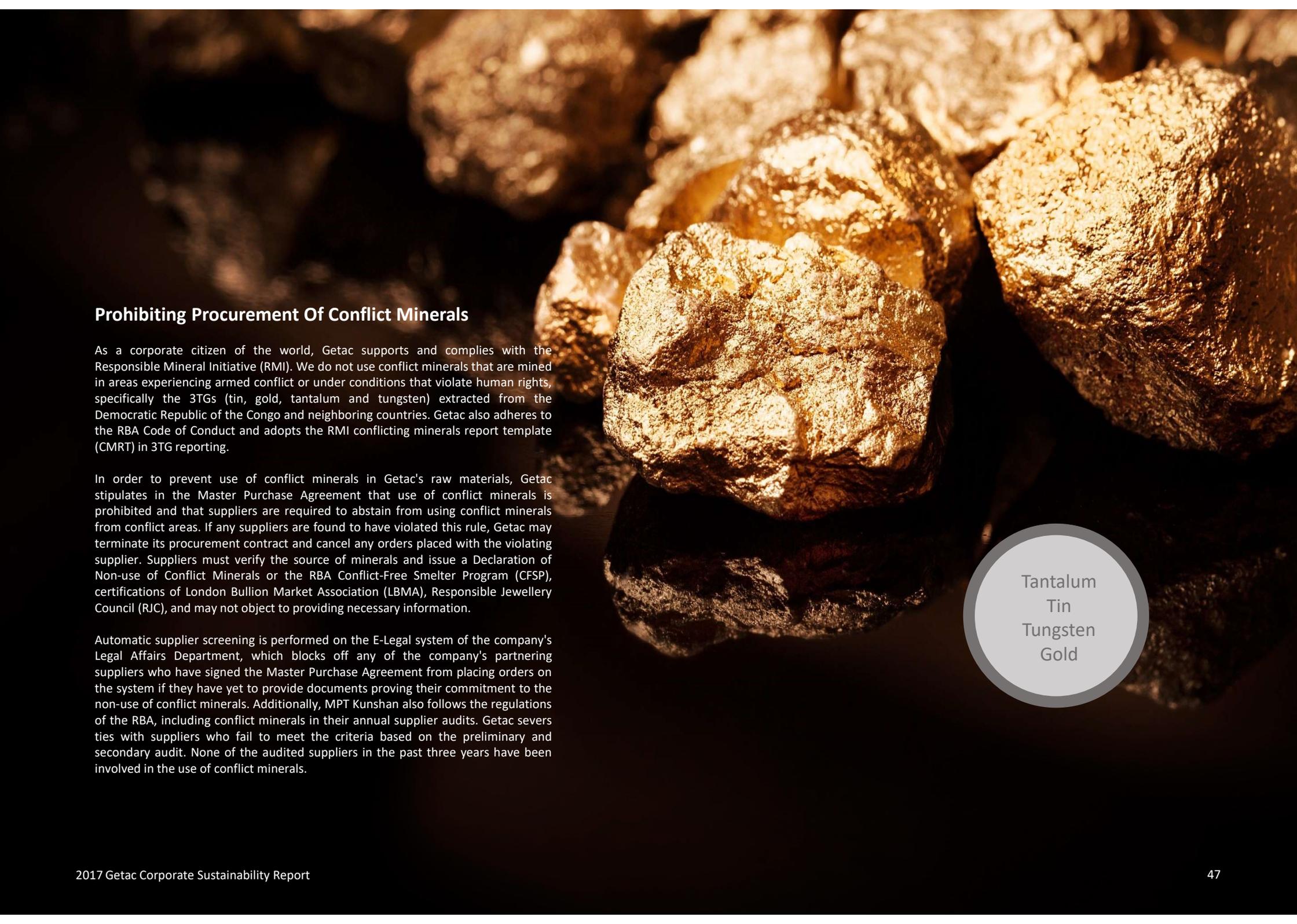
- Guarantees non-use of environmentally hazardous substance and comply with environmental related laws and regulations.
- Prohibit use of conflict minerals.
- Prohibit use of forced labor and child labor.
- Respect for freedom of association and collective bargaining rights.
- Non-discrimination.
- Protect intellectual property rights and prohibit against infringement of others' trademarks, copyrights, patent rights, and trade secrets.
- Prohibit offering or accepting bribes, commission rebates, and accepting improper endowments or hospitality.
- Protecting occupational health and safety.
- Comply with environmental laws in pollutant emission and waste disposal and obtain ISO14001 certification.

## Supplier On-site Inspection

In addition, MPT Kunshan also conducts risk assessments of key partner suppliers and formulates auditing plans targeting key production contractors, such as suppliers of spray paint, forming, die casting, and sputtering, as well as suppliers with whom Getac places high volumes of orders. Suppliers are considered qualified key partner suppliers upon a score 90 or more. If they score 80-89, suppliers are considered conditionally qualified and must be coached in order to make improvements. Suppliers are unqualified if they score less than 80. The auditing plan also includes an inspection and evaluation of the hazardous substance process management (HSPM). A score of less than 90 indicates that this item is non-conforming.

Audited suppliers must complete the self-assessment table in the Social Accountability Report and delineate implementation status based on EICC (currently known as Responsible Business Alliance, RBA). After the completed table is received, the company's Supplier Quality Assurance (SQA) Division will send an officer to conduct on-site inspection of the supplier and produce a report detailing the inspection results and matters to be improved. Those who fail the inspection are inspected again within a month, and if the supplier fails the second inspection, his/her qualification will be revoked.

In 2017, on-site auditing was conducted on 30 suppliers in MPT Kunshan and MPT Suzhou, including 14 high-risk vendors. All suppliers passed the audit. The audited vendors were not found to be in violation of any labor rights, integrity, management system, or environmental protection regulations.



## Prohibiting Procurement Of Conflict Minerals

As a corporate citizen of the world, Getac supports and complies with the Responsible Mineral Initiative (RMI). We do not use conflict minerals that are mined in areas experiencing armed conflict or under conditions that violate human rights, specifically the 3TGs (tin, gold, tantalum and tungsten) extracted from the Democratic Republic of the Congo and neighboring countries. Getac also adheres to the RBA Code of Conduct and adopts the RMI conflicting minerals report template (CMRT) in 3TG reporting.

In order to prevent use of conflict minerals in Getac's raw materials, Getac stipulates in the Master Purchase Agreement that use of conflict minerals is prohibited and that suppliers are required to abstain from using conflict minerals from conflict areas. If any suppliers are found to have violated this rule, Getac may terminate its procurement contract and cancel any orders placed with the violating supplier. Suppliers must verify the source of minerals and issue a Declaration of Non-use of Conflict Minerals or the RBA Conflict-Free Smelter Program (CFSP), certifications of London Bullion Market Association (LBMA), Responsible Jewellery Council (RJC), and may not object to providing necessary information.

Automatic supplier screening is performed on the E-Legal system of the company's Legal Affairs Department, which blocks off any of the company's partnering suppliers who have signed the Master Purchase Agreement from placing orders on the system if they have yet to provide documents proving their commitment to the non-use of conflict minerals. Additionally, MPT Kunshan also follows the regulations of the RBA, including conflict minerals in their annual supplier audits. Getac severs ties with suppliers who fail to meet the criteria based on the preliminary and secondary audit. None of the audited suppliers in the past three years have been involved in the use of conflict minerals.

Tantalum  
Tin  
Tungsten  
Gold

A polar bear is shown in profile, standing on a large, white ice floe. The bear's fur is a light cream color. The background consists of dark blue, choppy water and other ice floes in the distance. The overall scene is set in a cold, arctic environment.

# 5.0

## Green Product

---

5.1 Green Design

5.2 Green Manufacturing

5.3 Corporate Pollution  
Prevention



### Energy Intensity

Reduced By 0.05GJ Per US\$1,000 Compared To The Previous Year

Saved 4,361 Mwh Of Electricity



### Greenhouse Gas Emission Intensity

Reduced By 0.002GJ Per US\$1,000 Compared To The Previous Year



### Product Energy-saving Design

Reduced 985 Tons Of Carbon Emissions



### Water Consumption Intensity

Decreased By 0.02m<sup>3</sup> Per US\$1,000 Compared To The Previous Year

Total Volume Of Water Recycled : 4,303,019m<sup>3</sup>

89% Of Water Recycled



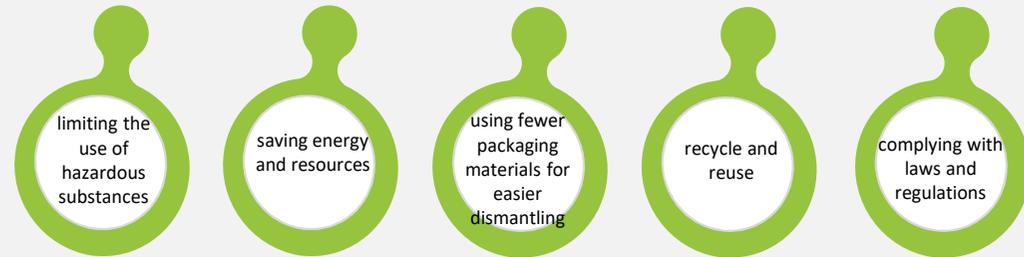
### Penalties Due To Major Leaks 0 Cases

## Overview Of Environmental Performance

# 5.1 Green Design

Providing safe and healthy products is a commitment we make to our customers and end users. Minimizing the environmental impact of our product production processes is a responsibility we must assume to protect the earth. Getac advocates the use of green products and saving as much energy and resources as possible during the production processes, from raw material acquisition to production to distribution. Therefore, we aim to mitigate the environmental impact by producing products that are easier to disassemble, recycle, and reuse.

## Getac Green Product Design Concept



## Getac Environmental Policy

- 1 Earth**  
Respect The Uniqueness Of Earth's Resources
- 2 Resolutions**  
Comply With Environmental Laws And Fulfill Customer Requirements
- 3 Commitments**  
Implement Management System Performance, Strive To Communicate Environmental Information, And Fulfill Social Responsibilities.
- 4 Plans Of Action**  
Provide Green Products That Are:  
1) Low-polluting, 2) Energy-saving,  
3) Lesser-packaging, 4) In Harmony With The Environment

## Management System

- ISO 9001 Quality Management System
- IECQ Hazardous Substance Process Management System
- ISO 14001 Environmental Management System
- IATF 16949 Automotive Quality Management System
- EPEAT Gold, WEEE
- RoHS 2.0, REACH, SVHC
- Environmental Restricted Substances Operation Procedure
- HSF Test Operation Procedure
- Green Product Operation Procedure
- Receiving Inspection Criterion
- Vendor Survey Criterion
- Process Control Procedure

## Product Energy-saving Design



**Reduced 985 tons of Carbon Emissions in 2017.**



The continuous acceleration of global warming is accompanied by a changing business environment. The 2015 United Nations Climate Change Conference (UNFCCC COP21) decided to curb greenhouse gas emissions and prevent climate change by holding the increase in the global average temperature to well below 1.5°–2° C. This decision will exert direct or indirect impact on the business development of numerous firms in the future.

As a leading global manufacturer of rugged computers, Getac produce products that can be used in any critical environment. Therefore, product battery life is of critical importance. The R&D team strives to increase product operational efficiency and to reduce energy consumption, thereby promoting energy conservation and carbon reduction, in order to mitigate greenhouse gas effects. Getac includes energy-saving designs into the standard design specifications, which are subsequently validated by the DQA by following the Energy Star requirements.

The purpose of this is to establish design standards that minimize energy consumption. Energy-saving designs include:

1. Choosing the newest high-performing, low-power central processors, chips, high-speed storage devices, and critical parts and components to reduce power consumption and prolong system standby time.
2. Detecting user status and automatically switching to energy-saving mode.
3. Strengthening cooling technologies to reduce energy loss due to thermal effects.
4. Optimizing DC/DC power design to improve product energy efficiency.
5. Developing high-performing antenna to enhance energy consumption management.

6. Adhering to the latest international energy-saving design and specification requirements, such as Energy Star 7.0 and energy performance regulations enforced by the U.S. Energy Information Administration and the California Energy Commission.
7. In 2017, Getac products, including five models of rugged notebooks, and rugged tablets, received the Energy Star label. According to the Energy Star test report, the measured  $E_{TEC}$  of each product model were far below the required value. For example, the measured  $E_{TEC}$  of ZX70 model is 13.07 KWh, which is considerably lower than the required 31.56 KWh; the EX80 model measured 17.28 KWh, which is lower than the required 34.03 KWh. The S410 model measured 18.18 KWh, lower than the 54.51 KWh required. Rough estimation shows that each computer model is able to save at least 15 KWh per year. Based on this estimate, the rugged computers sold by Getac in 2017 are able to save at least 985 tons of carbon emissions. Our products are a testament to Getac's efforts and outcomes in terms of energy-saving design.

## Fewer Packaging Materials, Easier To Disassemble, Recyclable



Calculation Description:  
Amount of recyclable packaging materials recycled is estimated using total product output

For parties with whom we frequently exchange transactions, the transportation distance and use of packaging materials are evaluated and the material is recycled for reuse.

Recycling Rate of Cardboard boxes:

MPT Kunshan: 55%

MPT Suzhou: 20%

Metal mechanical parts are transported using strong and durable plastic boxes, each of which has a service life of at least 5 years, in order to reduce cardboard box waste.



**Automotive Die Casting Products**  
17,799 tons of recyclable aluminum  
100% of raw material  
was recyclable aluminum

**Plastic Injection Products**  
797 tons of recyclable plastic pellets  
13% of raw material  
was recyclable plastic pellets

Getac adopts measures for waste reduction, recycling and reuse, and the use of recycled materials, in order to mitigate environmental impact. Getac's electronic products comply with the WEEE requirements. On the packaging of each of our products, we state that the products are made from recycled materials and provide instructions on how to dismantle the product for every one of our products. We also commission local certified vendors in European regions to recycle our products. When recycling our products, they can be easily disassembled for reuse, which reduces resource waste. Furthermore, Getac products are designed following Energy related Products (ErP) directives and Electronic Product Environmental Assessment Tool (EPEAT) standards.

## Customer's Health & Safety

### Limiting The Use Of Hazardous Substances

Providing safe and healthy products and services is a commitment and a responsibility we have toward our customers. Our quality requirements are present in the design and development phase of a product, and even extend to product sales and after-sales services. Every part of the product development process is strictly monitored, in order to ensure that all of our products not only satisfy international safety regulations and environmental policies, but also meet customer and user expectations.

Since establishing a dedicated Green Product Team in early 2005, Getac has been promoting green designs and limited the use of toxic hazardous substances, as well as monitored the latest directions of green initiatives. In recent years, Getac has incorporated sustainability issues into our supply chain management indicators, requesting full compliance of our suppliers. Getac ensures that the supply chain and manufacturing processes are in line with ethical and environmental standards at all times, in order to protect users' safety and health.

Getac's rugged computers are products sold complete. All of the products comply 100% with international environmental directives, including RoHS, REACH, and SVHC. Getac has installed an online green product management systems and classified restricted substances into three categories:

- Class A. There are currently 202 Class A substances, which are substances prohibited or restricted for use in existing products, materials of critical parts, or production processes.
- Class B. Class B substances are prohibited or restricted for use in packaging materials.
- Class C. Class C substances are prohibited or restricted for use in batteries or battery packs and must comply with the restrictions of the EU 2006/66/EC directives.

For new raw materials, a product inspection report must be provided within two years in order to ensure that the product does not contain any hazardous substances. A new report must be provided every two years, otherwise the system will suspend the use of the material and critical parts involved. Getac Kunshan, which specializes in the assembly of electronic products, MPT Kunshan and MPT Suzhou, which specialize in the production of plastic injection mechanical parts have incorporated the IECQ QC 080000 Hazardous Substance Process Management (HSPM) system for electrical and electronic components and products, and complies with international directives for environmental protection, including the REACH, Substance of Very High Concern (SVHC), and RoHS, to prevent the use of materials, parts, or products containing hazardous substance which would otherwise impact the ecosystem.

The quality assurance division inspects incoming materials from eligible suppliers. In 2017, all incoming materials passed the inspection, and no hazardous substances were found.

Products produced by automotive plants are die-casting metal parts composed of aluminum alloys and are not end products. 100% of the automotive parts produced and metal materials purchased in 2017 complied with the specifications of automobile customers and were also in line with national environmental protection regulations and the EU Restriction of Hazardous Substances Directive (RoHS).

### Compliance With International Environmental And Safety Standards

In 2017, all of Getac's products complied with international environmental regulations. As required by product environmental regulations adopted in the country of origin of the product, electronic products were certified by international safety standards, in compliance with regulations on product safety, radio frequency, electromagnetic compatibility (EMC), and other safety issues adopted in the country of origin (e.g., UL and FCC in the U.S., CE and RED in the EU, and BSMI in Taiwan).

Our products or packages are labeled with information on safety regulations, energy conservation, and environmental communication certification. There were no violations of product labeling regulations.



## 5.2 Green Production

Governments around the world have taken a strong interest in environmental issues, due to the impact of greenhouse gas emissions on extreme climate change. The Chinese government has also imposed more and more environmental requirements on local enterprises in recent years. Getac is committed to promoting green production, fulfilling our responsibility to protect the earth, and implementing environmental laws specific to the place of operation. As a result, all of our plants have acquired the ISO14001 environmental management system certification. Using standard operation procedures, we include water resources, energy, wastewater, waste, and air pollution prevention in our daily management.

In 2017, none of our plants were penalized for or found to be in violation of any environmental laws and regulations. Following the implementation of the ISO 14001:2015 revision, four of our plants have completed subsequent revisions as of May 2018. The remaining two plants are scheduled to complete revisions by the end of 2018. Getac strives to effectively reduce energy consumption and the use of resources.

For this purpose, we began by promoting energy conservation and carbon reduction in our manufacturing processes, and simultaneously introduced water recycling initiatives, as a way of implementing our environmental policies of respecting and protecting the earth.



## Reduce Carbon Emissions Through Energy Conservation In Manufacturing Processes

The company specializes in the assembling of electronic products and manufacturing of plastic-injected and metal die-casting mechanical products. Purchased electricity and natural gas are used for these processes, while steam and waste gas purchased from neighboring factory is used to heat molds for plastic injection. Any steam remaining after the process is used to heat boilers, which supply warm water for bathrooms in the employee dormitory. We advocate using more eco-friendly energy sources to generate power. Product line generators, forklifts, and other vehicles use diesel, whereas company vehicles use gasoline. The company does not generate power independently or purchase electricity from third-party operators.

Because product processes in plants consume different amounts of energy, the energy intensity of the Getac Kunshan plant in 2017 measured 0.09 GJ per US\$1,000. Composite material mechanical parts are produced using

plastic injection and the production is powered by steam; the energy intensity for this process measured 1.15 GJ per US\$1,000. Automotive metals are produced by die casting, which consumes relatively more energy, resulting in an energy intensity that measured 3.10 GJ per US\$1,000. Between 2015 and 2017, the total energy consumption increased slightly due to growing sales performance. In 2017, Getac's plants consumed a total of 581,829 GJ, but the energy intensity exhibited a declining trend, from 0.96 GJ per US\$1,000 in 2016 to 0.91 GJ per US\$1,000, which reflects a steady increase of the economic efficiency of energy.

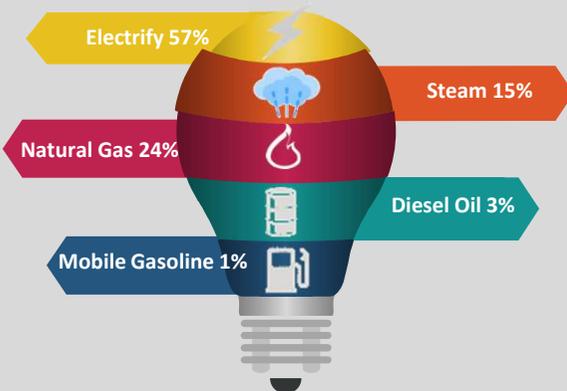
Energy Intensity (GJ per US\$1,000)



### Calculation Description of Energy Consumption:

- Energy consumption calculation uses 2015 as the baseline year. Scope of disclosure includes three additional plants compared to 2016.
- Sources of energy consumption are presented in Tables 1-4 in Appendix 8.2 of the report.
- For buildings and pipelines which are jointly used by Getac and other external organizations; power consumption is therefore apportioned according to area of use.
- The amount of gasoline used by Getac Taiwan Headquarters is calculated by dividing the total expense by average oil price for the year.

### Energy Consumption By Type



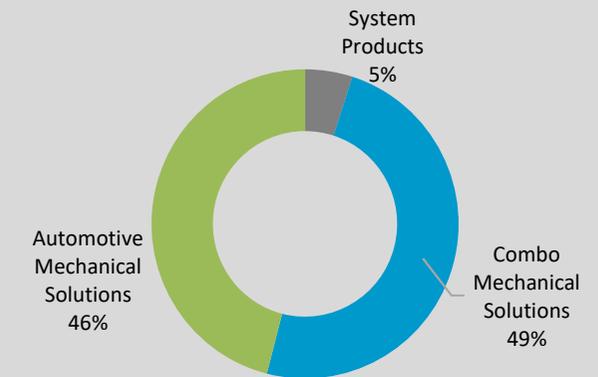
### Total Energy Consumed

581,829 GJ

### Energy Intensity

0.91 GJ/US\$1,000

### Energy Consumption By Products





# ENERGY SAVING

## Daily Management And Environmental Energy Conservation

- Complied with internal energy management procedures, such as following energy conservation and emission reduction regulations, water and electricity management regulations, and energy management operating procedures in energy daily managements.
- Conducted regular pipeline patrols and installed insulation material around steam pipelines to prevent leakage and reduce heat dissipation.
- Steam remaining after the use of the injection molding machine was used to heat boilers, which supplied water for bathrooms in the employee dormitory. This reduced the use of other energy sources.
- Gradually eliminated high-power equipment and replaced it with novel energy-saving equipment, in order to elevate energy efficiency. In 2017, the automobile mechanical plant incorporated variable-frequency compressors into air conditioners, introduced low-power lamps and fans, and used electric vehicles as company vehicles, subsequently saving more electricity than in 2016.
- Optimized transportation route planning, which reduced the number of trips required.
- Strengthened education and training on energy conservation, and adopted other measures, such as setting the air conditioner to moderate temperatures, switching off lights during lunch breaks, and reducing energy use during the winter months, based on the actual situation.

**Saving 4,361,000 Kwh,  
equivalent to NT\$12.96 Million Saved**

**Reduction Of 3,537 Tons Co<sub>2</sub>e**

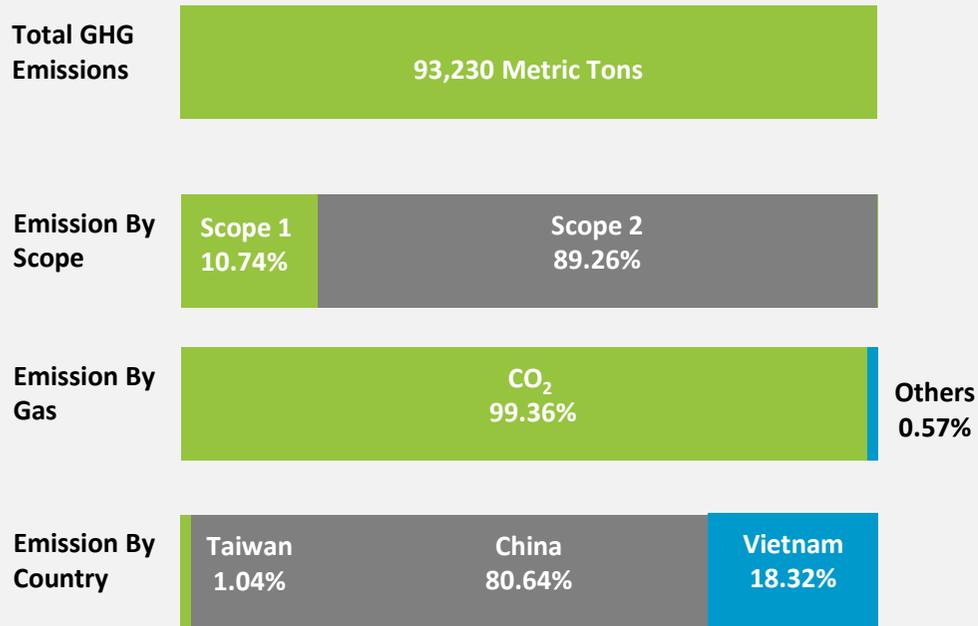


## 2017 Process Energy Conservation Measures

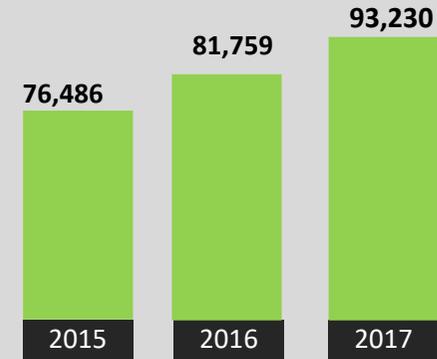
- Plants (MPT Kunshan and MPT Suzhou) specializing in the production of plastic-injected mechanical parts have introduced Green Molding technology and invested in new energy-saving molding machine feed tubes, drying cylinders, and heating collars, so as to comprehensively improve energy efficiency.
- Established power consumptions goals, performed daily monitoring to record the amount of power consumed, and provided monthly reports on power usage. When abnormalities occurred or usage exceeded the limit, power-consuming units had to submit inspection and improvement plans. For example, metal die casting used to make automotive mechanical parts consumes a relatively high amount of energy. By establishing a maximum energy cost per kilogram of aluminum and magnesium, it became a daily energy management goal to save more than 2% of energy per unit product.
- Repaired and upgraded die casting furnaces, which increased conversion efficiency and reduced the use of natural gas.
- Plants continued to raise the production automation rate, which not only saves manpower, but also improves production efficiency through increased production yield, thereby lowering energy consumption.
- Advanced process technology shortened mold heating time and cycle time per unit product, which reduced the number and uptime of machines used.

## Greenhouse Gas Emissions

### 2017 Getac Greenhouse Gas Emission Overview



### Getac Greenhouse Gas Emissions of Last Three Years (Metric tons of CO<sub>2</sub>e)



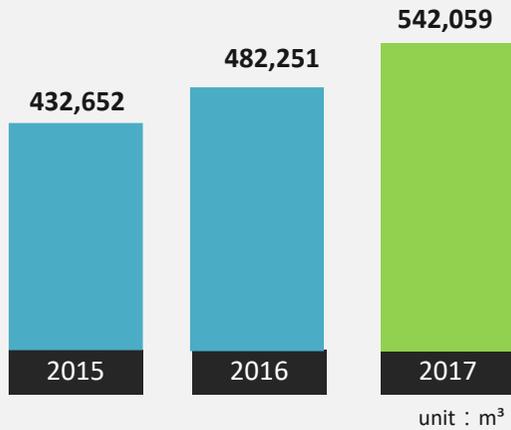
### Getac Greenhouse Gas Emissions Intensity (Metric Tons of CO<sub>2</sub>e/\$1,000)



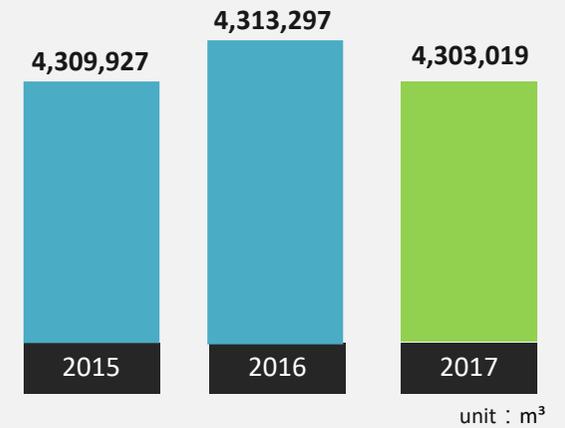
#### GHG Emissions Calculation :

- With exception for MPT Kunshan, which incorporated the ISO14061 Greenhouse Gas Inventory Management System, other plants adopted the Greenhouse Gas Protocol – Corporate Accounting and Reporting Standards to calculate greenhouse gas emissions based on CO<sub>2</sub>e.

### Total Volume Of Water Consumed



### Total Recycled Water



The main production bases of Getac are located in China, Vietnam, and Taiwan. During the past three years, the company has seen a steady growth in business revenue and has therefore used slightly more water. Water in municipal facilities comes from abundant local water sources, but they are not major users of water in the region. Water is primarily used in the production process, whereas relatively small amounts of water are used as domestic water for employee dormitories and office areas. In terms of water usage by region, the highest amount of water was used in China (81%). In terms of water consumption, the production line of the automotive mechanical part plant includes a cleaning process, and therefore used approximately 2.39m<sup>3</sup> of water per US\$1,000, a considerable difference compared to the electronic product manufacturing plant (0.14m<sup>3</sup>).

In order to save water resources, Getac has invested in water recycling equipment to reduce water consumption by recycling water for reuse. In 2017, the total amount of water extracted was 542,000m<sup>3</sup>. The annual total amount of water recycled equaled 4.303 million m<sup>3</sup>, for a recycling rate of 89%.

Water consumption per US\$1,000 was reduced from 0.87m<sup>3</sup> in 2016 to 0.85m<sup>3</sup> in 2017, indicating an increase in economic benefits.



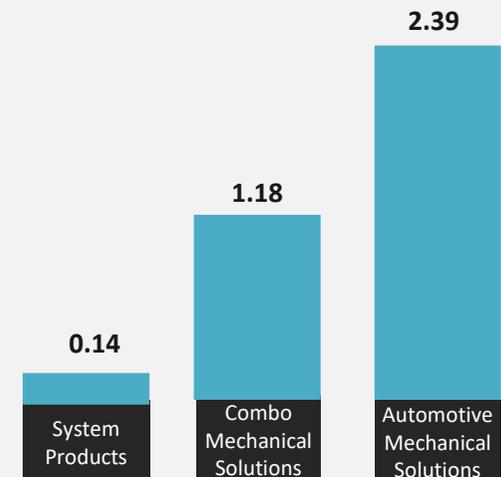
### Water Bodies And Hydrosphere Sources

- Taiwan (Feitsui Dam)
- China (Yangtze, Kuilei Lake, Yangcheng Lake, Shanghu Lake)
- Vietnam (groundwater)

### Distribution Of Water Extraction By Region In 2017



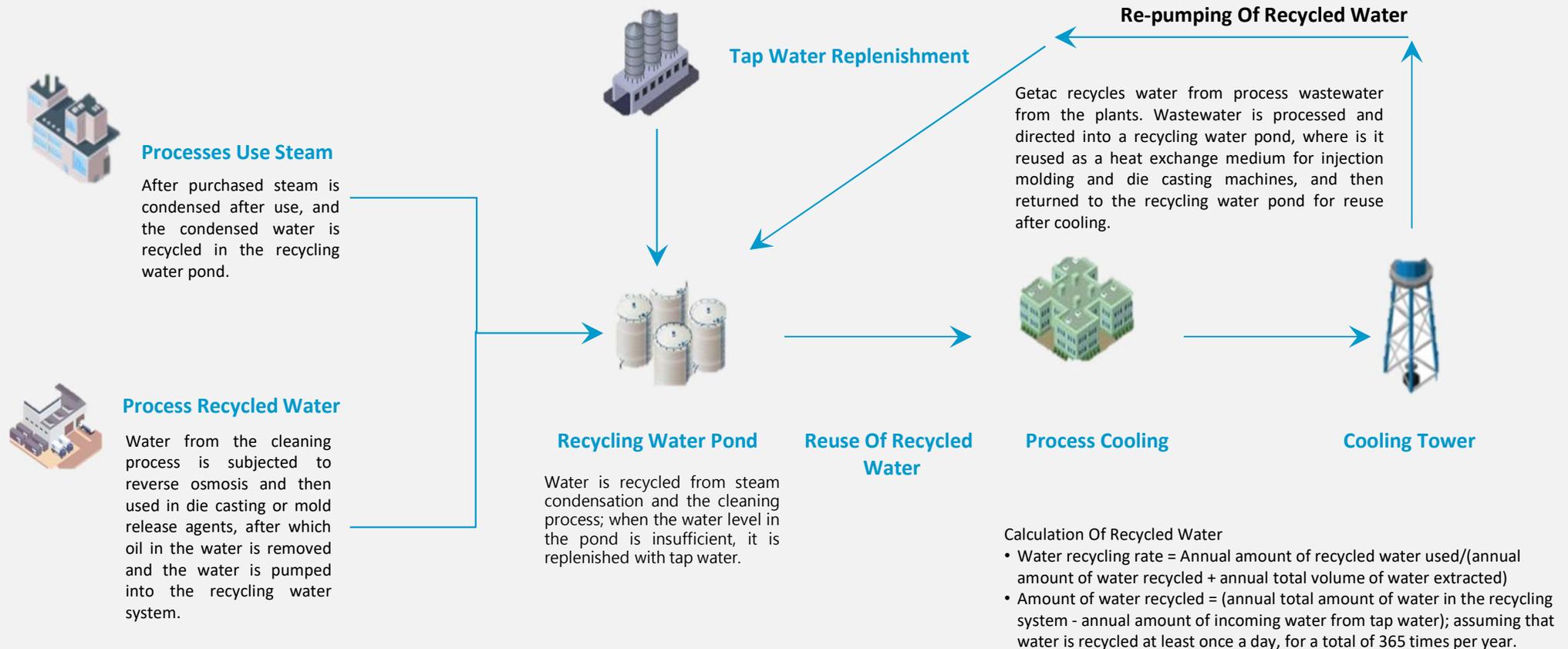
### Water Intensity For Each Product Line In2017 Unit: M<sub>3</sub> Per Us\$1,000 In Revenue.



# Recycle Water

## The Cycle of Water at Getac

More Than **89%** Of Water Recycled



# Water Resource Management

## Incorporating Energy Management As A Standard Operating Process

Plant personnel check water meters and pipelines every day, in compliance with internal water and electricity management regulations and energy management regulations. When the water consumption level is abnormal, personnel notify the water-consuming department to find the cause, propose improvement plans or repair pipelines, so as to avoid water leakage and wastage.

## Setting Goals And Performance Management

Each plant follows the ISO 14001 standard regulations and regularly dispatches personnel to monitor water usage. Because the automotive mechanical part plant uses a considerable amount of water in the cleaning process, water consumption is included in the departmental performance management goal. Water is managed by setting the goal to save more than 2% of energy per unit product or defining the maximum level of water consumption per week.

## No Violations In 2017

Getac strictly adheres to local laws and regulations and acts as a law-abiding environmentalist in implementing water resource management.

- Taiwan (Water Pollution Control Act)
- China (Water Pollution Prevention and Control Law and Environmental Protection Law of the People's Republic of China)
- Vietnam (Vietnam environmental protection law)



**ISO 14001 Environmental  
Management System Certification**

## Education And Raising The Awareness Of Water Conservation

Employees are constantly reminded to use water wisely and conserve domestic water. Water-saving faucets are installed in our bathrooms.

## Recycle And Reuse Of Water

For every 100m<sup>3</sup> of water used, 89m<sup>3</sup> of water are recycled and reused, and only 11m<sup>3</sup> of water must be extracted outside of the organization.

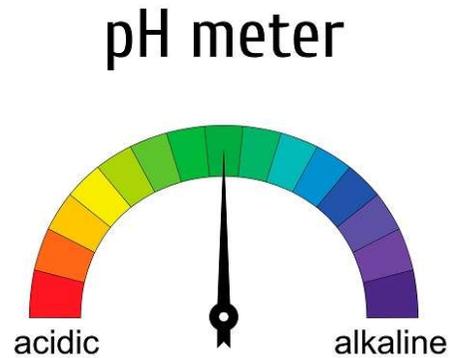
## Corporate Pollution Prevention Complaint Hotline



- Getac HQ, Taiwan: Safety and Health Office
- Kunshan Plants (China):
  - [Speakout.kshr@mpt-solution.com.cn](mailto:Speakout.kshr@mpt-solution.com.cn)
  - WeChat "Getac Perspective"
- Vietnam Plant: President's Mailbox

## 5.3 Corporate Pollution Prevention

### Wastewater Management



#### Wastewater Management

The rise in environmental awareness combined with pollution problems caused by greenhouse effects has prompted worldwide governments to enforce more rigorous environmental laws. The Chinese government has initiated efforts to promote environmental protection. Because the Wusong River in China is severely polluted, the Kunshan government has ordered local firms to halt their production. Because Getac's wastewater discharge is in line with regulatory standards, the company was not affected by this directive.

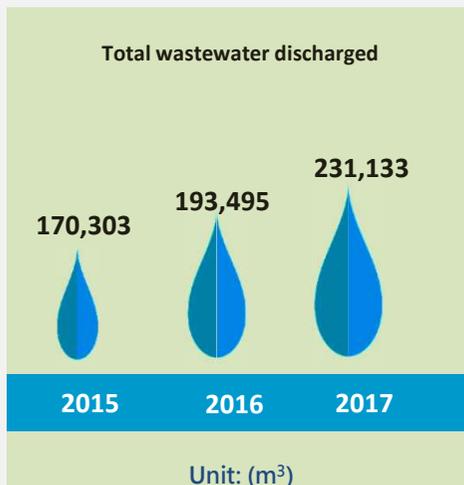
With respect to corporate pollution prevention, Getac aims to achieve legal compliance, zero pollution, and zero violation as its management goals. In recent years, we have invested in retrofitting eco-friendly and energy-saving equipment to fulfill the environmental duties required of a corporate citizen. Our processes do not discharge wastewater containing environmentally hazardous substances. In the plastic injection process used in the production of mechanical parts, water is used to cool mold temperatures. In the production of automotive die-casting metal parts, water is used to clean off the dusts and oil stains on metal parts from die casting processes. Process wastewater from release agents and cutting fluids are preliminarily processed in the plant and then discharged outside of the organization, where it is further processed by the city governments' wastewater treatment plants or certified waste disposal operators.

#### Management Approach

1. Incorporate standard operating procedures: Wastewater discharge is routinely managed in accordance with internal wastewater and waste gas management procedures and environmental safety monitoring management regulations
2. Discharge in accordance with the law: Industrial and domestic wastewater is discharged only after having satisfied national discharge standards. Surface runoffs from rainfall are collected via the plant's rainwater sewage underground system and then treated by the city governments' water pumping stations or wastewater treatment plants. These runoffs will not influence natural ecosystems. Sewage wastewater is treated by the city governments' water pumping stations or certified wastewater treatment facilities, in order to remove hazardous substances before discharging the water bodies in accordance with the law.
3. Monitor discharge water quality regularly: Internal personnel conduct daily pH testing and management of wastewater ponds. Third-party divisions are commissioned once every year to test the wastewater from wastewater outlets. Test items included pH value, chemical oxygen demand, biochemical oxygen demand, suspended solids, and other items required by law. Since the automotive mechanical part plant uses cutting fluid, petroleum is also tested every month. There were no violations of wastewater discharge regulations by Getac's plants in 2017.
4. Commission government-certified wastewater treatment companies to process wastewater.
5. Establish a complaint channel to receive external supervision.

### Discharge In Accordance With The Law

There were no violations stemming from illegal discharge in 2017.



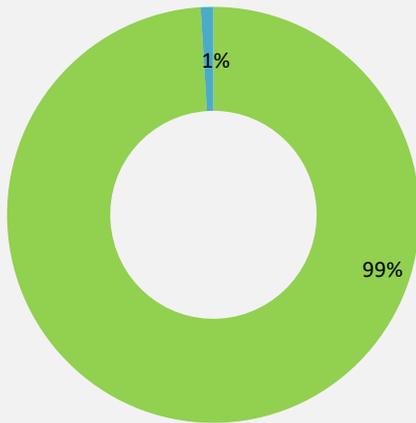
#### Calculation Of Wastewater

- Wastewater discharge is calculated according to local regulations. Water discharge in Taiwan and Vietnam is based on a water withdrawal rate of 80% and 100% in Mainland China.

## Waste Management

### 2017 Getac General Waste Output

**1,366** Metric Tons



- Domestic waste
- Waste paper and scrap iron



**99%**  
Incinerated



**1%**  
Recycle

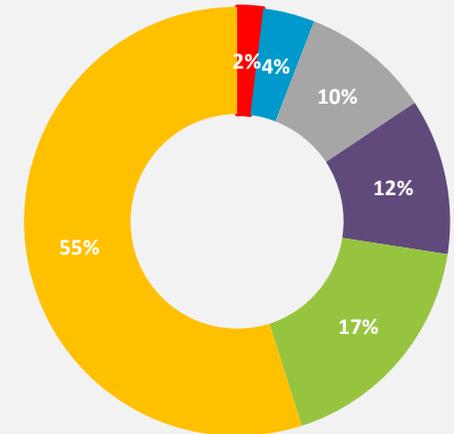
General waste mainly consists of domestic waste, which is incinerated or recycled by the city governments' garbage disposal plants.

### Waste Management Procedures



### 2018 Getac Hazardous Waste Output

**529** Metric Tons



- Waste active coal
- Waste organic solvent tank and Waste cloth
- Oil-based paint waste
- Waste engine oil and Waste cutting fluid
- Pain coating waste water/Waste waster by coagulation
- Scrap waste (Aluminum)



**37%**  
Incinerated



**63%**  
Recycle

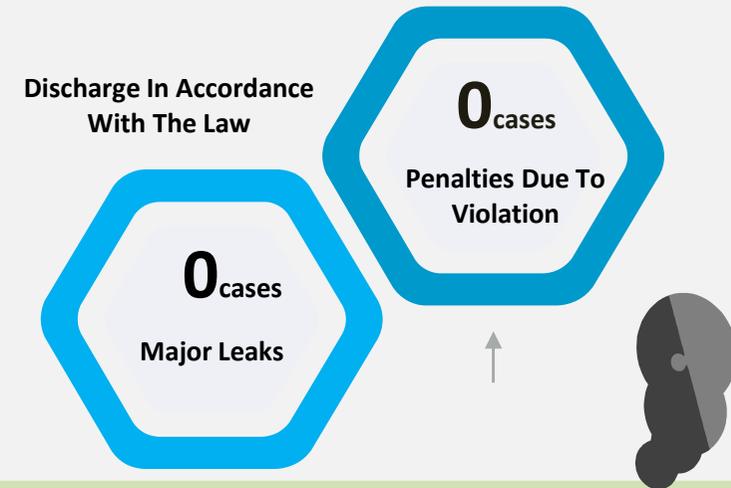
Hazardous waste mainly comes from plant processes and residuals filtered from wastewater devices. Non-recyclable hazardous waste is incinerated and processed by commissioning local certified vendors. This waste is not transported to other places or countries. Scrap waste and aluminum slag can be reused and are therefore recycled for reuse.

## Air Pollution Management

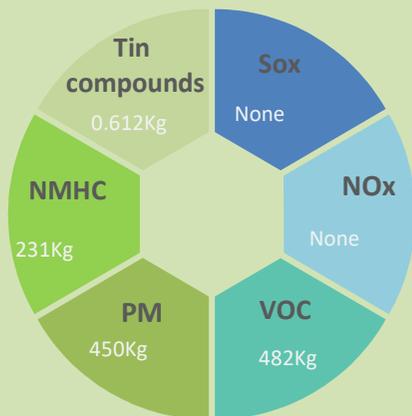
Getac processes waste gas emissions in accordance with ISO 14001 standard regulations and its wastewater and waste gas management procedures, which form an important basis for air pollution control. With the goal of achieving zero violation, the company is subject to governmental supervision and internal/external monitoring.

The scope of disclosure of waste gas emissions in this report includes the three production bases in China. Taiwan Getac Headquarters does not emit industrial wastes and therefore does not need to conduct tests and submit reports. Getac Vietnam and Getac Changshu plants were tested for concentration only. No emission data for these plants are available and were therefore not included in the scope of disclosure.

Waste gases emitted by the company's production bases mostly originate from oil-based painting processes, die casting, and central burners for aluminum ingots. These plants have acquired government-issued emission permits. Waste gases produced in the plants are first treated via equipment in the plant and released into the environment after they are verified to have complied with emission standards. The countries in which Getac's production bases are located have prohibited the use of old refrigerants; therefore these bases do not produce any ozone-depleting substances. Furthermore, production bases have commissioned a third party to conduct waste gas testing every year and have reported these test results in accordance with the law. In 2017, the production bases were not involved in violation cases stemming from illegal emissions or leakage.



### Total Amount Of Air Pollutants Discharged By Getac In 2017



#### Calculation Of Air Pollutant Emission:

- Total emission = Average concentration detected \* Air change per hour \* Annual duration of emission
- Emission coefficient standards are based on the standard requirements of the Integrated Emission Standard of Air Pollutants and Emission Standards for Odor Pollutants.

### Getac Plant Waste Gas Emission Procedure



#### Process Waste Gas Output

- Dust is produced during sandblasting.
- Particles and VOCs are produced during spray coating and by central burners.
- Environmental pollutants such as CO<sub>2</sub> are typically produced during high-temperature die casting.

#### Filtration Within The Plant

Waste gases are ventilated from the production line and preliminarily treated via filters and water film scrubber to reduce the concentration of emitted substances to statutory requirements before they can be emitted outside of the organization.

#### Test And Report

Every year, Getac regularly commissions a third-party unit to test the waste gas level in ventilation systems and chimneys. If the level exceeds statutory standards, production is halted until improvements are made.



# 6.0

## Friendly Workplace

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**6.1 Happy Enterprise**

**6.2 Safe Workplace**

## 2017 Friendly Workplace Performance



**No discrimination, infringement of indigenous rights, use of child labor, forced labor, or other labor and human rights incidents.**



**No labor management disputes.**



**Ratio of local management was 65%, up 15% from last year.**



**Zero deaths and zero occupational illnesses in 2017.**



**67.52 average training hours per person in 2017.**





**Happy  
Enterprise  
Safe  
Workplace**

Professional talents are a firm's essential asset and the key factor for corporate development. During the past few years, the Getac brand has seen a steady development, and Getac's overseas businesses have increased as sales have grown. The company's organizational structure and talent development strategies have also become more internationalized, and more diverse, so as to better line up with international standards.

Getac will continue to create a harmonious, happy, proactive, innovative, and safe workplace and corporate culture, where employees' identification with Getac is strengthened so that they can go to work feeling happy. By marketing ourselves as a happy enterprise and a safe workplace, we hope to attract more outstanding talents to join our ranks.

## 6.1 A Happy Enterprise

### Working Toward A Happy Enterprise And A Safe Workplace

Our goal is to become a happy enterprise that provides a safe workplace for our employees. We are committed to building a transparent and open corporate culture that emphasizes mutual trust and communication, and that provides competitive salaries and benefits, complete education and training, and a safe and comfortable workplace, that will make talented individuals want to stay with the company.

In 2017, Getac's branch office (Getac Inc.) in the United States was certified as one of the Best Small Medium workplace in the United States by "Great Place to Work"—a global prestigious employer brand Certification system. One of the selection methods for this award involved distributing anonymous questionnaires to employees, in order to determine how much they identified with the company. The Getac Headquarters in Taiwan shares the same values as the award, and strives to build a safe workplace where employees can feel happy. In the future, we want to encourage our other benchmark offices to work toward this goal, so that more of our employees can pride themselves on working for Getac.

### Diverse International Talents

Getac specializes in brand business and parts manufacturing. Therefore, we embrace diversity within our organization, hiring a pool of professional talents from many different countries, with different professional backgrounds and expertise. In 2017, Getac had a total of 8,282 employees worldwide (including all consolidated entities), which was an increase of 5% compared to the previous year. This increase was due to new business and market developments. Furthermore, due to the nature of the industry, the number of employees hired was unaffected by external factors (e.g. seasons).

In terms of labor force composition by region, since the production bases are concentrated in China and Vietnam, local people from these two regions account for 87% of the total number of employees. Getac's headquarters and R&D center are located in Taiwan, hence people from this area account for approximately 11% of the total number of employees, while employees from European countries and the U.S. account for 2%; they are responsible for the sale and promotion of Getac brand products. Getac's labor force is primarily concentrated in China and Vietnam; direct employees accounted for 62% of total employees, the male to female ratio was approximately 6:4, and the majority of employees were aged 30 years or younger.

Getac employees, both permanent and temporary, must sign a labor contract with the company. Our global business locations, including the Taiwan Headquarters, China, Vietnam, United Kingdom, and Germany, consist of 100% permanent employees. The exception is the United States, which has two temporary employees. In terms of employment type, employees at all of our business locations work full-time, except for one employee in the U.S. branch office who works part-time. There are 20 non-employee resident workers. This number does not account for a significant portion of the total number of employees.

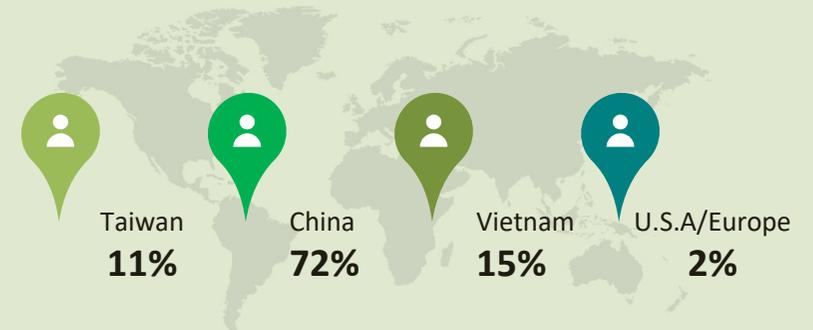


Number of Global Employees: 8,282

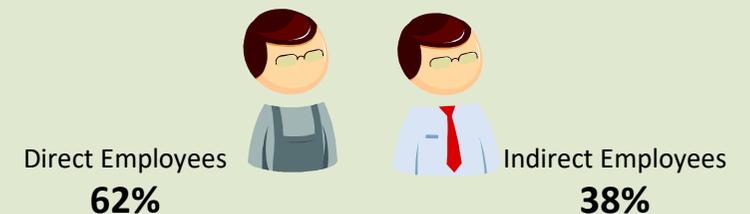
### Male To Female Ratio



### Employee By Geography



### Direct / Indirect Employees Ratio



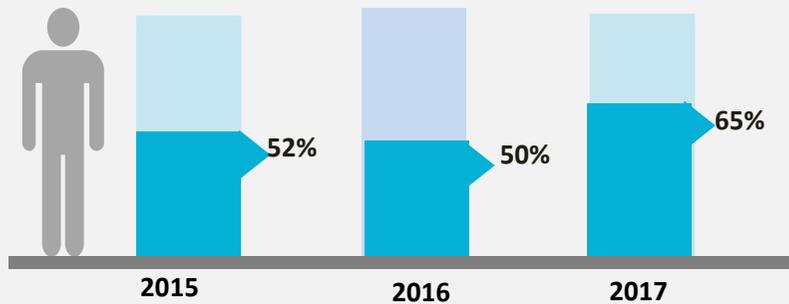
Calculation Description: The total number of Employee is taken from the last calendar day of the current year



### Equal Job And Promotion Opportunities

With respect to employment and promotion, we hold to being fair and objective, taking into consideration individual competence, diversity, and localization when hiring or recruiting talented individuals. We also promote local economic development and employment opportunities, so as to provide everyone with equal career development opportunities. Ratio of local management was 65%, up 15% from last year.

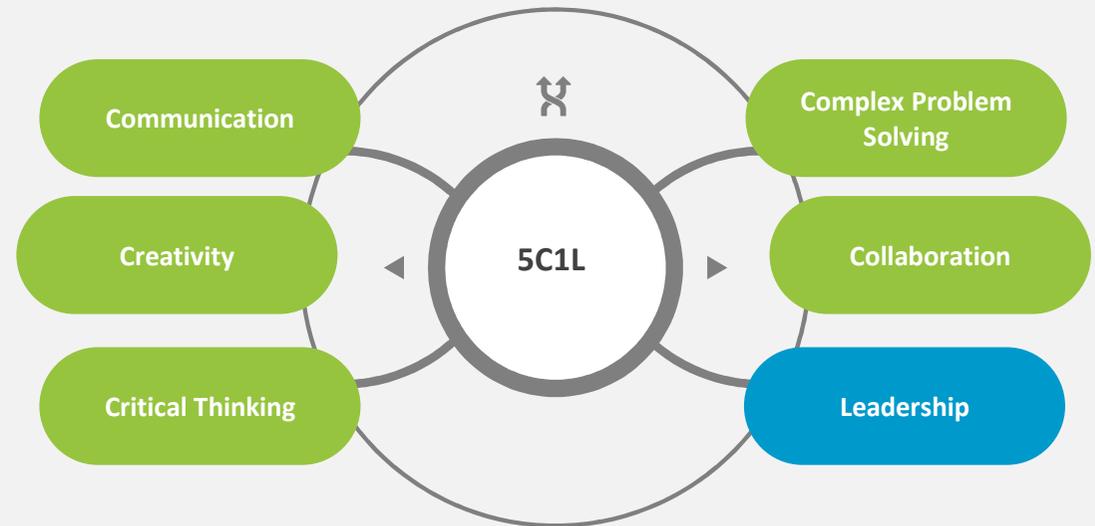
**Local Hiring At The Management Level  
(Within The Disclosure Scope Of The Report)**



- Calculation of local hiring at the management level: Calculation of local management levels or above at the production bases includes Taiwan (R.O.C. nationality), China (P.R.C. nationality), and Vietnam (Vietnamese nationality).

### 5C1L Corporate Culture

The key to business growth is having a pool of outstanding experts. Getac's Employee Code of Conduct requires employees to constantly remind themselves to "Be the Best, Be Sincere and Honest, Take Responsibility, and Create Value." We have adopted a 5C1L model (Creativity, Critical Thinking, Complex Problem Solving, Communication, Collaboration, and Leadership) as the basis for our employee development and talent cultivation efforts, so as to facilitate the company's sustainable development in a rapidly changing industrial environment.





## Education And Training

We arrange different training courses in accordance with the employees' line of work and job requirements. We have enhanced our education on laws, human rights, anti-corruption, and occupational safety, and have promoted internal lectures and learning camps that train employees in various departments to take on important roles in promoting knowledge sharing. In 2017, each employee has received an average of 67.52 hours of training, and direct employees completed 75.12 hours of training with emphasis on occupational safety, health, and professional training courses.

Furthermore, as the company is focused on international business affairs, we highly value our employees' ability to communicate in English, and invest resources to encourage English learning. We require employees to take the TOEIC test and reward those who show outstanding performances. In addition, human rights education and training are arranged for internal security staff members, whereas external security staff members are required to attend human rights courses every year and provide attendance records. Overall, 100% of employees have completed the training.

### Getac Education And Training Plan

New Recruits	Managerial Employees	Indirect Employees (Non-management)	Direct Employees
<ul style="list-style-type: none"> <li>• Training courses for new recruits: Training covering the company's important internal regulations, employee complaints, and legal compliance, as well as occupational skills and language training based on different job positions.</li> <li>• In addition to the above-mentioned courses, new production line employees must also pass workplace safety education, training, and tests, in order to become full employees.</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership and management skills training: Managerial employees must participate in systematic training programs, in order to foster the knowledge required for leadership management and develop core competencies for organizational decision-making.</li> <li>• Management meetings: Management meetings are held on a monthly basis; education on legal compliance, environmental protection, and human rights is provided by internal lecturers as needed.</li> </ul>	<ul style="list-style-type: none"> <li>• General knowledge: Education on anti-corruption, human rights, internal rules and compliance, and environmental protection is enhanced regularly so as to raise employees' awareness of these issues. For example, employees participate in courses on material information confidentiality and insider trading prevention.</li> <li>• Professional training: The company provides job-related skills and knowledge training programs. Employees attend talks by hired professional lecturers or external training courses.</li> <li>• Language training: Strengthen business English training and provide different internal/external advanced education channels and subsidies aimed at improving language skills, in order to satisfy job requirements.</li> <li>• Occupational safety and health: Regularly have internal/external lecturers give talks on health and hygiene.</li> </ul>	<ul style="list-style-type: none"> <li>• General knowledge: Regularly enhance education and training on anti-corruption, human rights, compliance with internal regulations, environmental protection, and compliance with the EICC.</li> <li>• Professional training: Training on professional skills and knowledge required for the job, including professional knowledge training, group leader training, Guobiao (GB) standard projects, and ISO certification training. Employees can also apply for external training courses based on individual needs.</li> <li>• Occupational safety and health: Three-level safety training program targeting occupational safety and health, emergency response, chemical safety, labor protective devices, and fire drills.</li> </ul>



## 2017 Getac Global Employee Average Training Hours

Global Employee Average Training Hours: 67.52 hours

### Training hours by gender



65.41 hours



70.83 hours

### Training hours by employee type



Management

38.91 hours



Direct Employees

75.12 hours



Indirect Employees  
(excl. managers)

55.66 hours



### Percentage Of Employees Subjected To Performance Appraisal

#### Total Employees



#### By Gender



#### By Employee Type



Management

98%



Direct Employees

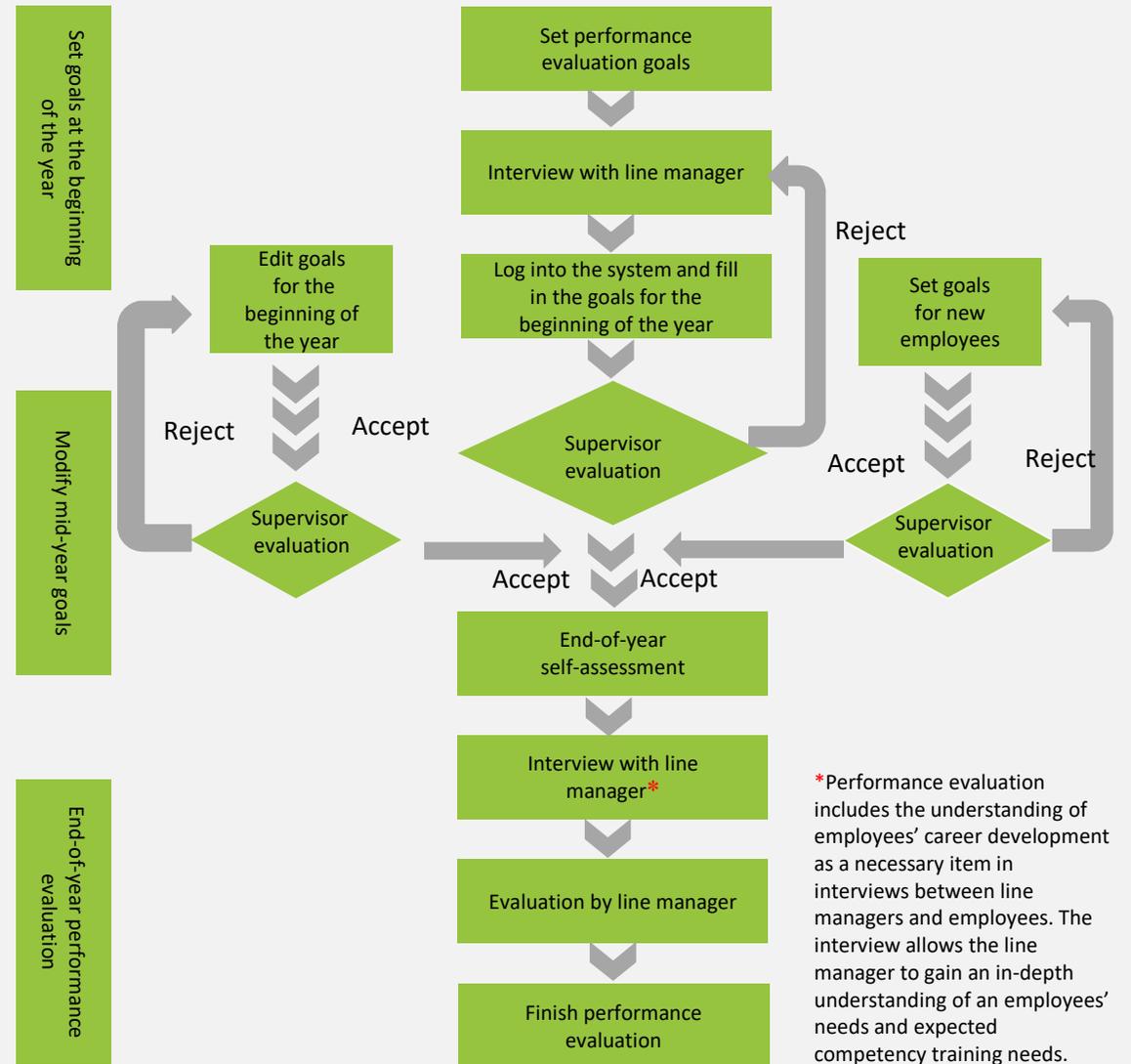
91%



Indirect Employees  
(Excl. managers)

91%

### Performance Evaluation Process





### Parental Leave System

Getac has formulated the Regulations for Implementing Unpaid Parental Leave for Raising Children based on the Act of Gender Equality in Employment. These regulations state that employees with at least one year of work experience at Getac can apply for a maximum of two years of unpaid parental leave before the child reaches the age of three. After the completion of the unpaid parental leave, Getac will arrange for them to be reinstated. In 2017, the reinstatement rate of employees at Getac's Taiwan headquarters who applied for parental leave was 100%, and the position retention rate of people reinstated from parental leave during the previous year and who have worked for one year since was also 100%. For more data, please refer to the data disclosed in Table 5 in Section 8.2 of this report.

### Generous Welfare System

In addition to providing social, health insurance, and leave systems, as well as allowances and other basic measures provided according to different job positions, Getac continues to improve its welfare system with the hope of expanding the scope of care for our employees. During the past few years, we have started to allocate 15% of our annual turnover as staff welfare benefits, which is the maximum limit as set by the law. These benefits include birthday and festive gifts, funding for club, employee travel subsidies, health check subsidies, and English course subsidies. We also regularly arrange movie days and family day activities. In 2017, the employee travel subsidy was increased to NT\$17,000. This was done to encourage employees and their families to spend time together, to improve their relationship with their children, and further enhance their identification with the company.

### Balancing Employees' Physical And Mental Health

In order to promote the balance of employees' physical and mental health, the Staff Welfare Committee established the Social Club Application and Subsidy Regulations, allowing employees to submit applications to set up social clubs, upon the condition that 12 employees have agreed to join the club. A single club is subsidized up to NT\$7,500 per quarter. The social club can be dedicated to anything so long as it is beneficial for the physical and mental health of employees, such as sports, leisure, arts and culture, or entertainment. Getac established 14 staff social clubs during 2017.

### Employee Retention

Getac cares for its employees and offers generous salaries and benefits in order to increase employee loyalty and identification, and thereby reduce the turnover rate. When employees hand in their resignations, care will be taken to understand the reasons for leaving and we will do our best to persuade them to stay. Getac's headquarters in Taiwan focuses on brand management, and its turnover rate is more stable than other production bases. In 2017, the turnover rate improved significantly compared with the previous year, with an annual resignation rate of 10.15%, down 2.93% from the previous year. Please refer to the data disclosed in Table 6 in Section 8.2 of this report for more details on new employees and resignation rates.

**BEST PLACE  
TO WORK !!**



### Ratio Of Getac's Entry-level Salary Compared To Local Regulatory Minimum Wages In 2017

	Taiwan	China	Vietnam
<b>Male</b>	1.9	1	1.16
<b>Female</b>	1.5	1	1.16

#### Basis of calculation:

- Legal basis of standard salaries in different regions: Labor Standards Act (Taiwan), Provisions on Minimum Wages (China), and the basic wage announced by the National Wage Council (Vietnam).
- Entry-level salaries are compared on the basis of the standard wages in Taiwan, China, and Vietnam.
- The basis for comparison is local standard wage (1).



### Average Salary By Gender In 2017

	Taiwan		China		Vietnam	
	M	F	M	F	M	F
M: Male F: Female						
<b>Direct employees</b>	N/A		1 : 1.02		1 : 1	
<b>Indirect employees</b>	1 : 0.86		1 : 0.79		1 : 0.73	
<b>Managerial employees</b>	1 : 0.93		1 : 0.90		1 : 0.99	

#### Basis of calculation

- Average salary by gender is calculated by comparing the average salary of male employees to the average salary of female employees.
- The salary of male employees is used as the basis (1).

### Employee Compensation

Getac offers salaries and benefits that are considerably higher than the market average. Salaries for entry-level employees in Taiwan, China, and Vietnam are higher than or equal to the local regulatory minimum wage, and the gender pay gap is minimal. Salaries may differ slightly as a result of work tenure, job grade, and the nature of work, but will not be affected by factors such as gender, race, religious beliefs, political opinions, marital status, or participation in union groups.

The salary standard is determined by the Remuneration Committee through a remuneration survey of industry standards that examines the connection between employees' salaries and benefits and market standards, and assesses the possibilities for salary increase. High-performing employees are given a raise and promotion opportunities. It is hoped that measures such as these will help attract, retain, and motivate talented employees. Employee bonus distribution is assessed according to the company's annual business performance, and the results are resolved at shareholders' meetings.

### Retirement plan

Getac has a complete retirement plan in place to secure employees' rights and interests. The design and operation of Getac's retirement plan are in line with the local laws implemented at our production bases. No violation or insufficiency has been found. The retirement plans of different regions are described below:

- Taiwan: In compliance with the local law, Getac has established a Labor Pension Monitoring Management Committee. Pensions under the new and old systems are transferred to an employee's account or the dedicated pension account at the Bank of Taiwan. Calculations are performed by accountants at the end of the year in order to ensure that sufficient pensions are paid out. For details, please refer to Getac 2017 Annual Report, page 146~151.
- Mainland China: Employees are insured according to the local regulations; employees contribute 8% of their salary and the company contributes 20%, based on to the base pay.

- Vietnam: Vietnamese employees are enrolled in a social insurance policy; employees and the company contribute 7% and 17% of the salary respectively. When employees retire, they receive a monthly pension according to their average salary and the number of years insured.

The retirement plan adopted by Getac conforms to the local laws and regulations:

- Labor Standards Act and Labor Pension Act (Taiwan)
- State Council Provisional Regulations on Retirement and Resignation of Workers (Mainland China)
- Labor Law and Social Insurance Law (Vietnam)

Labor pension accounts and requests in Taiwan, China, and Vietnam are managed by the designated government departments.

## Compliance With Laws And Internal Systems

- Getac adheres to local labor laws and regulations, including the Labor Standards Act in Taiwan, the Labor Law of the People's Republic of China, and the Labor Law of Vietnam.
- Internal operations and regulations are fully implemented in order to protect the rights and interests of employees. These include Regulations on the Management of Child and Minor Labor, the Code of Ethics Management Procedures, Personnel Recruitment Regulations, and Employee Work Management Regulations.

## Labor Practices

- Employee work hour management and salary payments are in line with or better than regulatory standards and are subject to the inspection and supervision of competent authorities.
- Production bases in China (MPT Kunshan and MPT Suzhou) comply with the labor and human rights constraint in the RBA's Code of Conduct and are subject to third-party auditing. Getac prohibits the use of forced labor.

## Prohibition Of Child Labor

- Getac subscribes to the prohibition of child labor as stipulated in the RBA's Code of Conduct, adheres to local labor laws, and prohibits the hiring of underage children. These provisions are included in the Employee Code of Conduct.
- In order to achieve zero use of child labor, the human resources department has strengthened the ID verification procedures of new recruits. When recruiting employees, the human resources department employs a second-generation ID identifier to verify the authenticity of the applicants' identity and age. The identifier is integrated with a system that automatically identifies underage applicants based on the age they enter into the system, and then automatically blocks the applicants from completing the recruitment procedure. Furthermore, in order to prevent identity theft, the interviewer will randomly select applicants and have them confirm their own personal information by reciting their ID number or birth date. While doing so, the interviewer will observe them in order to detect any suspicious reactions and behavior.

**EQUALITY,  
HARMONY,  
AND CARE.**



## Employee Grievance Channel & Sexual Harassment Grievance Channel

- Taiwan: HQ Grievance Channel  
[Speakout\\_Getac@getac.com.tw](mailto:Speakout_Getac@getac.com.tw)  
HQ Sexual Harassment Grievance Channel  
[wecare\\_gtc@getac.com.tw](mailto:wecare_gtc@getac.com.tw)
- China: [Speakout.kshr@mpt-solution.com.cn](mailto:Speakout.kshr@mpt-solution.com.cn)  
Getac Perspective WeChat Platform
- Vietnam: President's Email Box

## Protect labor rights

- Except for Getac Changshu, Getac's other production bases have all established union groups or labor management meetings in accordance with national laws, in order to promote formal dialogs between employers and employees through a collective bargaining mechanism. The Getac Headquarters in Taiwan has set up labor management meetings in accordance with the Labor Standards Act and the Regulations for Implementing Labor-Management Meeting. The Kunshan production base and Vietnam plant have each established union groups in accordance with the Trade Union Law of their respective countries. Around 81.5% of Getac employees are currently covered by collective agreements.
- Pursuant to the Collective Contract, the Kunshan union group has formulated explicit rules regarding labor management, work hours, leave, labor safety and health, special protection for female workers, and insurance welfare. The Collective Contract covers eight Major Material Topics, five of which are related to health and safety topics (62.5%).
- In the event of material changes to business operations, Getac will inform the union groups as required by law. Plants in Taiwan must inform union groups 10 to 30 days in advance, whereas plants in China and Vietnam must notify the groups 30 days in advance.

## An Equal And Harmonious Workplace

- With our people-centric approach, Getac endeavors to provide employees with a safe and friendly workplace. The company prohibits unequal treatment, discrimination, sexual harassment, and workplace bullying, and guarantees proper work hour management and protection of labor rights.

## 6.2 Safe Workplace

### A Healthy And Safe Workplace

Protecting the occupational health and safety of employees is the basic responsibility required of a corporation. Safety first and cautious protection are our core values. All production bases have incorporated the OHSAS 18001 occupational safety certification management system, which defines clear regulations for operation practices that employees are to observe. These include labor management procedures, an environmental safety and health handbook, health regulations, and occupational illness prevention regulations, thereby providing a comprehensive set of measures aimed at protecting the health and safety of our employees.

Getac's management target is to achieve zero deaths and occupational illnesses. We continue to implement workplace health and safety management practices in the hope that all of our employees can work happily and return home safely.

### Disabling Injuries

There were sixteen reported cases of employees suffering disabling injuries in 2017. The disabling injury frequency rate (IR) was 0.24 (per 200,000 hours of work). There were no workplace fatalities. Lost day rate due to injuries was 6.11 (per 200,000 hours of work). Injuries were mainly a result of employees performing unfamiliar operations. We have already taken measures to enhance the training for new recruits and descriptions of safety precautions for work positions, and have also requested production divisions to strictly monitor the implementation system.

Non-employee workers are currently not the company's primary source of labor; they account for minimal portion of the company's work force. No disabling injuries, deaths, or occupational illnesses were reported in 2017.

### Reporting Of Occupational Injuries

When injuries occur, the injured person or witness should immediately report the incident to the supervisor or the Environmental Health & Safety Section (EHS). Upon the section's preliminary identification of the incident as an occupational injury, it will submit an occupational injury report. Once the section verifies the incident, the report will be submitted to the Human Resources Center and plant general manager for approval.

## OHSAS18001 Occupational Safety and Health Management System



**WORK  
SAFETY**



#### Labor Rights-related Grievance Hotline

Taiwan : [Speakout\\_Getac@getac.com.tw](mailto:Speakout_Getac@getac.com.tw)

China : [Speakout.kshr@mpt-solution.com.cn](mailto:Speakout.kshr@mpt-solution.com.cn)

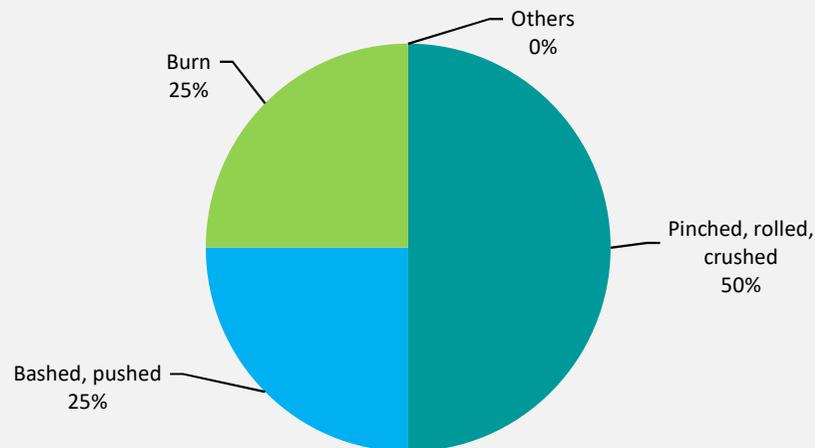
Getac Perspective WeChat Platform

Vietnam : President's Emailbox

## Disabling Injuries And Absence Rate For The Year

	All			Taiwan		China		Vietnam	
	Total	Male	Female	Male	Female	Male	Female	Male	Female
<b>Gender</b>									
<b>No. Of Injuries &amp; Disability</b>	16	16	0	1	0	7	0	8	0
<b>Injury Rate (IR)</b>	0.41	0.26	0	0.28	0	0.20	0	2.27	0
<b>Lost Day Rate (LDR)</b>	9.77	6.11	0	3.68	0	5.74	0	46.05	0
<b>Absentee Rate % (AR)</b>	0.86%	0.73%	1.08%	0.55%	0.68%	0.77%	1.16%	0.37%	0.80%

Type Of Disabling Injury



Calculation Description :

- The calculation of employee injuries and disability excludes injuries caused by commuting accidents.
- Injury rate (IR) = (Total no. of disabling injury cases / Total work hours) \*200,000 hours.
- Lost day rate (LDR) = (No. of days lost due to disabling injuries / Total work hours)\*200,000.
- Absentee rate (AR) = (Total absent days / total working days)\*100%.
- Absentee: Employee is absent from work due to disability and defined as occupational injury leave and sick leave.



### Occupational Illness Management

In order to prevent occupational illnesses, protect the health and safety of employees, and reduce labor disputes, Getac has clearly defined work positions that are associated with occupational illnesses and occupational hazards, and has also formulated prevention measures.

- Occupational illness: Illness caused by occupational risk factors such as exposure to dust, radiation, and toxic substances that occur at work.
- Occupational hazard: Work positions that might be harmful to the health of employees: grinding, spray painting, paint mixing, X-ray tests, chemical use and management, and long-term exposure to high temperatures and noise pollution.

Each production base conducts risk factor analyses according to the type of production involved, and high-risk positions are strictly monitored.

- Electronics: Electric welding.
- Plastic Injected mechanical parts: Noise, chemicals, and X-ray.
- Automotive mechanical parts: Noise, dust, and high temperatures.

In order to distinguish general positions from occupationally hazardous positions, the ID cards of employees in occupationally hazardous positions are marked with a bright green dot. These employees also work in shifts, in order to avoid long-term exposure to dangerous environments. Furthermore, new employees in occupationally hazardous positions must undergo medical examinations before assuming their post, and receive yearly follow-up checks. If they show signs of deteriorating health, they must be transferred from the position immediately.

Getac's production bases are subject to the supervision of local labor authorities, and are obliged to provide accurate accounts of any occupational safety incidents and of occupational illness monitoring conditions, as well as to improve their management systems in accordance with regulatory policies. There were no cases of occupational fatalities or occupational illnesses in 2017.

### Improving Workplace Management

Getac has incorporated environment-improving equipment, such as ventilation and wet scrubber, into their plants and regularly commission third parties to inspect the environment within the plants to identify and monitor possible risk factors.

#### Zero Deaths And Zero Occupational Illnesses Management

Getac's plants have established a Safety Production Management Committee to implement a safe production performance management system. The committee consists of labor and management representatives and is chaired by the highest manager of the plant or by the head of human resources center. There are currently no worker representatives, but the number of labor representatives has reached the statutory requirement. Safety meetings are regularly held to conduct rolling reviews of occupational safety performances, while regular patrols are also conducted to inspect the implementation status of production lines. In the event of an occupational safety incident, the relevant units are requested to determine the cause of the incident, examine this cause and propose correction measures.

Ratio Of Labor And Management Representatives In Each Plant's Safety Production Management Committee				
Site	Taiwan	Kunshan	Changshu	Vietnam
Number Of Labor Representatives	5	81	13	11
Total Number Of Members	12	113	19	12
Ratio Of Labor Representatives	42%	72%	69%	92%

#### Education, Training, And Disaster Prevention Drills

Occupational safety and health education and training, as well as three-level safety training, are carried out in order to raise the safety awareness of employees. New employees that fail the tests cannot complete the recruitment procedure. Getac's plants conduct annual fire and evacuation drills, as well as dangerous chemical control drills.



# 7.0

## SOCIAL PARTICIPATION

7.1 Caring for Disadvantaged Groups

7.2 Cultivating Industrial Experts

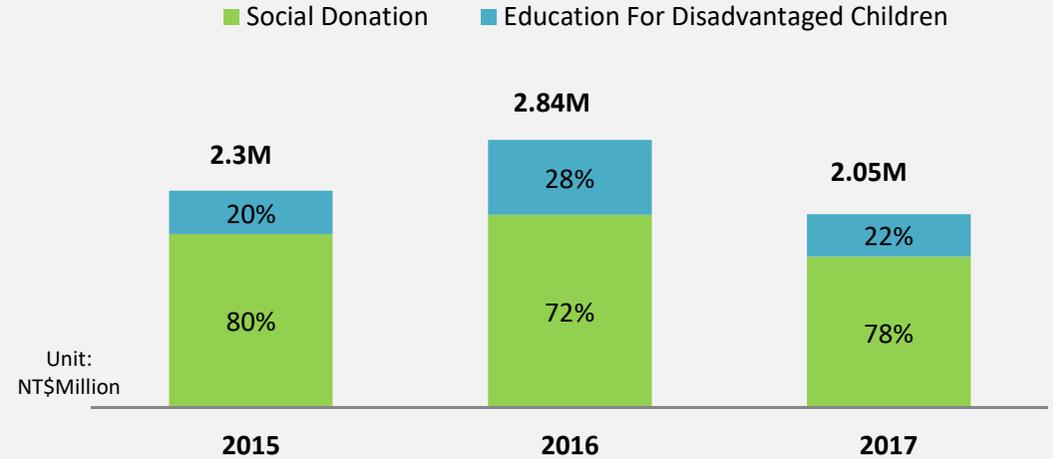


# 7.1 Caring For Disadvantaged Groups

## Getac Charity Trust Fund

Every year, the Board of Directors will reserve a special portion of our profit and donate it to the Getac Charity Trust Fund, which uses these funds to support disadvantaged groups and encourage Getac employees to do good deeds. Since its establishment in 2008, the Getac Charity Trust Fund has donated a total of NT\$27.65 million. In addition to supporting social welfare institutions and disadvantaged groups, we also participate in other forms of social charity activities, show care for community development and social work, support volunteer services and environmental protection and recycling initiatives, as a way of giving back to society.

## Getac Charity Trust Fund Expense





*Getac actively promotes social welfare initiatives that supports disadvantaged groups and fosters future talents.*



## 01

### **Funding The Education Of Overseas Students**

In 2017, a total of seven students from Chiang Mai, Thailand, received funding for their studies at Taiwanese universities, where they enjoyed equal education opportunities.

## 02

### **Supporting Social Welfare Institutions**

In 2017, Getac made donations to the Down Syndrome Association R.O.C., the Huashan Social Welfare Foundation, the Blind Education Concerns Association of Taipei, as well as other socially disadvantaged groups.

## 03

### **Supporting Aesthetic Education Activities**

Since 2009, Getac has sponsored the activities of Tzu Chi University of Science and Technology, assisting in the organizing of arts and cultural activities and education during the summer and winter vacations. In 2017, we invested NT\$1.15 million to help sponsor 64 children from economically disadvantaged families in Hualien and Taitung to participate in camping activities.

## 04

### **Supporting Care Center For Economically Disadvantaged Family**

The Christian Huilong Care Center for Economically Disadvantaged Family in New Taipei City shelters more than 80 children from economically disadvantaged families. Getac has been funding the care center since 2015, with the hope of helping these children to learn and develop.

## 7.2 Cultivating Industrial Experts

### The Y.S. Award Of The Y.S. Educational Foundation

Getac and its affiliates have cooperated to organize the Y.S. Award since 2003. 2017 marked the 14<sup>th</sup> year of the competition. The theme for this year was "A Smart Tomorrow," which was aimed at encouraging new participants to showcase their creativity with popular technologies, such as IoT, augmented reality (AR), virtual personal assistant (VPA), and artificial intelligence. We hope that experience gained from the competition will help these rising stars to shine in the innovation industry.

### About Y.S. Award

Based on its philosophy of cultivating future digital talents, the Y.S. Award Competition provides college and university students a stage on which they can showcase their skills and creativity. The Y.S. Award Competition comprises three categories of software application, industrial design, and micro-movies. Each year, themes relating to industrial trends, cultural heritage, and environmental concerns are developed. Prestigious industry experts are invited to act as judge and interact with students to share their experience in design and business practices and show these students how to infuse commercial value into their

creativity. The purpose of this competition is to facilitate the future development of these students and help the country cultivate new experts in the technology and innovation industry.

14th Y.S. AWARD  
育秀盃創意獎





# 8.0

## Appendix

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**8.1 GRI Standards Index**  
**8.2 Data Disclosure in  
the Report**

## 8.1 GRI Standards Index

Topic	Indicator	Disclosure	Chapter	Page	Omission
Organizational Profile					
GRI-102: General Disclosures	102-01	Name of the organization	1.2 About Getac	Getac Technology Corporation	
	102-02	Activities, brands, products, and services	1.2 About Getac	12-14	
	102-03	Location of headquarters	1.2 About Getac	15-16	
	102-04	Location of operations	1.2 About Getac	16	
	102-05	Ownership and legal form	3.1 Corporate Governance Framework	30	
	102-06	Markets served	1.2 About Getac	15	
	102-07	Scale of the organization	1.2 About Getac	12, 36	
	102-08	Information on employees and other workers	6.1 Happy Enterprise	66	
	102-09	Supply chain	4.6 Supply Chain Management	44	
	102-10	Significant changes to the organization and its supply chain	1.1 About This Report	9	
	102-11	Precautionary Principle or approach	4.2 Corporate Risk Management	39-40	
	102-12	External initiatives	2.1 Sustainability Governance Framework	18	
	102-13	Membership of associations	1.2 About Getac	15	
Strategy					
	102-14	Statement from senior decision-maker	Message From The CEO	2-3	
	102-15	Key impacts, risks, and opportunities	Message From The CEO	2-3, 38-40	
Ethics and integrity					

## 8.1 GRI Standards Index

Topic	Indicator	Disclosure	Chapter	Page	Omission
	102-16	Values, principles, standards, and norms of behavior	3.2 Ethical Management	31	
	102-17	Mechanisms for advice and concerns about ethics	3.2 Ethical Management	32	
<b>Governance</b>					
	102-18	Governance structure	3.1 Corporate Governance Framework	19, 25	
	102-19	Delegating authority	3.1 Corporate Governance Framework	25	
	102-20	Executive-level responsibility for economic, environmental, and social topics	2.1 Sustainability Governance Framework 3.1 Corporate Governance Framework	19, 25	
	102-21	Consulting stakeholders on economic, environmental, and social topics	1.1 About This Report 3.2 Ethical Management 5.2 Green Production 6.1 Happy Enterprise	10, 32, 33, 59, 76	
	102-22	Composition of the highest governance body and its committees	3.1 Corporate Governance Framework	25-27, 29	
	102-23	Chair of the highest governance body	3.1 Corporate Governance Framework	26	
	102-24	Nominating and selecting the highest governance body	3.1 Corporate Governance Framework	25	
	102-25	Conflicts of interest	3.1 Corporate Governance Framework	30	
<b>Stakeholder Engagement</b>					
	102-40	List of stakeholder groups	2.2 Stakeholder Engagement	20	
	102-41	Collective bargaining agreements	6.1 Happy Enterprise	78	
	102-42	Identifying and selecting stakeholders	2.2 Stakeholder Engagement	20-21	
	102-43	Approach to stakeholder engagement	2.2 Stakeholder Engagement	23	
	102-44	Key topics and concerns raised	2.2 Stakeholder Engagement	23	



## 8.1 GRI Standards Index

Topic	Indicator	Disclosure	Chapter	Page	Omission
Reporting practice					
	102-45	Entities included in the consolidated financial statements	1.1 About This Report	9	
	102-46	Defining report content and topic Boundaries	1.1 About This Report 2.2 Stakeholder Engagement	9, 22	
	102-47	List of material topics	2.2 Stakeholder Engagement	23	
	102-48	Restatements of information	1.1 About This Report	9	
	102-49	Changes in reporting	1.1 About This Report	9	
	102-50	Reporting period	1.1 About This Report	9	
	102-51	Date of most recent report	1.1 About This Report	9	
	102-52	Reporting cycle	1.1 About This Report	9	
	102-53	Contact point for questions regarding the report	1.1 About This Report	10	
	102-54	Claims of reporting in accordance with the GRI Standards	1.1 About This Report	9	
	102-55	GRI content index	8.1 GRI Standards Index	84-91	
	102-56	External assurance	1.1 About This Report	11	



## 8.1 GRI Standards Index

Topic	Indicator	Disclosure	Chapter	Page	Omission
<b>Major Material Topic</b>					
GRI-103 Management Approach	103-1	Explanation of the material topic and its Boundary	2.2 Stakeholder Engagement	22	
<b>Economic Performance</b>	<b>103-2</b>	<b>The management approach and its components</b>	<b>4.1 Business Development</b>	<b>4</b>	
	103-3	Evaluation of the management approach	4.1 Business Development	4	
	201-1	Direct economic value generated and distributed	4.1 Business Development	36	
	201-3	Defined benefit plan obligations and other retirement plans	6.1 Happy Enterprise	74	
	201-4	Financial assistance received from government	4.1 Business Development	35	
<b>Supplier Environmental/Social Assessment</b>	<b>103-2</b>	<b>The management approach and its components</b>	<b>4.6 Supply Chain Management</b>	<b>5</b>	
	103-3	Evaluation of the management approach	4.6 Supply Chain Management	5	
	204-1	Proportion of spending on local suppliers	4.6 Supply Chain Management	44	
	308-1	New suppliers that were screened using environmental criteria	4.6 Supply Chain Management	46	
	308-2	Negative environmental impacts in the supply chain and actions taken	4.6 Supply Chain Management	46	
	414-1	New suppliers that were screened using social criteria	4.6 Supply Chain Management	46	
	414-2	Negative social impacts in the supply chain and actions taken	4.6 Supply Chain Management	46	
<b>Anti-corruption</b>	<b>103-2</b>	<b>The management approach and its components</b>	<b>3.2 Ethical Management</b>	<b>4</b>	
	103-3	Evaluation of the management approach	3.2 Ethical Management	4	
	205-1	Operations assessed for risks related to corruption	3.2 Ethical Management	32	
	205-2	Communication and training about anti-corruption policies and procedures	3.2 Ethical Management	31	

## 8.1 GRI Standards Index

Topic	Indicator	Disclosure	Chapter	Page	Omission
	205-3	Confirmed incidents of corruption and actions taken	3.2 Ethical Management	32	
Energy	103-2	The management approach and its components	5.2 Green Production	5	
	103-3	Evaluation of the management approach	5.2 Green Production	5	
	302-1	Energy consumption within the organization	5.2 Green Production	54	
	302-2	Energy consumption outside of the organization	5.2 Green Production	-	Omitted, not calculated
	302-3	Energy intensity	5.2 Green Production	54	
	302-4	Reduction of energy consumption	5.2 Green Production	55	
	302-5	Reductions in energy requirements of products and services	5.2 Green Production	51	
Water	103-2	The management approach and its components	5.2 Green Production	6	
	103-3	Evaluation of the management approach	5.2 Green Production	6	
	303-1	Water withdrawal by source	5.2 Green Production	57	
	303-2	Water sources significantly affected by withdrawal of water	5.2 Green Production	57	
	303-3	Water recycled and reused	5.2 Green Production	58	
Emissions	103-2	The management approach and its components	5.3 Corporate Pollution Prevention	5	
	103-3	Evaluation of the management approach	5.3 Corporate Pollution Prevention	5	
	305-1	Direct (Scope 1) GHG emissions	5.2 Green Production	56	
	305-2	Energy indirect (Scope 2) GHG emissions	5.2 Green Production	56	
	305-3	Other indirect (Scope 3) GHG emissions	5.2 Green Production	-	Omitted, not calculated

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Topic	Indicator	Disclosure	Chapter	Page	Omission
	305-4	GHG emissions intensity	5.2 Green Manufacturing	56	
	305-5	Reduction of GHG emissions	5.2 Green Manufacturing	55	
	305-6	Emissions of ozone-depleting substances (ODS)	5.3 Corporate Pollution Prevention	–	Omitted, not applicable
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	5.3 Corporate Pollution Prevention	63	
Effluents And Waste	103-2	The management approach and its components	5.3 Corporate Pollution Prevention	5	
	103-3	Evaluation of the management approach	5.3 Corporate Pollution Prevention	5	
	306-1	Water discharge by quality and destination	5.3 Corporate Pollution Prevention	60	
	306-2	Waste by type and disposal method	5.3 Corporate Pollution Prevention	61	
	306-3	Significant spills	5.3 Corporate Pollution Prevention	No Violation	
	306-4	Transport of hazardous waste	5.3 Corporate Pollution Prevention	–	Omitted, not applicable
	306-5	Water bodies affected by water discharges and/or runoff	5.2 Green Production	60	
Environmental Compliance	103-2	The management approach and its components	5.3 Corporate Pollution Prevention	5	
	103-3	Evaluation of the management approach	5.3 Corporate Pollution Prevention	5	
	307-1	Non-compliance with environmental laws and regulations	5.3 Corporate Pollution Prevention	33	
Occupational Health And Safety	103-2	The management approach and its components	6.2 Safe Workplace	6	
	103-3	Evaluation of the management approach	6.2 Safe Workplace	6	
	403-1	Workers representation in formal joint management–worker health and safety committees	6.2 Safe Workplace	78	
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	6.2 Safe Workplace	77	
	403-3	Workers with high incidence or high risk of diseases related to their occupation	6.2 Safe Workplace	78	

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Topic	Indicator	Disclosure	Chapter	Page	Omission
	403-4	Health and safety topics covered in formal agreements with trade unions	6.2 Safe Workplace	75	
Training And Education	103-2	The management approach and its components	6.1 Happy Enterprise	6	
	103-3	Evaluation of the management approach	6.1 Happy Enterprise	6	
	404-1	Average hours of training per year per employee	6.1 Happy Enterprise	69	
	404-2	Programs for upgrading employee skills and transition assistance programs	6.1 Happy Enterprise	68	
	404-3	Percentage of employees receiving regular performance and career development reviews	6.1 Happy Enterprise	70	
Child Labor	103-2	The management approach and its components	6.1 Happy Enterprise	6	
	103-3	Evaluation of the management approach	6.1 Happy Enterprise	6	
	408-1	Operations and suppliers at significant risk for incidents of child labor	6.1 Happy Enterprise	46, 75	
Customer Health And Safety	103-2	The management approach and its components	5.1 Green Design	6	
	103-3	Evaluation of the management approach	5.1 Green Design	6	
	416-1	Assessment of the health and safety impacts of product and service categories	5.1 Green Design	53	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	5.1 Green Design	53	
Marketing And Labeling	103-2	The management approach and its components	5.1 Green Design	6	
	103-3	Evaluation of the management approach	5.1 Green Design	6	
	417-1	Requirements for product and service information and labeling	5.1 Green Design	53	
	417-2	Incidents of non-compliance concerning product and service information and labeling	5.1 Green Design	53	
	417-3	Incidents of non-compliance concerning marketing communications	3.2 Ethical Management	33	

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Topic	Indicator	Disclosure	Chapter	Page	Omission
Customer Privacy	103-2	The management approach and its components	4.5 Customer Privacy	5	
	103-3	Evaluation of the management approach	4.5 Customer Privacy	5	
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	4.5 Customer Privacy	43	
Self-Defining Topic :Information Security	103-2	The management approach and its components	4.4 Information Security	42	
	103-3	Evaluation of the management approach	4.4 Information Security	42	
	N/A	Information security	4.4 Information Security	42	
Socioeconomic Compliance	103-2	The management approach and its components	3.2 Ethical Management	5	
	103-3	Evaluation of the management approach	3.2 Ethical Management	5	
	419-1	Non-compliance with laws and regulations in the social and economic area	3.2 Ethical Management	33	
	N/A	Corporate Governance	3.2 Ethical Management	33	
	N/A	Information Disclosure and Transparency	3.2 Ethical Management	33	
Self-Defining Topic : corporate Risk Management	103-2	The management approach and its components	4.2 Enterprise Risk Management	4	
	103-3	Evaluation of the management approach	4.2 Enterprise Risk Management	4	
	102-29	Identifying and managing economic, environmental, and social impacts	4.2 Enterprise Risk Management	39-40	
	102-30	Effectiveness of risk management processes	4.2 Enterprise Risk Management	39-40	
Self-Defining Topic: Intellectual Property Rights	103-2	The management approach and its components	4.3 Intellectual Property Rights	7	
	103-3	Evaluation of the management approach	4.3 Intellectual Property Rights	7	
	N/A	Incidents of Intellectual Property Rights Violation	4.3 Intellectual Property Rights	41	

## 8.2 Data Disclosure In The Report

**Table 1 : Global Warming Potential (GWP)**

Unit: tonnes CO2e/tonnes

GHG Source (Category)	Composition	GWP	Reference
CO <sub>2</sub>	CO <sub>2</sub>	1	<ul style="list-style-type: none"> <li>GWP reference Taiwan Environmental Protection Agency National Greenhouse Gas Login Platform —Greenhouse Gas Emission Factors Management Table , version 6.0.3.(106/01) , IPCC fifth Assessment Report.</li> </ul>
CH <sub>4</sub>	CH <sub>4</sub>	28	
N <sub>2</sub> O	N <sub>2</sub> O	65	
SF <sub>6</sub>	SF <sub>6</sub>	23500	
NF <sub>3</sub>	NF <sub>3</sub>	16100	
HFC-134a	HFC-134a	1300	

**Table 2 : Heating Value & GHG Emission Factors—China**

China

GHG Source	Emission Source	Scope	Heating Value	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	HFCs (HFC 134a)	Reference
Electricity	Stationary Combustion	Scope 2	860Kcal/KWh	0.8112 KgCO <sub>2</sub> e/KWh	n.a.	n.a.		2015 China's regional grid baseline emission factor- East China
Natural Gas	Stationary Combustion	Scope 1	8500 KcalM <sup>3</sup>	1.9964755800 KgCO <sub>2</sub> /M <sup>3</sup>	0.00147685 KgCH <sub>4</sub> /L	0.00000356 KgN <sub>2</sub> O/M <sup>3</sup>		<ol style="list-style-type: none"> <li>Emission Factors equals IPCC coefficient x Heating Value</li> <li>Heating values of fuels reference General Principles for <i>Calculation of the Comprehensive Energy Consumption</i>(GB/T2589-2008 ).</li> <li>Density of Mobile Gasoline: 0.725kg/dm<sup>3</sup> ; Density of Diesel Oil: 0.825kg/dm<sup>3</sup></li> <li>Steam is generated by burning bituminous coal. The conversion rate of bituminous coal to steam was provided by vendors. Greenhouse gas emissions were estimated using the amount of bituminous coal used</li> </ol>
Diesel Oil	Stationary Combustion	Scope 1	10200 Kcal/kg	3.1630436640 KgCO <sub>2</sub> /kg	0.00012812 KgCH <sub>4</sub> /Kg	0.00002562 KgN <sub>2</sub> O/Kg		
Steam(Other Bituminous Coal)	Stationary Combustion	Scope 2	7000 Kcal/kg	2.772407 KgCO <sub>2</sub> /Kg	0.00002931	0.00004396 KgN <sub>2</sub> O/Kg		
Motor Gasoline	Mobile Combustion	Scope 1	14110 Kcal/L	4.0938300986 KgCO <sub>2</sub> /L	0.00147685 KgCH <sub>4</sub> /L	0.00047259 KgN <sub>2</sub> O/L		
Refrigerant	Fugitive Emissions	Scope 1		n.a	n.a	n.a	1 KgHFCs/Kg	

## 8.2 Data Disclosure In The Report

**Table 3 : Heating Value & GHG Emission Factors—Taiwan**

Taiwan							
GHG Source	排放源	Scope	Heating Value	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	Reference
Electricity	Stationary Combustion	Scope 2	860Kcal/KWh	0.52900000	n.a.	n.a.	• Greenhouse Gas Emission Factor Management Table, version 6.0.3.
Mobile Gasoline	Mobile Combustion	Scope 1	7800Kcal/KWh	2.2631 KgCO <sub>2</sub> /L	0.000816KgCH <sub>4</sub>	0.000261KGN <sub>2</sub> O	• Greenhouse Gas Emission Factor Management Table, version 6.0.3.

**Table 4 : Heating Value & GHG Emission Factors—Vietnam**

Vietnam								
GHG Source	Emission Source	Scope	Heating Value	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	HFCs (HFC 134a)	Reference
Electricity	Stationary Combustion	Scope 2		0.7777 KgCO <sub>2</sub> e/KWh	n.a.	n.a.		• 2006 IPCC Guidelines for National Greenhouse Gas Inventories
Natural Gas	Stationary Combustion	Scope 1	0.048GJ/KG	1.88496 KgCO <sub>2</sub> /M <sub>3</sub>	0.000168 KgCH <sub>4</sub> /M <sup>3</sup>	0.00000336 KgN <sub>2</sub> O/M <sup>3</sup>		• Greenhouse Gas Protocol Cross Sector Tool • Density of Diesel Oil: 0.84kg/dm <sup>3</sup> • Density of Natural Gas : 0.7Kg/dm <sup>3</sup> • Density of Mobile Gasoline: 0.74kg/dm <sup>3</sup>
Diesel Oil	Stationary Combustion	Scope 1	0.043GJ/KG	2.676492Kg CO <sub>2</sub> /L	0.0003612KgCH <sub>4</sub> /L	0.000021672 KgN <sub>2</sub> O/L		
Mobile Gasoline	Mobile Combustion	Scope 1	0.0443GJ/KG	2.2717926 KgCO <sub>2</sub> /M <sup>3</sup>	0.000332782 KgCH <sub>4</sub> /M <sup>3</sup>	0.00001967 KgN <sub>3</sub> O/L		
Refrigerant	Fugitive Emission	Scope 1					1.00000000	

## 8.2 Data Disclosure In The Report

**Table 5 : Statistics of Getac's Unpaid Parental Leave**

Region	Content	Male	Female
Taiwan	Number of employees that were eligible to apply for unpaid parental leave in 2017	62	19
	Number of employees that actually applied for unpaid parental leave in 2017	0	3
	Number of employees expected to be reinstated from unpaid parental leave in 2017	0	3
	Number of employees actually reinstated from unpaid parental leave in 2017	0	3
	Number of employees reinstated after taking a parental leave in 2016	1	0
	Number of employees that worked for one year after reinstatement in 2016	1	0
	Reinstatement rate	-	100.00%
	Retention rate	100.00%	-
China & Vietnam	N/A. The laws of Mainland China and Vietnam did not stipulate requirements for parental leave; therefore, the plants are subject to local laws and regulations. Plants in China provide paternity leave (15 days), maternity leave (128 days), and breastfeeding leave. Plants in Vietnam provide 200 days of maternity leave and convalescent leave.		
<b>Calculation Description</b>			
The number of employees qualified for parental leave in 2017 = the number of employees who applied for maternity and paternity leave in the past three years (2014-2017).			
Reinstatement rate=(No. of employees reinstated in 2017 / Expected no. of employees to be reinstated in 2017)x100%			
Retention rate=No. of employees that worked for one year after reinstatement in 2017 / No. of employees reinstated after taking unpaid parental leave in 2017)x100%			



## 8.2 Data Disclosure in the Report

**Table 6 : Getac Employment Rate And Turnover Rate in 2017**

<ul style="list-style-type: none"> <li>Yearly Employment Rate: The monthly average number of new recruits /monthly average number of total employee*12 months</li> <li>Yearly Turnover Rate(%): The monthly average number of resignations / monthly average number of total employee*12 months</li> </ul>			No. of New Recruits(Monthly)	Yearly Employment Rate	No. of Resignations (Monthly)	Yearly Turnover Rate
All	Getac HQ		106	20.00%	51	10.15%
	Getac Kunshan		84	108.00%	84	156.00%
	MPT Kunshan		242	101.40%	361	153.84%
	MPZ Kunshan		140	127.62%	181	164.25%
	Getac Changshu		1109	157.92%	1038	182.40%
	Getac Vietnam		1255	225.31%	1132	203.23%
By Gender	Getac HQ	Male	71	13.37%	33	6.21%
		Female	35	6.59%	18	3.39%
	Getac Kunshan	Male	42	48.00%	70	84.00%
		Female	42	48.00%	58	72.00%
	MPT Kunshan	Male	151	63.36%	228	101.76%
		Female	91	38.04%	123	52.20%
	MPZ Kunshan	Male	90	82.27%	115	104.19%
		Female	50	45.35%	66	60.06%
	Getac Changshu	Male	665	14.21%	675	96.12%
		Female	444	14.23%	363	132.24%
	Getac Vietnam	Male	728	130.70%	460	82.59%
		Female	527	94.61%	672	120.65%
By Age	Getac HQ	<30	32	6.03%	14	2.64%
		31-50	73	13.75%	37	6.97%
		>51	1	0.19%	0	0.00%
	Getac Kunshan	<30	73	84.00%	113	132.00%
		31-50	11	12.00%	16	24.00%
		>51	0	0.00%	0	0.00%
	MPT Kunshan	<30	197	82.20%	297	126.36%
		31-50	46	19.20%	64	27.48%
		>51	0	0.00%	0	0.00%
	MPZ Kunshan	<30	109	99.41%	137	124.36%
		31-50	31	28.13%	44	39.81%
		>51	0	0.00%	0	0.00%
	Getac Changshu	<30	776	118.80%	779	116.28%
		31-50	298	45.84%	234	34.92%
		>51	35	5.40%	25	3.72%
Getac Vietnam	<30	942	169.12%	955	171.45%	
	31-50	239	42.91%	138	24.78%	
	>51	74	13.29%	39	7.00%	



# *Getac*

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Published on June, 28<sup>th</sup>, 2018