



ATEN International

2012 Corporate Social Responsibility Report



Introduction

About the 2012 ATEN Corporate Social Responsibility Report

The "ATEN 2012 Corporate Social Responsibility Report" is the second corporate social responsibility report issued by ATEN International Co., Ltd. ATEN's core corporate values of integrity, caring, ambition and novelty have been passed from the top of the company to the bottom as standards for behavior. These core values have manifested in our "corporate strategy", "operational management", "corporate governance", and "product strategy". They have expanded into "corporate commitment", "social participation", "environmentalism", and other levels of corporate social responsibility. By publishing this report every year, we vow to bring into being the determination to make continued progress on the basis of our concepts of corporate social responsibility.

Report Scope

The information disclosed in this report covers ATEN's concepts and actions in the areas of corporate governance, protecting the environment and participation in society during the period of the 1st of January to the 31st of December 2012, while the scope for key events extends to the 31st of March 2013. The content of this report includes ATEN's headquarters in Taiwan as well as subsidiary companies in the PRC, Belgium, and other countries.

Guiding Principles Used in Writing this Report

This report was compiled in order to respond to the ever-growing trend for emphasis on corporate social responsibility on the part of major world enterprises, and also to the promotion of strengthened disclosure of corporate social security information in the Taiwanese securities market, participation in the third generation of the Global Reporting Initiative's (GRI's), Sustainability Reporting Guidelines (GRI G3.1 Guidelines).

Verification

A third-party verification agency has not been engaged to verify this report, all subsequent editions shall be published after undergoing such verification in order to promote the transparency and reliability of the information within this report.

Publishing the Report

Current edition: published in June 2013

Next edition: expected to be published in June 2014

In order to protect the environment and cherish natural resources, this report will be advertised only as an electronic version on ATEN's website.

We welcome any opinions or enquiries for information related to this report.

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6 Manager's Preface

As far as ATEN is concerned, aside from being a profitable company in order to improve the benefits paid to shareholders, we have promoted our overall responsibility to society, the environment, those above and below us in the supply chain, and our employees since publishing the first Corporate Social Responsibility Report in June 2012.

Since its establishment in 1979, ATEN has 34 years of experience as a major provider of KVM (Keyboard, Video, and Mouse) switches, from which our "professional Audio/Video solutions" were developed, by using our core technologies to transmit Audio/Video signals through advanced integration. Recently, guided by the concepts of server room integration and environmentalism and energy efficiency, we have also developed "Green Energy Management Solutions". In taking this path of product extension and expansion, ATEN has sought corporate growth and transformation in the wake of corporate pulsation. Aside from hoping to be able to provide reasonable investment compensation to shareholders, we have also sought to walk the path to sustainable development, under the reasonable expectation of all stakeholders. 34 years is only the beginning: we believe that the chosen path of our corporation will bring support from stockholders, clients, suppliers, employees, society and governments.



In August 2012, we were once again honored with Common Wealth Magazine's "Excellence in Corporate Social Responsibility" Award. In the same year, we won 4th place in the Mittelstand Award: this marked the 4th time ATEN has been placed in the top 10 candidates for Common Wealth's Mittelstand Award in the 6 years since the award begun. Our having entered the lists with many renowned enterprises is both a kind of honor and a kind of expectation of oneself. In the future, while pursuing corporate profit, we will realize corporate social responsibility in a strategic and systematic way, while also hoping to be able to take the next step in making "employee social responsibility" a reality. Truly, a new page in ATEN's Corporate Social Responsibility and Employee Social Responsibility has been begun with the founding of the ATEN Volunteer Society, a result of the company's diligence and the employees' own planning. Over 16% of employees, a total of over 100 individuals, have registered as members. Looking forward, there will be more colleagues and groups of colleagues working in the areas of "environmental restoration and education", "childcare", "caring for the disabled", and "caring for mothers and children", among others, concentrating more manpower and resources, so as to put more positive capacity into society together.

ATEN's "core values" include the 4 main areas of "Integrity", "Caring", "Ambition", and "Novelty", which have become regarded as behavioral criteria from the top to the bottom of the company. The 4 core values should be the central motivation behind any "thought", "action", or "decision"; and thus they are realized in "corporate strategy", "operational management", "corporate governance", and "product strategy". They have been expanded to "the ATEN corporate commitment", "social participation", "environmentalism", and other levels of corporate social responsibility.

Facing all manner of future challenges, ATEN will remain diligent in the areas of corporate governance, operational efficiency, corporate profit, employee benefits, environmental protection and investor relations, hoping to press on in the areas of product development, environmentalism, energy efficiency, and promoting the happiness of humanity as a whole through creative thinking and technology. Realizing our responsibility to society, and creating a win-win situation with all of the company's stakeholders.

CEO & President of the Board

Ch2 / Implementation of CSR

2.1 CSR Policy Statement

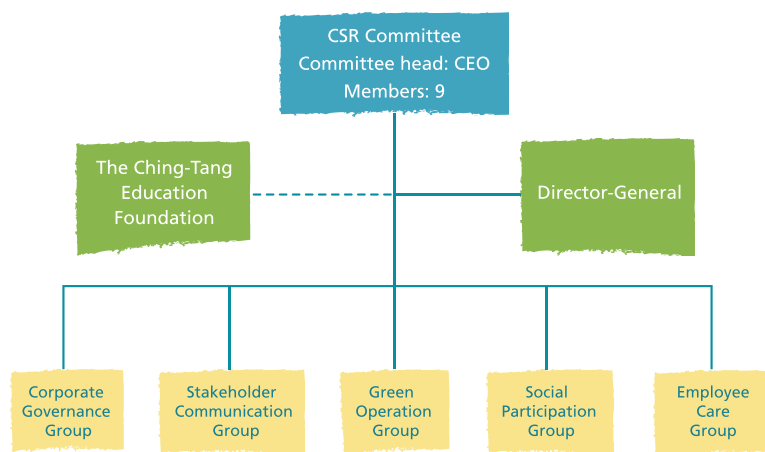
2.2 Stakeholder Relations



6 Implementation of CSR

In order to effectively and sustainably promulgate CSR, ATEN defined the ATEN Corporate Social Responsibility Committee as the highest CSR group within ATEN, by means of a CSR Strategic Statement and the "Institution and Management System" at a meeting of the Board of Directors on the 24th of April 2012. Furthermore, a small meeting is called by the Director-General every month to discuss, formulate, and enact the operation of matters related to CSR through systematized operations. A report to the chairpersons and members of the ATEN CSR Committee is made at least every 6 months, and all decisions made by the Committee in the area of CSR policy during the meeting are carried out on that basis. The annual status and implementation state of all CSR projects formulated by the CSR Committee should be reported regularly to the Board of Directors.

CSR Committee Group Structure



2.1 CSR Policy Statement

ATEN holds to the 4 core corporate values of Integrity, Caring, Ambition, and Novelty, and uses them to make CSR a reality, allowing us to become a force for improving society, providing more benefits to the environment and stakeholders with whom we interact everywhere, while simultaneously pursuing sustainable development.

As a global brand, ATEN will use the influence of all of the strongholds it has established across the globe to establish CSR as a duty, so that products; services, environment protection, energy efficiency, employee health and safety, corporate governance, human rights, morality, public welfare, and social participation can be carried out in the course of corporate operations.

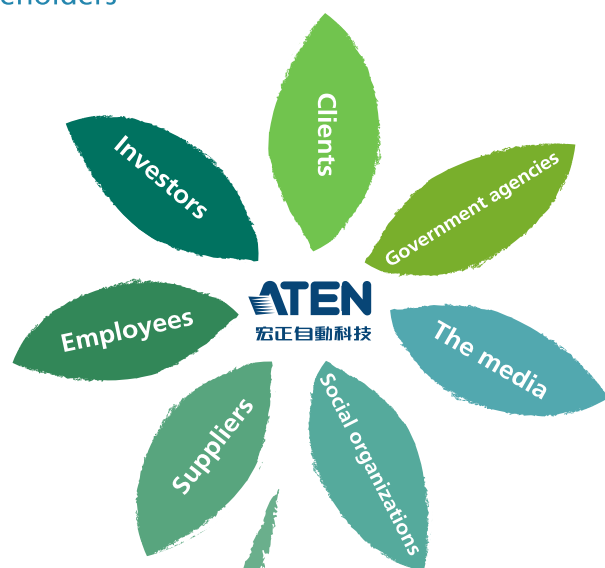
In order to strengthen ATEN's communication with stakeholders such as: shareholders/ employees/ clients/ suppliers/ social groups/ supervisory agencies, ATEN will disclose information related to CSR by issuing a Corporate Social Responsibility Report every year, thereby simultaneously affirming that we are continuing to take action in the area of CSR and also enabling us to reflect on formulating more concrete, diverse, and effective operational activities with a developed direction, which will be in accord with stakeholder expectations.

Corporate Social Responsibility is not only a trend in the enterprise around the world, but also unquestionably a necessary channel for enterprises to pursue "sustainable development", allowing humanity and the natural environment to co-exist. ATEN ardently hopes to do all it can to make greater contributions to the Earth and the world.

2.2 Stakeholder Relations

There are 5 groups under the Corporate Social Responsibility Committee: the Corporate Governance Group, Stakeholder Communication Group, Green Operations Group, Social Participation Group, and Employee Care Group. Members of these groups include colleagues from the President's Office, Human Resources Center, Manufacturing Division, Quality Assurance Center, Global Customer Services Division, Marketing & Promotion Center, IR & Capital Marketing Department, Administration Department and Environment Safety and Health Department. Stakeholder opinions and information are collected through communications during monthly meetings of each group. Departments within the company are classified and selected on the basis of their work importance, relevance and influence, and their duty of care for stakeholders. They are classified according to their degree of "concern" and "impact on corporate operations"; related key issues are added to short-term plans and aims, and explanations and the company's response to the issues important to stakeholders are disclosed in the CSR Report, annual report and company website.

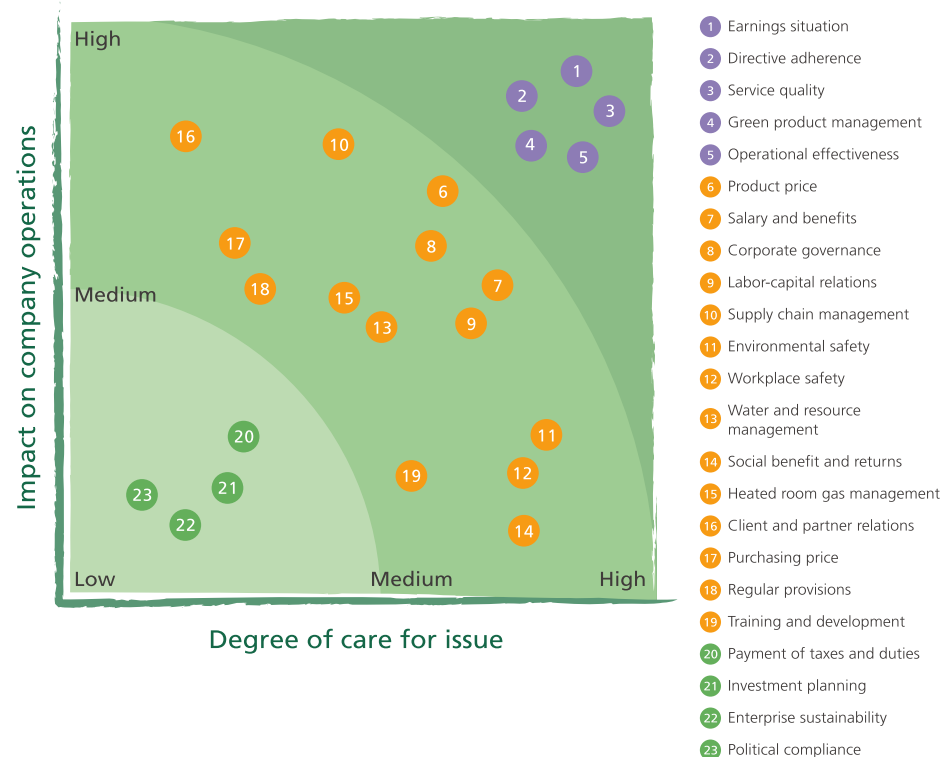
Stakeholders



Classification of Issues Related to Stakeholder Care

ATEN has integrated all of the issues important to stakeholders through the communication channel provided by the CSR group, and has classified them by the amount of importance with which they are viewed and their possible impact on the company, and divided them into "important issues", "secondary issues" and "normal issues". Annual departmental or interdepartmental solutions will be planned to address them, and they serve as an important basis for the company's development of a sustainable operations strategy in the future.

Analysis of the issues important to stakeholders



Communication systems and interactions with stakeholders

ATEN stakeholders include clients, investors, employees, suppliers, social organizations, the media and government agencies. Every issue which stakeholders care about has its own channel through which the relevant department can undertake immediate communication and handling. All communication methods and stakeholder topics are listed below:

Stakeholder	Communication channels		Issues	
Clients	<ul style="list-style-type: none"> • Client satisfaction survey • Customer service line 	<ul style="list-style-type: none"> • Website e-support platform • Agent conference 	<ul style="list-style-type: none"> • Product price • Client and partner relations 	<ul style="list-style-type: none"> • Service quality • Supply chain management
Investors	<ul style="list-style-type: none"> • Convening a shareholders' meeting • Spokesman system • Company website announcement 	<ul style="list-style-type: none"> • Issuing financial report • Establishing investor relations department 	<ul style="list-style-type: none"> • Operational effectiveness • Investment planning • Enterprise sustainability 	<ul style="list-style-type: none"> • Earnings situation • Corporate governance
Employees	<ul style="list-style-type: none"> • Employee Benefit Committee • Capital-labor meetings • Solution provision and improvement system • Employee opinion channels, such as activity satisfaction surveys, catering service surveys, etc. • Company advertisements 		<ul style="list-style-type: none"> • Salary and benefits • Labor-capital relations • Training and development • Workplace safety 	
Suppliers	<ul style="list-style-type: none"> • Regular monthly quality inspection • International list 		<ul style="list-style-type: none"> • Purchasing price • Green product management 	<ul style="list-style-type: none"> • Regular provisions
Social organizations	<ul style="list-style-type: none"> • Company website • The Ching-Tang Education Foundation 	<ul style="list-style-type: none"> • CSR Report • Employee Benefit Committee 	<ul style="list-style-type: none"> • Heated room gas management • Environmental safety 	<ul style="list-style-type: none"> • Water and resource management • Social benefit and returns
The media	<ul style="list-style-type: none"> • Press releases • Interviews 	<ul style="list-style-type: none"> • Press conferences 	<ul style="list-style-type: none"> • Operational effectiveness • Recruitment 	<ul style="list-style-type: none"> • Earnings situation • Investment planning
Government agencies	<ul style="list-style-type: none"> • Explanatory meetings held by supervisory agencies • Government agency websites 	<ul style="list-style-type: none"> • Publishing directives 	<ul style="list-style-type: none"> • Directive adherence • Payment of taxes and duties 	<ul style="list-style-type: none"> • Environmental safety • Political compliance

Ch3 Enterprise Operations

- 3.1 Introducing ATEN
- 3.2 Global Distribution
- 3.3 Operational Achievements
- 3.4 Awards Won



6 Enterprise Operations

3.1 Introducing ATEN

ATEN International was founded in 1979 and has specialized in connectivity and management solutions for many years. Through accessing and sharing innovative technology, ATEN has become a leading producer and supplier of KVM switches.

All products and services sold under the ATEN banner worldwide use the brand "ATEN" in order to provide clients with a high, uniform standard of service. The ATEN brand provides many innovative solutions, including products related to connectivity, professional audio and video and environmentally-friendly electronics, well able to meet the diverse needs of individual clients, small offices, home offices (SOHO), small-to-medium businesses (SMB), and large-scale enterprises.

ATEN's SOHO and SMB solutions provide a variety of KVM switch, desktop KVM switch, and LCD KVM switch products. Our enterprise solutions provide a series of advanced remote management products, which allow clients to effectively

manage IT system infrastructure from anywhere in the world. Additionally, ATEN's professional Audio/Video product line is aimed at home and professional uses, and can be widely applied in any large or small company, education, travel, service, or commercial industry; as well as homes, theaters and a range of business environments. Furthermore, the green energy-efficient products which have been developed recently have provided a perfect energy-saving solution, including eco PDUs and eco Sensors. These aim to provide data centers with real-time local and remote resource management and effective indicators of efficiency.

ATEN focuses on developing connectivity and management solutions: we satisfy the varied needs of clients through a global sales network which sells products everywhere.

ATEN holds to the concept of the customer coming first, and we will also continue to fulfill our promise to provide the very best services to clients.

Our headquarters were established as ATEN International CO., LTD., located in Sijhih District, New Taipei City. Founded in July 1979, we have already begun our 34th year of service. We are currently the only publically-owned KVM manufacturer in the world.

ATEN International CO., LTD.

Established: July 1979

Net Capital: 1,194,711,660 New Taiwan Dollars

Headquarters: 3F., No.125, Sec. 2, Datong Rd., Sijhih District., New Taipei City, Taiwan

Business scope: Development / Manufacturing / Export

Number of employees: 1,622 worldwide (as of the end of 2012)

Main products: KVM switches / remote management solutions / video products / USB peripheral products / IPMI solutions / industrial control products / green energy-management systems.

Enterprise certifications: ISO 9001:2008 UKAS ISO 14001:2004 UKAS

Market of provision for products and services: worldwide

Key brand: ATEN

Stock symbol: 6277



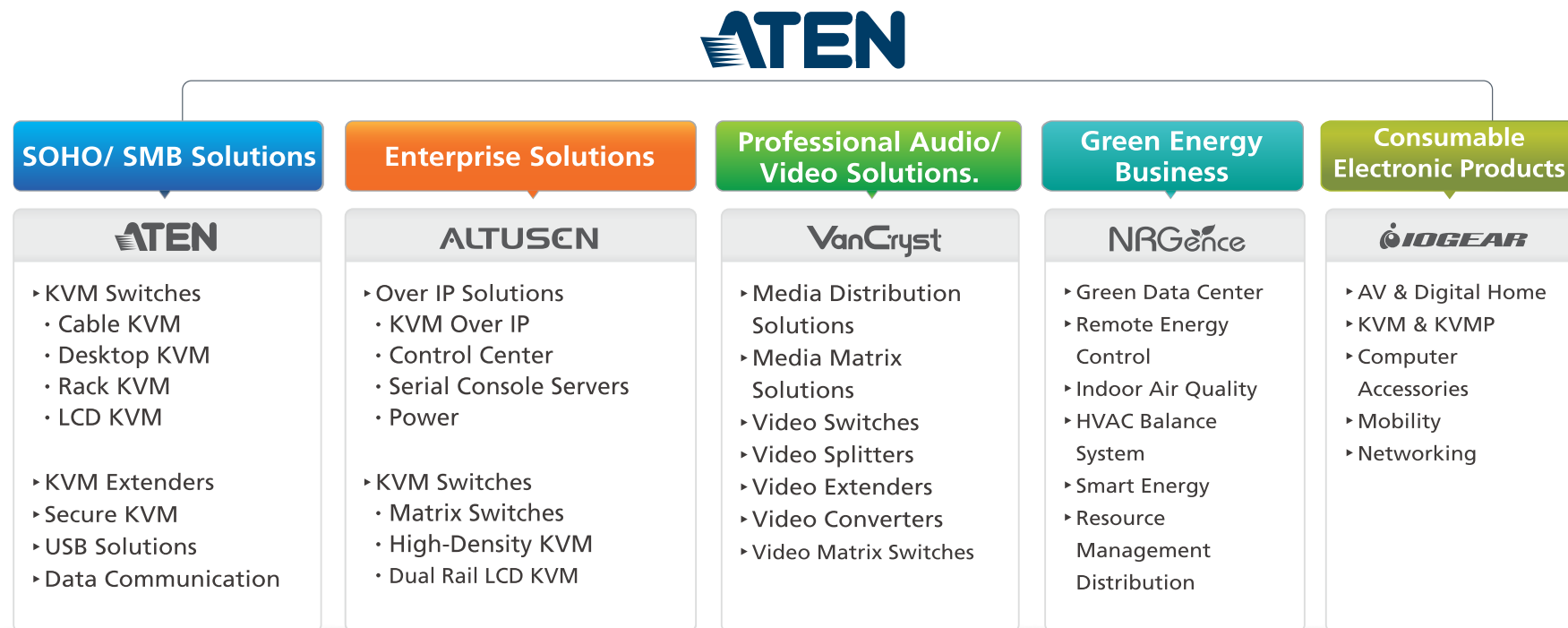
Timeline

1979	Company founded, named HOZN CO., LTD., with net operating capital of NTD 2,000,000.
1982	Launched first product, "Little Sprite Home Electricity Control System" GL Series, which is a central control instrument to monitor, control, and operate many individual sensors, lights, and power sources.
1984	<ul style="list-style-type: none"> Company renamed as ATEN International CO., LTD. Released DATA Switch Box product
1986	Released first automatic switch and converter product MP/MS Series
1987	Introduced INDATA Industrial Computer Series
1988	<ul style="list-style-type: none"> ATEN's English name changed to "ATEN INTERNATIONAL CO., LTD." Begun manufacturing power supplies.
1991	<ul style="list-style-type: none"> ATEN's own brand products went on sale. Began using ATEN ASIC chips developed internally
1992	<ul style="list-style-type: none"> Released world's smallest printer buffer Launched first ATEN brand product: AS251P Launched AS-248 Series networked print switches
1996	<ul style="list-style-type: none"> Awarded ISO-9002 certification Established American sales subsidiary company, "ATEN TECHNOLOGY INC.", in California.
1999	<ul style="list-style-type: none"> Registered as public company Invested in the Cayman Islands-registered company "TOPMOST INTERNATIONAL CO., LTD." Subsidiary "TOPMOST INTERNATIONAL CO., LTD." invested in Niue -registered company "EXPAND INTERNATIONAL CO., LTD." Established "Yasheng High-Tech Electronics Factory", used for processing, in Songgang, Shenzhen, China.
2000	<ul style="list-style-type: none"> Headquarters moved to present address: 3F, No.125, Sec. 2, Datong Rd., Sijhih District., New Taipei City, Taiwan Unveiled world's first USB KVM at the Comdex Fall trade fair in the USA. Successfully developed the world's first 4-port USB 2.0 hub certified by the USB Association, which also used ATEN's products as the USB 2.0 world testing standard. Established subsidiary sales company, "ATEN INFOTECH N.V." in Belgium.
2001	New Xiwan factory completed.
2002	<ul style="list-style-type: none"> ATEN's shares registered as "emerging stock" in the GreTai Securities Market. Awarded ISO-9001 certification.
2003	ATEN shares officially went on the market in Taiwan
2004	<ul style="list-style-type: none"> Subsidiary sales company, "ATEN JAPAN YKK", established in Japan. Subsidiary sales company, "VAST ATEN S.A. DE C.V.", established in Mexico.

2005	<ul style="list-style-type: none"> Acquired "Wellsyn Technology INC.", thereby obtaining advanced IPMI technology. Released first wireless KVM solution - KW1000
2006	<ul style="list-style-type: none"> Incorporated IPMI into smart platform management interface technology and developed Intel kit, providing more comprehensive, advanced server management functionality to clients. Comprehensive introduction of ROHS manufacturing. Passed IS14001 certification. Established holding company, "ATEN EUROPE LTD.", in the UK. Established subsidiary sales company, "ATEN UK LTD.", in the UK. Established holding company, "ATEN US HOLDINGS INC.", in the U.S.A Established subsidiary sales company, "ATEN NEW JERSEY INC.", in New Jersey, USA.
2007	<ul style="list-style-type: none"> Established a subsidiary sales company in Korea ("ATEN ADVANCE CO., LTD.", renamed "ATEN KOREA CO., LTD." in 2009) Launched first KVM switch supporting IPMI functionality - KH98. Launched first DVI KVM Switch - CS62DU/CS62D. Launched world's first 19-inch LCD KVM Switch - KL1508/1516. Established holding company, "FOREMOST INTERNATIONAL CO., LTD.", in Mauritius. Established subsidiary sales company, Beijing ATEN CO., LTD., in Beijing
2008	<ul style="list-style-type: none"> ATEN launched first notebook USB KVM switch - the CS661. Promoted core enterprise values of "Integrity", "Caring", "Ambition" and "Novelty". Established wholly-owned factory, ATEN (Shenzhen) CO., LTD., in Shenzhen, China.-
2009	<ul style="list-style-type: none"> Global distribution reached 668 entities around the world, and ATEN held 244 recognized patents. Named no. 86 of the "Top 100 companies and research institutions in Taiwan." Bought land in Belgium, on which "Europe Operations Center" was constructed. This large office and warehouse was officially completed and opened, serving as the logistics and management center for all of Europe, actively expanding trade opportunities in Europe.
2010	<ul style="list-style-type: none"> Officially launched the all-new video product line - VanCryst™. Aimed at satisfying the broad video requirements of many enterprises, provided professional audio/video solutions. Korean subsidiary expanded to Gasan-dong, Geumcheon-gu, Seoul, and established a client service center, consolidating ATEN's leading position by strengthening local support service.
2011	Japanese subsidiary expanded to Arakawa-ku, Tokyo, which served as ATEN Japan's headquarters, integrating business, sales, technical support/ client services, storage and logistics functions
2012	<ul style="list-style-type: none"> Officially launched NRGence™ green product line. Featuring the core concept of "Energy Intelligence", NRGence™ provides a series of optimizable energy-efficient integrated green server farm solutions. ATEN issued its first "Corporate Social Responsibility (CSR) Report", honestly disclosing ATEN's status and behavior with regard to CSR.

Key brands, products and services:

ATEN is the brand of ATEN International CO., LTD. There are many product lines under the ATEN banner, divided by the markets to which they are applied.



Competitive Advantages

Patent Holdings:

ATEN has always actively invested resources in strengthening its own development ability. As well as improving product quality and maintaining the leading position of our products in their respective fields, we also hope to strike at competitors who counterfeit our products, increase the profitability of our products, and protect our shareholders' interests by acquiring patents and intellectual property rights. Statistics show that as of the end of 2012, a total of 609 patents had been applied for around the world, of which 344 had been granted. ATEN occupies a leading position among Taiwanese technology manufacturers and suppliers as a result of our investment and achievement in patents and intellectual property.

ASIC Design Center:

ATEN has acquired unique KVM Switches as a result of our ability to develop Application-Specific Integrated Chips. These switches not only feature competitive cost, but also maintain ATEN's requirements for and image of high quality.

Fully Automated Facilities:

ATEN's digitized system automatically stores over 2500 kinds of digitized components. Every component can be strictly controlled throughout production in order to reduce losses in production.

High-Tech Advantage:

ATEN's newest surface mount technology (SMT) equipment, a Siemens HS-50 mounter, has further increased productivity by reducing downtime. Furthermore, ATEN's 7 production lines are maintained by personnel who have undergone professional technological training, strengthening their quality control and operational health.

Ensuring Quality:

ATEN's Automated Optical Inspection System can undertake front-wave PCB surface, joint and component defect control from multiple angles. Furthermore, ATEN's technicians can also ensure smooth operation and the production of the highest-quality products through monitoring every stage of PCB production.

Outstanding Production Technology:

ATEN's 3-tiered assembly line provides streamlined production over our expansive 3-floor factory; its unique streamlined assembly and testing design makes the factory environment cleaner and more organized. Every ATEN product begins in a component storage bin and must pass through each level of the factory and a strict inspection process before being packaged, tested and sent off to be sold on the market.

Globalized Sales Network:

ATEN has kept to the path of its own brand, establishing sales companies in America, Europe, Asia and other important markets to bring ATEN to the whole world. In addition to allowing us to grasp the structure of local roads and market information, effective improvement can be made in the areas of market price control, maintaining customer relations, promoting service quality, implementing sales expansion strategies...

Constantly Improving Client Service:

ATEN products are sold the world over, and aside from facilitating business expansion, the operational points established in each area more importantly hope to be able to provide instantaneous, localized client services. We have achieved service standards other companies in our field could not achieve through the close integration of our Client e-Support & e-Service Platform and appropriate actions with local partners in each region. We also believe that excellent product quality and outstanding, prompt customer service are equally important.

The ATEN Family:

All of ATEN's employees are our most precious asset; we provide employees with an excellent benefit system, bonuses during festivals and for performance, profit-sharing, an ergonomic, clean, and comfortable work environment... Where there is a happy workplace atmosphere, work efficiency and confidence naturally rise, which is itself reflected in product quality and company profits.

Factors Conducive to Long-Term Development

- The KVM product line has been in development for over 10 years, and has already put ATEN on the world map.
- Outstanding, Reliable Product Quality.
- ATEN plans to expand our sales system to every major area of the world, in order to expand our effective base for future operations.
- Product application scope is increasing constantly: the gradual expansion of KVM into the A/V product and green energy product lines is laying a strong foundation for the growth of income and profit.
- Outstanding, Experienced Development and Production Teams.
- Our core technology includes etched circuit design, hardware, control software/Intel, A/V network communication and other high-end technologies, the competitive advantage of which is guaranteed by patents.
- Integrity.
- Continuing to act according to CSR, strengthening the positive image of our enterprise.
- Harmonious relationships with our assistant manufacturers.
- Constantly nurturing and introducing outstanding talent.
- Sound financial health.

Factors in Worsening Development Prospects

- Global economic depression.
- Changes in exchange rates.
- Entry of new competitors.
- Consumers lack product knowledge.
- Products which imitate or infringe upon intellectual property confuse markets.

Response Strategies and Opportunities

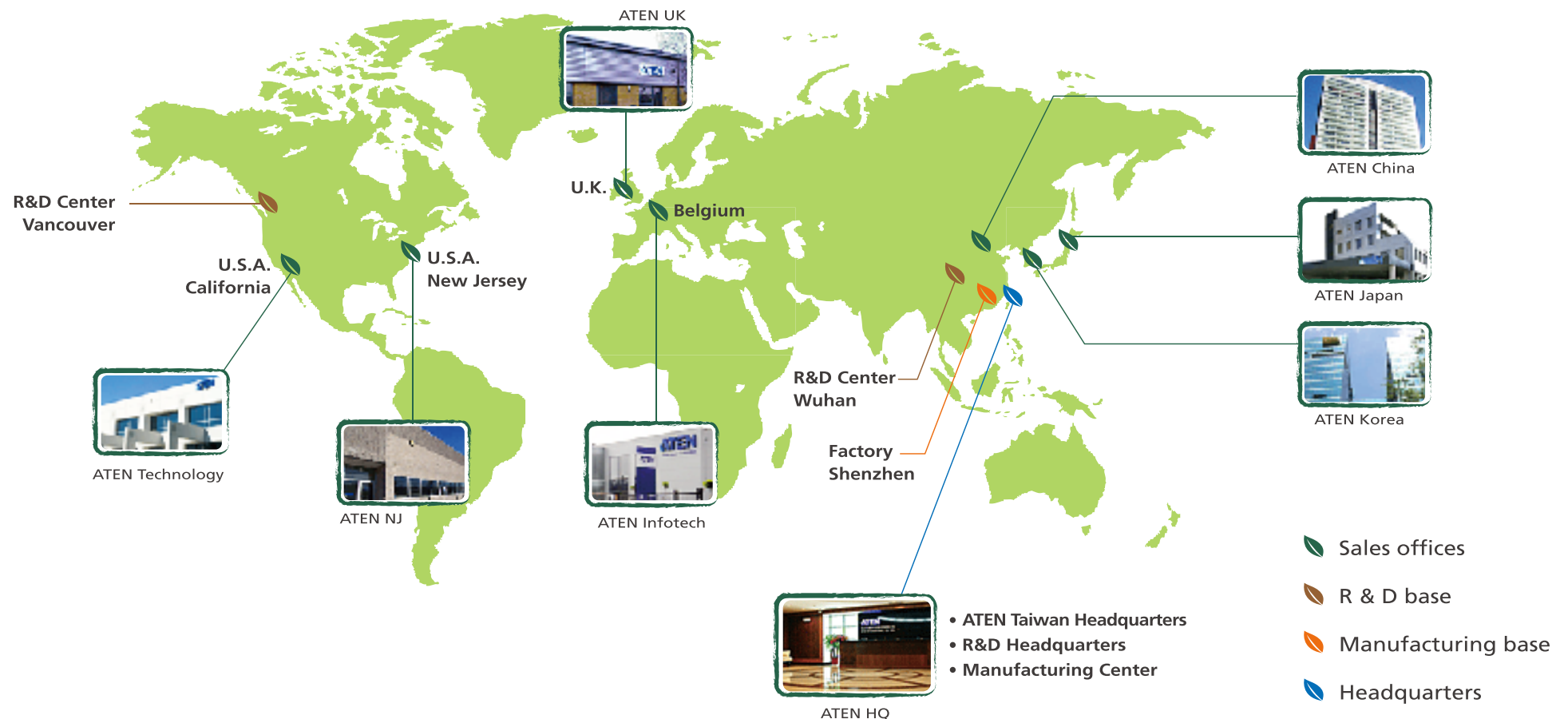
- Aside from KVM, the main source of ATEN's income and profit, we actively develop two other main product lines: Audio/Video and Intelligent PDU. This will reduce the risk of any one product line in a depressed greater environment so as to guarantee profitability.

- The Finance Department will pay constant attention to fluctuations in exchange rates of currencies in which we are paid to strengthen our judgment of market price trends, and use of financial tools will effectively avoid the risk of losses incurred as a result of sales in foreign currencies. Additionally, adjusting dollar debts and emptying Production Department assets will effectively respond to the influence of changes in the US dollar exchange rate.
- With regard to the trend for sustained growth in the mid- and- low-end KVM market, increasingly differentiating products and improving product quality by means of our ability to develop and research products will avoid price competition with competitors on an even footing. Furthermore, improving product maintenance efficiency and client service will clearly distinguish ATEN from low-priced competitors. Additionally, legal measures will be taken against manufacturers who infringe upon ATEN's trademarks and intellectual property in order to defend ATEN's interests.
- Potential clients such as comprehensive systems manufacturers, normal enterprises, governmental departments and normal consumers will be made to understand KVM products more easily by introducing them using the Solution method and other sales methods. Advertising their compatibility with all kinds of benefits such as energy-saving, environmentally-friendly, compact, and efficient server rooms.
- Strengthening counterfeit product inspection will serve to guarantee the right to sell patented ATEN products.



3.2 Global Distribution

In order to effectively create brand superiority and provide faster, more direct assistance to sales partners, ATEN continues to expand its global network, providing the solutions, technical support and service which best meets the needs of local markets. ATEN's headquarters are in Taiwan, and research centers have been established in Taiwan, China, and Canada; manufacturing centers have been established in China and Taiwan; simultaneously, ATEN has subsidiary sales companies in China, Japan, Korea, the USA, the UK, and Belgium, as well as distribution centers in Belgium and Finland. This fine global distribution is intended to exploit markets more effectively, and thereby distinguish ATEN from its competitors in service and supply chain efficiency.



3.3 Operational Achievements

ATEN's operational achievements have always been positive, whether measured in terms of changes in our economic health, performing our duties to our shareholders, or creating profit for them. Based on operating data from the last 5 years, the average Earning Per Share (EPS) is NT\$4, and average Return On Equity (ROE) has held at the high level of 17% for 5 years. This adequately shows that the operations team's adaptability in daily operations and when facing crisis is worthy of shareholders' trust and reliance.

Illustration: operating
income over the last 5 years



Illustration: operating
profitability over the last 5 years

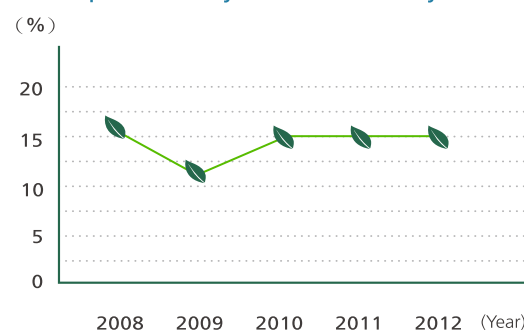


Illustration: Return on
Equity(ROE) over the last 5 years

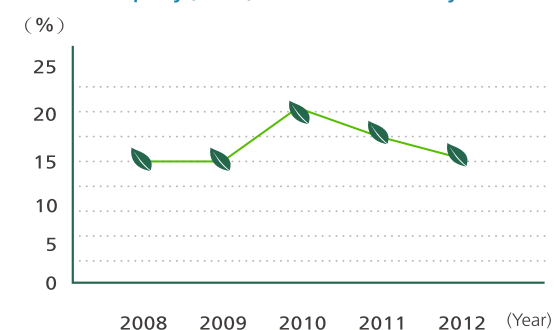


Illustration: gross profit
margin over the last 5 years

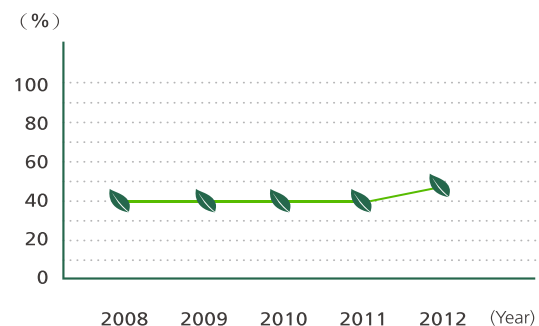
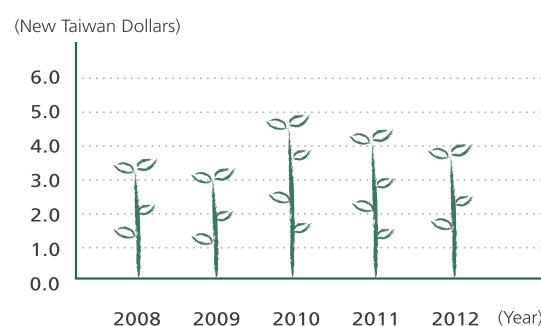


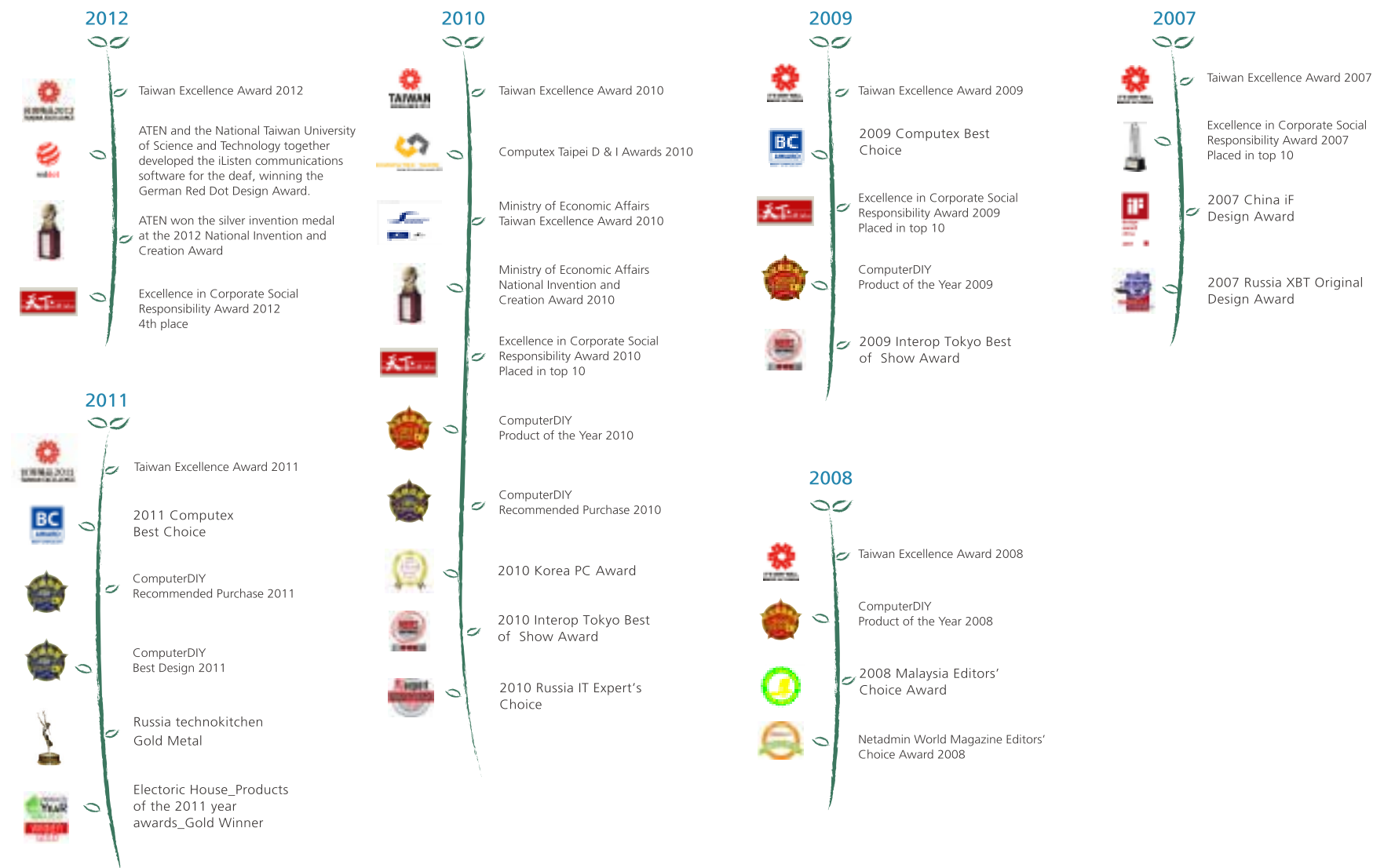
Illustration: EPS over the last 5 years



CommonWealth Magazine Issue 522 1000 "Most Admired Enterprises"

According to the operating returns rankings of 1000 major manufacturers, ATEN was ranked 564th in 2012, advancing 15 places from 2011. Based on operating efficiency indicators, ATEN's "Earning Power" and "Net Operating Profit After Tax" are ranked 149th and 247th respectively in these areas of the 1000 Most Admired Enterprises. This suffices to show that due to the diligence of operators and all employees, ATEN's earnings performance has been favorable, and shareholders have been provided with beautiful achievements.

3.4 Awards Won (2007- 2012)



Ch4 Corporate Governance

- 4.1 Corporate Governance Structure
- 4.2 2012: Key Corporate Governance Projects Strengthened
- 4.3 Shareholders' Meeting
- 4.4 Board of Directors
- 4.5 Remuneration Committee
- 4.6 Domestic and International Associations



6 Corporate Governance

Corporate governance is an extremely important aspect of sustainable enterprise operations, and ATEN has been working on corporate governance with continued diligence over the last few years. From the most fundamental level of circulating directives, voluntarily disclosing financial transactions, and guaranteeing the interests of stakeholders, to the level of values and morality, ATEN has always considered that this is not merely a kind of temporary value, but an aspect of enterprise culture; a principle that all ATEN people from top to bottom should respect. ATEN's operators are sure that the implementation of corporate governance, in addition to being a kind of guarantee of the interests of investors and other stakeholders, is also a manifestation of ATEN keeping to its core value of "Integrity".

As a result, ATEN is strengthening corporate governance by "enacting transparency", "strengthening the function of the Board of Directors", "establishing functional committees", "establishing the CSR management committee", "establishing company regulations" and "a sound internal control system".

4.1 Corporate Governance Structure



ATEN's corporate governance infrastructure has been formulated and enacted in accordance with the Republic of China's Company Law, the Securities Exchange Act, and other relevant laws. What's more, we have extended the concept; to include the following corporate governance projects:

- An area of our website dedicated to investors in Chinese and English
- Formulating methods related to CSR
- Establishing Independent Directors and a system for their nomination
- Establishing the supervisor system
- Establishing the functional "Remuneration Committee"
- Establishing the "spokesperson system"
- Establishing an Investor Relations Department to handle investor advice and issues

ATEN also circulates directives strictly through internal audits, requiring that operations management teams, overseas subsidiaries, and all colleagues undergo regular self-assessment and irregular audits in order to assess the degree to which directives and internal control systems have been implemented. If any flaws or discrepancies in the control system are discovered, the problem will be reported immediately and the relevant departments will continue to investigate and pursue the problem until it has been corrected, improved and satisfies every directive and regulation. After the Audit Department has carried out inspections of each department, the head of the Audit Department will send a report to supervisors, and make a report to the Board of Directors in person.

4.2 2012: Key Corporate Governance Projects Strengthened

Transparency

In order to strengthen transparency, in 2012 ATEN altered the official company website to include an area dedicated to investors and also held to the principle of transparency in the 2012 Annual Report, undertaking analysis of the operational and financial situation of the company so as to provide full disclosure. The official website content altered includes:

- Organization structure, rights, and responsibilities.
- Records of Board meetings and information on the Independent Director.
- Mandatory internal disclosures include: company regulations, procedures for handling or allocating assets, rules for meetings of the Board of Directors, the means by which the Board and Supervisors are chosen, rules for Shareholders' Meetings, endorsement and guarantee procedures, procedures for working with funds, goods, and other persons, the regulations of the Remuneration Committee, the work responsibilities, scope, and rules of the Independent Director, operational procedures for handling key information and preventing insider trading, standards of moral behavior, and operational integrity principles.
- Remuneration Committee information.
- A channel for public announcement of key information.
- As of this year, key information will be provided in both Chinese and English, further guaranteeing the interests of foreign investors, promoting transparency, and linking key information for investors' reference on both the Chinese and the English versions of the official company website.
- An area dedicated to investors has been added to the official English website, the content of which includes information on monthly operating revenue, share prices and the issue of dividends, and press releases. These measures to disclose information enable foreign investors to directly grasp ATEN's operational and financial information.

For information in Chinese, please refer to the “投資人專區” section of ATEN's official Chinese website, www.aten.com.tw.

For information in English, please refer to the “Investor Relation” area of ATEN's official English website, www.aten.com.

Formulating Methods

After founding the Corporate Social Responsibility Management Committee in 2012, ATEN has continued to hold activities related to CSR, such as those for social benefit and environmental protection, and our promise to our employees. The second Board Meeting of 2012 passed the “Virtuous Behavior Standards” and “Rules for Operating with Integrity”; the former sets out standards of virtue for directors, supervisors and managers, avoiding conflicts of interest and the possibility of insider trading. The latter comprises rules for ATEN and its subsidiaries, forbidding the possibility of bribery, unethical payment or subsidy, illegal political contributions, and other inappropriate benefits.

For information related to these practices, please see the investor relations section of the official ATEN website, www.aten.com.tw.

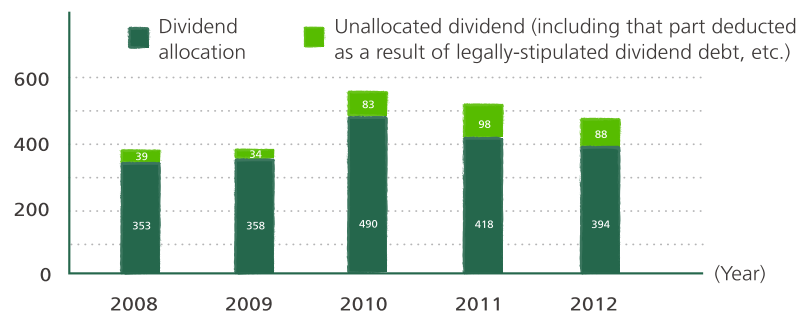


4.3 Shareholders' Meeting

Shareholders' Meetings are held regularly every year, in order to report on the company's operational and financial situation. Investors can also submit a request for a Shareholders' Meeting to ATEN in writing. Before notifying shareholders of the date of the meeting, ATEN will notify the submitting shareholder of the result of their request and convene the meeting as required by company regulations. In the case of a proposal not being added to the Shareholders' Meeting agenda, the Board should explain the reason for this to the submitting shareholder.

ATEN is concerned about the rights of all stakeholders in the spirit of our core enterprise values of integrity, caring, ambition and novelty. As well as employees, clients, suppliers and social organizations, we also regard shareholders with some importance. ATEN's recent dividend-release policy, has released all dividends to shareholders with the exception of that part retained in accordance with directives and other factors. This has allowed shareholders to share in ATEN's earning accomplishments- in recent years, the proportion they receive has reached over 8%. (For detailed information, please see the following table)

(Million New Taiwan Dollars)



Note: dividend allocation for 2012 will be decided at the 2013 Shareholders' Meeting.

ATEN takes shareholders' "right to know" seriously and holds to the principle of adequate disclosure. As well as disclosing information in public observation stations as required by law, ATEN's operational and financial situation is placed on the official company website and annual reports, enabling investors to understand the company's business. Additionally, the spokesperson system and Investor Relations Department have been established to handle shareholder's advice. Shareholders can also provide any suggestions to the Investor Mailbox (ir@aten.com.tw). Related information is also disclosed on the (shareholder relation) section of the ATEN website.

4.4 Board of Directors

As the center for key operational strategy, the Board of Directors shoulders responsibility for the periodic allocation of dividends to shareholders. The ATEN Board of Directors is comprised of 7 Directors and 3 Supervisors, who all possess rich experience in the industry. They serve for terms of 3 years. 2 of the Directors are Independent Directors, who are nominated according to the system for the selection of Independent Directors. The Board meets at least once a season; it met 5 times in 2012. The Board's responsibilities include assessing the company's operating strategies and key operational finance items, ensuring the accuracy of the company's financial reports, and striving to maximize the benefits of shareholders.

Qualifications of the Board of Directors:

All Directors have the operating judgment, accounting and finance analysis ability, operational and management ability, and leadership required to fulfill their duties. All have at least 5 years of experience in business, law, finance, accounting, or other fields required by the company; please see the following table for further information.

Name	Do they possess over 5 years of work experience and the following professional qualifications?		
	Business, law, finance, accounting or other discipline essential to the company at the level of college professor or higher.	Judge, prosecutor, lawyer, accountant or other specialist or technical employee possessing certification or a national exam qualification in a field required by the company	Work experience in business, law, finance, accounting or other field essential to the company
Chairman of the Board: Kevin Chen			•
Vice-Chairman of the Board: Steven Chen			•
Director: Zhen-Yu Xiao			•
China Development Industrial Bank Technical (Shares) Consultant and Company Representative: Director Shu-Shan Lin			•
Independent Director: Wei-Jen Chu		•	•
Supervisor: Shiu-Ta Liao			•
Supervisor: Se-Se Chen			•
Supervisor: Chen-Lin Kuo		•	•

Note: Director Zhi-Kuan Yan resigned on grounds of an overcrowded schedule on 11/1/2012, a replacement will be selected at the Shareholders Meeting on the 17/6/2013; Director Guo-Zhi Cai resigned on grounds of personal health on 14/3/2013, a replacement Independent Director will be selected at the Shareholders' Meeting on 17/6/2013.

4.5 Remuneration Committee

ATEN established a Remuneration Committee with 3 members, one of whom is an Independent Director, on 20/12/2011 by resolution of the Board. The Remuneration Committee's work responsibilities include formulating and regularly examining annual and long-term work targets and policies, systems, standards, and structures for the remuneration of ATEN's Directors, Supervisors and managers. Regularly appraising the achievement of ATEN's Directors, Supervisors and managers in meeting their work targets, and drawing up the content and total of their individual remuneration.

Remuneration of Directors and Supervisors includes payment of travel expenses and allocation of dividends. Travel expenses are paid according to normal industry standards, while dividends are allocated according to company regulations: they are proposed by the Remuneration Committee, and paid after being passed by the Board and reported to the Shareholders' Meeting. Managers' compensation includes salary, bonuses, and dividends awarded to employees: standards for payment are derived from ATEN's employee compensation management method.

According to company regulations, compensation for Directors and Supervisors ranges from 1% to 3% of total annual dividends in the year served. The Remuneration Committee appraises the achievements of ATEN's Directors, Supervisors and managers according to their work targets.

Members of the Remuneration Committee

Title	Name	Key experience
Chairman	Wei-Jen Chu	Currently serving as an ATEN International Independent Director and Partner and Director of Candor Taiwan CPAs
Member	Chen-En Ko	Professor at the National Taiwan University College of Management Department and Institute of Accounting
Member	Zhen-Yuan Huang	Currently serving as Chief Financial Officer of Reading Times CO., LTD.

4.6 Domestic and International Associations

ATEN participates in the Taipei Computer Association and Taiwan Electronic and Electrical Manufacturers' Association, providing and exchanging experience related to the electronics industry in Taiwan. Meanwhile, participation in the Institute of Internal Auditors represents ATEN's emphasis on internal control and regulation. ATEN is more active in its participation in other research association organizations, which represents the diversity and rich depth of our products. The organizations in which we participate are named below:

Association Name	
Apple Developer Program	USB Implementers Forum
Bluetooth SIG	VCCI
Digital Content Protection LLC (HDCP)	VDE
GSI Taiwan	Veri Sign
HDMI Licensing, LLC	VMware TAP
IANA	Industrial Health and Safety Association of the Republic of China (Taiwan)
Microsoft WHQL	The Institute of Internal Auditors, ROC (Taiwan)
MSDN	Taipei Computer Association
RTI/RCI	Taiwan Electrical and Electronic Manufacturer's Association
UL	Cloud Computing Association in Taiwan



Ch5 Employee Care

- 5.1 Employee Status
- 5.2 Talent Nurturing
- 5.3 Compensation and Benefits
- 5.4 A Healthy Workplace
- 5.5 Human Rights



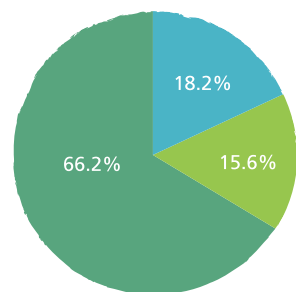
Employee Care

5.1 Employee Status

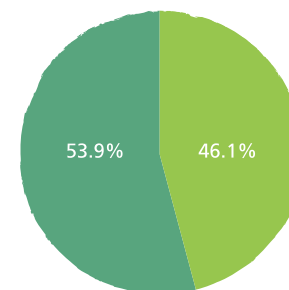
Talents are the most vital part in enterprise operations, and it is only by attracting talent with a friendly, competitive, and organized environment that an enterprise can continually grow and thrive. One of ATEN's core values, caring with respect, has been revealed throughout the development of ATEN's ever-ripening professional management and development of human resources: respect for our profession, respect for diversity, and respect for differences, while caring for clients, employees and the disadvantaged. As well as advantageous compensation, ATEN provides an educational and challenging work environment, emphasizing both achievement and a yearly award system. ATEN has been able to stand firm for over 30 years as a result of our faith in pursuing achievement and sharing in the fruits of success, which has inspired everyone at ATEN to do their utmost for ATEN's CSR.

ATEN's Human Resources Situation

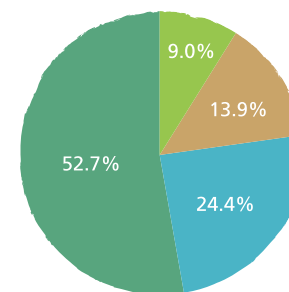
At the end of 2012, ATEN employed a total of 1622 people around the world among whom the number of disadvantaged individuals was 1.33 times higher than the total required by law: 603 in Taiwan (women comprised 46.1% of Taiwanese employees), 94 middle managers (of whom 22.3% were women), 399 indirect professional employees, and 110 direct technical employees.



Rank	No.	Percentage
Mid and Upper Management	94	15.6%
Indirect Professional Employees	399	66.2%
Direct Technical Employees	110	18.2%
Total	603	100.0%



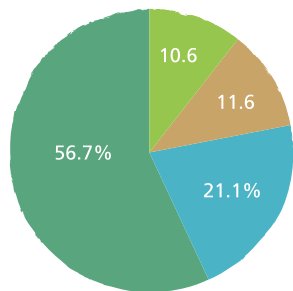
Gender	No.	Percentage
Female	278	46.1%
Male	325	53.9%
Total	603	100.0%



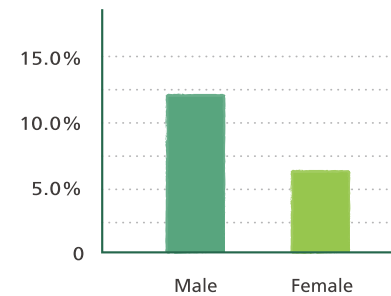
Age	No.	Percentage
18-29	84	13.9%
30-39	318	52.7%
40-49	147	24.4%
50-65	54	9.0%
Total	603	100.0%

Employee Retention

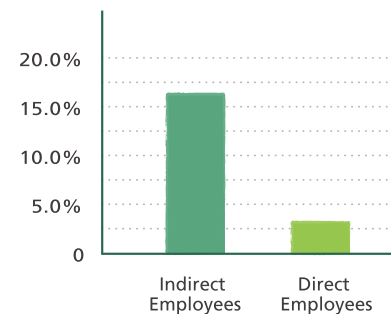
The Human Resources Center has formulated a perfect human resources management and development blueprint, which includes a roadmap for employment for each department: a procedure for selecting talent without prejudice which maintains equality of opportunity; placement assessment which features dual-track careers and puts talent where it can shine; a talent-nurturing plan which provides professional learning and professional skill development; and a talent retention system which features equality of pay and comprehensive benefits. Additionally, ATEN also respects the balance between work and life. Aside from annual family days, employee health management, flexible working hours, there is also a small yet perfectly-formed activity center with group activities, as well as related measures to support and encourage employees in work, life, and education. Aside from ensuring suitable annual employee seniority proportions, ATEN also maintained a stable employee annual turnover rate in 2012. From the perspective of male and female employee turnover rates, the rate for men was 12.3% and that for women 6.6%. Notably, the turnover rate for direct employees was only 2.7%, including 4 employees who retired. 100% of female employees returned to work after giving birth and taking maternal leave- this shows that ATEN's solicitude and care for female employees and low-level employees, has been recognized deeply by them.



Seniority	No.	Percentage
Less than 1 year	70	11.6%
1-10 years	342	56.7%
10-20 years	127	21.1%
Over 20 years	64	10.6%
Total	603	100.0%



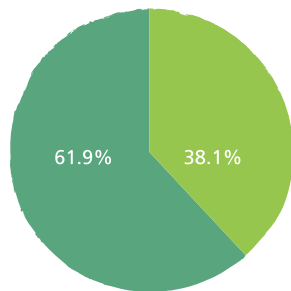
Annual Turnover Rate	Percentage
Male	12.3%
Female	6.6%
Total	18.9%



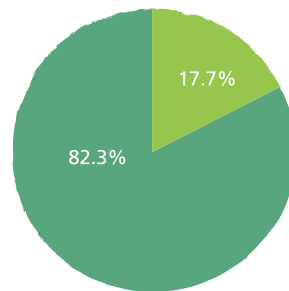
Annual Turnover Rate	Percentage
Indirect Employees	16.2%
Direct Employees	2.7%
Total	18.9%

Recruitment

Holding to the principles of refusing prejudice and providing equal opportunity, ATEN respects employee diversity, and warmly welcomes talents from all areas. Talents are strictly selected through a structured recruitment and selection process. The stipulated standard process in the "Recruitment Management Method" is: first, the Human Resources (HR) department convenes colleagues to undertake detailed selection based on candidate information, after which qualified candidates are invited to participate in personality tests. They are also interviewed to understand their motivation for seeking the job and personal characteristics. Finally, the head of HR and the co-operating department interview the candidates together to ensure that candidates are suitable and willing to become work partners. ATEN employed 113 new employees in 2012 through this mutually-respecting recruitment process.



Gender	No.	Percentage
Female	43	38.1%
Male	70	61.9%
Total	113	100.0%



Rank	No.	Percentage
Direct	20	17.7%
Indirect	93	82.3%
Total	113	100.0%



Campus Recruitment Activity



Promoting Employment Gratitude

Performance Management and Development

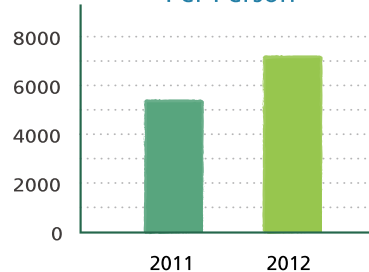
The first clause of the "Employee Performance Evaluation Method" states that: "Appraisal rules shall be established on the basis of employee performance and nurturing in order to strengthen management systems and make company aims cohere with individual development; the results of which shall serve as reference for the adjustment of duties, salary, awards and the issue of employee dividends...". ATEN undertakes 2 performance appraisals every year, based on five principles, which are: employees should be responsible for their own performance, managers and subordinates will co-operate, interaction and communication shall be maintained, performance and development shall be equally balanced, and disparities in performance will be discussed. Furthermore, ATEN has established a system for incorporating proposals for improvement; employees can propose an improvement at any time. Naturally, there are award measures for innovative proposals.



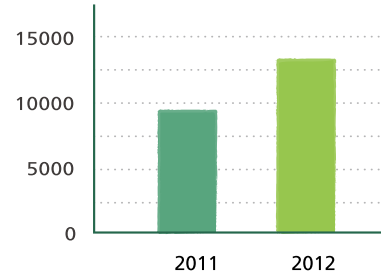
5.2 Talent Nurturing

An employee development strategy emphasizing continued education is one of the key factors behind ATEN's success. It is stipulated in ATEN's "Education and Training Method" that every year, an education and training report shall be submitted on the basis of company policy and annual aims. The total training budget for a year shall be a certain proportion of the previous year's earnings. As a whole, ATEN hopes to provide planned learning opportunities and resources for the professional skill development and career development of individual employees: in 2012, total participation in all education and training events held in Taiwan by ATEN was 7222 personnel slots, up 30% from the previous year; total training time was 13374 hours, up 44% from last year. On average, the length of time every employee spent in training increased from 15.5 hours to 22.2 hours.

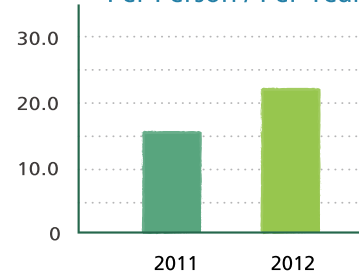
Training Time Per Person



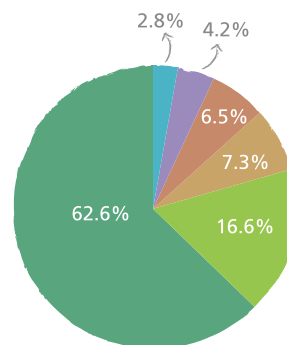
Total Training Time



Average Training Received Per Person / Per Year



Project	2011	2012	Growth
Training Time Per Person	5527	7222	30.7%
Total Training Time	9300	13374	43.8%
Average Training Received Per Person / Per Year	15.5	22.2	43.2%



Training Type	Course Sessions	Total Training Time Per Person	Total Training Time	Percentage
Management Skills	7	105	373	2.8%
Professional Skills	370	4310	8368	62.6%
Core Skills	13	272	865	6.5%
New Employee Training	4	72	568	4.2%
Personal Growth	35	1483	2220	16.6%
Students Per Course	16	980	980	7.3%
Total	445	7222	13374	100.0%



In accordance with the developing trend toward targeted and strategic training, ATEN has constructed its own education and training blueprint, in which planning is done in 3 areas (annual training plans, continued development, and training for new employees) and 3 skills (management skills, professional skills, and core skills), in addition to personal growth. In addition to retaining the original tiered and functionally-tiered training system and training plan for new employees, this blueprint also added annual key training plans related to strategic performance and professional training with key indicators. Aside from management and professional training which has maintained a 90% satisfaction rating from employees, a series of career health lectures incorporating ATEN's ICAN core values never fails to provoke active participation and reflection on the part of employees. Furthermore, we hope to nurture an international perspective for employees by continuing to fully subsidize English training for all colleagues- we are doing all we can for a globalized society.



HR e-school for education and training



Persistent Digital learning of the English Language



Product Innovation Course Outline

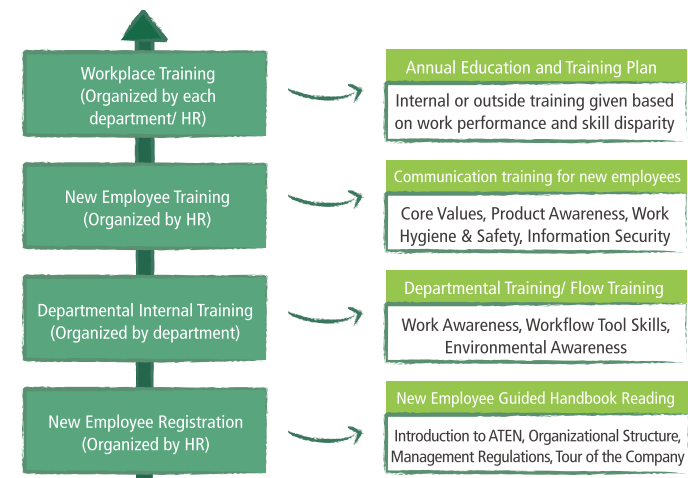


Workplace Health Lecture Series

Education and Training System Blueprint

Pyramid	Annual Plan	Annual strategic direction related to the fulfillment of key objectives to assist training projects.									
	Continued Development	3 Skills								Personal Growth	
		Management Skills		Professional Skills			Core Skills				
	High-level	High-level Operations Management Course		Various Professional Seminars		New Products Technology Conferences Industry Trends	Professional Skills Series 4 (Achievers' course)		Core Values - Workplace Lectures	Core Values - Workplace Lectures	Core Values - Workplace Lectures
	Mid-level	Mid-level Leadership and Management Skills		Sharing Individual Plans			Professional Skills Series 3 (Advanced Course)				
	Foundation Level	Foundation Cadre Management Course		Professional Study Map for all Functional Work Units			Professional Skills Series 2 (Maturation Course)				
		N/A									
New Employee Induction	N/A		New Employee Work Tutoring		Professional Skills Series 1 (Foundation Course)						

New Employee Training Cycle



5.3 Compensation and Benefits

ATEN keeps to the principle of sharing profit with employees. Under the premise of mutual aid and incentivizing, a diverse and competitive compensation policy has been designed: a reasonable compensation strategy has been drawn up with reference to participation in the industry salary survey and changes in prices as well as ATEN's own operational situation to the extent allowed by the law. This sustains a competitive compensation level and incentivized bonuses and a dividend-sharing system so as to attract, retain and incentivize outstanding talent. In addition to the standard Dragon Boat Festival, Mid-Autumn Festival and year's end bonuses, ATEN pays awards and dividends on the basis of operational indicators and uses them as a basis for the awarding of bonuses in addition to group aim achievement and individual performance.

ATEN has an independent, autonomous Workers' Benefit Committee in operation, which regularly organizes domestic and international travel, birthday cakes, Christmas parties and other activities. Employees can also seek a balanced lifestyle by participating in group activities. ATEN also strives to provide outstanding benefits, providing employees with benefits in the areas of food, clothing, residence, banking, education, music and other areas, allowing every employee to win perfect care while working: we have healthy, delicious lunches; fashionable and practical seasonal uniforms; a comfortable and clean office environment; convenient parking spaces, outstanding travel subsidies and a comprehensive insurance plan. We also have paid vacation time in excess of that legally required (12 days), paternal leave for male employees (4 days), pregnancy test leave for female employees (16 hours); we deliver gifts featuring ATEN's cultural characteristics, commendation and gratitude ceremonies for senior and retired employees, which also allow employees and their dependents to experience the sincerity with which we care for our employees.



Clean and Comfortable Office Environment



Healthy, Nutritious Lunch



Senior Staff Recognition Programs



Gifts for those employees living off-campus

5.4 A Healthy Workplace

ATEN strictly abides by the "Labor Safety and Health Act" and other related regulations, and has formulated the "Labor Safety and Health Committee Organization Regulations", which ensure that ATEN will provide a healthy work environment, activities to promote physical and mental health, and encourage employees to actively participate in all kinds of social groups.

Regular Employee Health Checks:

ATEN's "Employee Health Check Management Method" stipulates that regular employee health checks should be done each year in a manner that exceeds what is required by law, and that additional medical checks should continue to be added for more thorough exams. In 2012, 28 categories of check-ups were conducted, with over 101 different health tests, so that employees were more aware of their health status, through self-health management.

Employee Health Monitoring Management:

The company has a clinic with one resident nurse and has engaged a part-time doctor (who is in residence for a total of 4 hours on 2 occasions over the week), providing clinical health inquiries, referrals to doctors, and advice to employees on a voluntary and referred basis. Individual diagnosis is arranged for anyone whose tests reveal abnormal results, helping them to continue to pursue the problem.

Environmental Safety Testing and Accident Drills:

The Environmental Safety Office tests for carbon dioxide and agents related to work, ensuring that carbon dioxide concentration in work areas remains below 1,000 ppm so as to ensure employee health. Fire protection associations are regularly invited to hold fire drills in accordance with the law.

Lactation Rooms:

In accordance with national policy and advocacy of breastfeeding, ATEN has drawn up the "Nursing Room Application, Use, and Management Method", establishing independent rooms to be used as lactation spaces, providing related facilities and necessities in order to allow female employees to continue lactation after returning to the workplace.

Gym and Leisure Center:

ATEN has established an employee leisure center which contains a library, pool area, snooker area, Yoga room, gym, sauna, and other facilities - a large LED TV with sports channels was added in 2012. The leisure center allows employees to get exercise, eliminate weariness and avoid peak traffic hours.

Diverse Group Activities:

There are clubs for basketball, softball, jogging, coffee and other activities. In 2012, the Yoga Club and the Volunteer Club were added. The company provides subsidies and time off, encouraging employees to get involved in leisure activities which benefit themselves and social participation.

Health Activities and Lectures:

The seasonal health lectures held by the HR Department have already become one of the most popular company culture activities. What's more, ATEN also provides employees with a range of health promotion activities, including yoga and weight loss courses, and holds lectures on hygiene and health, thereby satisfying employees' individual needs for health.



Regular Health Checks



Regular Environmental Tests



Clinic



Lactation Room



Gym and Leisure Center

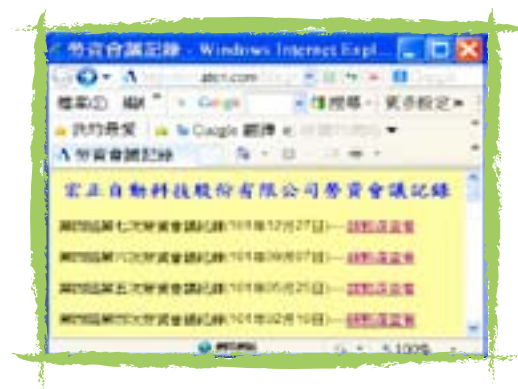


Yoga Club Activity

5.5 Human Rights

In accordance with the Labor Standards Act, the Act of Gender Equality in Employment and other laws related to guaranteeing the human rights of workers, ATEN has formulated relevant systems and regulations to affirm that every employee should receive fair treatment and respect. As well as clearly regulating the fact that employees' rights and all of their benefits are guaranteed, ATEN's Work Rules, Recruitment Management Method, Employee Performance Appraisal Method, Employee Compensation Management Method, Education & Training Method, and Employee Resignation/Retention Salary Cut-off Method ensure that we do not treat employees differently in recruitment, testing, induction, distribution, placement, performance appraisal, promotion and reassignment, training, compensation, retirement, redundancy payment, dismissal, or any item of benefits as a result of ethnicity, gender, sexual orientation, age, political standpoint or religious belief.

In the area of a channel for communication and complaint, ATEN has formulated the Workplace Sexual Harassment Prevention Measures Complaint and Discipline Method, which is posted on walls to provide a channel for complaints. Furthermore, labor-capital meetings at which employees can voice their opinions directly to shareholders' representatives freely are regularly held, at which such opinions are entered into the meeting records. Plans are subsequently drawn up and carried out by a unit responsible for rights in order to promote good labor-capital relations. As a result, no cases of complaint of discrimination arose at ATEN in 2011 or 2012.



Capital-labor meetings are held regularly



Sexual harassment prevention poster

Ch6 Active Social Participation

- 6.1 Caring about Education
- 6.2 Community Relations
- 6.3 Environmental Protection
- 6.4 Overseas Record
- 6.5 The ATEN Volunteer Club
- 6.6 The Ching-Tang Education Foundation



6 Active Social Participation

ATEN's expectations of itself for social participation have not been reduced in the least; while earning money through our operations, the cost we pay for these expectations in money and manpower is also, naturally, seen as part of the necessary expenditure for enterprise operations. Statistics show that over the 8 years from 2005-2012, ATEN's donations to education, the community, our neighbors and other public benefit projects have exceeded **NTD 21 million**. Donation methods include: environmental improvement for schools, purchase of school supplies, subsidies for impoverished students, donations of ambulances and police cars, charity arts performances and educational activities, environmental protection, disaster relief, etc.

A deeper, more far-reaching level of influence of ATEN's active social participation displayed itself in 2012: the establishment of the ATEN Volunteer Club. In the future, the Volunteer Club will work independently: ATEN employees and their families will get involved in charity, and activities to protect the environment and assist the disadvantaged. They will transform "corporate social responsibility" into "employee social responsibility."

6.1 Caring about Education

Caring about education has always been a key point of ATEN's social participation. For over 10 years, we have striven to support the 15 public senior high schools, junior high schools and elementary schools in our headquarters district of Sijhih - we often pool our resources with the Ching-Tang Education Foundation, providing needed funds to the deprived schools of Sijhih District. This has won us recognition from the local people and in the world of education. We have always believed that it is only by using our strength and giving back to the community that we can set a good example so that students will gain a positive attitude and give back to their communities in the same way after they have grown up.

Invited "Paper Windmill Theatre" to give a performance in Sijhih.

ATEN invited the Paper Windmill Theatre to perform their kids' musical "Jicheng Story", at Xiufeng Senior High School Gymnasium on the evening of 6/24/2012, allowing all students and their families to see the performance for free - all costs were paid by ATEN. Supported by providence and their families, greater than the support provided by ATEN alone, the audience for the Sijhih "319 Village Kids' Art Project" in 2007 was greater than 4,000.

On that evening, many parents brought their children, and many of the older children were accompanied by their families. Everyone spent an unforgettable evening under the dazzling lights, moved by beautiful stage effects and enthralled by inspiring, interesting stories. ATEN hopes that our strong show of support will inspire creativity in local children and allow the seeds of aesthetic appreciation to grow, making a contribution to reducing the resource gap between city and countryside.



✿ Provided help with travel expenses to Zhangcun Elementary School when they attended the 2012 Tokyo Culture Exchange.

In order to support Zhangcun Elementary School in their attendance of an international cultural exchange plan, the Ching-Tang Education Foundation provided part of their travel expenses. This allowed Zhangcun Elementary School, many of whose students are aborigines, to attend the event in Tokyo without any problems and promoting Taiwanese aboriginal dance to the world. *[Number of beneficiaries: 50]*



✿ Impoverished students' subsidies

With the aim of assisting in education, the Ching-Tang Education Foundation has supported Sijih's elementary, junior high school, and senior high school with subsidies for impoverished students for many years, providing them with warmth, encouraging them to work hard, and make contributions to society. *[Number of beneficiaries: 550]*



✿ Provided poverty relief funds

When students or their families meet with severe disaster, they often have no one to turn to, which directly affects their attitude towards study, and produces a feeling of being alienated from society. As a result, the Ching-Tang Education Foundation hopes that by taking the lead to show a little care, students who need help will be able to feel the warmth of society, continue their studies, get through temporary hardship, and take a positive attitude toward life. *[Number of beneficiaries: 206]*



✿ Held Natural Science Camp Activities

In order to provide elementary school students with an educational and entertaining environment in which to learn science over the summer vacation, the Ching-Tang Education Foundation invited outstanding teachers, provided fees and brought the students of 12 elementary schools together under one roof to enjoy a joyful, meaningful science camp. *[Number of beneficiaries: 186]*



6.2 Community Relations

We feel that developing a harmonious relationship with the community in which we live is very important, whether by helping the disadvantaged and elderly, expressing our appreciation at festivals, protecting the environment or promoting culture... We do all we can to make the most of our strength by combining it. Previously, ATEN has adopted green areas, donated ambulances and police cars, developed products for the elderly, and made donations for disaster relief. A record of such actions in 2012 is as follows:



iCan Learning and Development Plan for Autistic Kids

ATEN strives to develop technological products which make the lives of the disadvantaged more convenient by understanding their real needs in the spirit of our innovative values. Accordingly, ATEN and the National Taiwan University of Science and Technology (NTUST) cooperated to launch the "iCan" Learning and Development Plan for Autistic Kids for charity, and generously donated tablet computers to encourage the Plan's implementation.

"iCan" is a software developed by the NTUST for those suffering from speech impediments, an App which helps parents to teach autistic children to speak. iCan has improved some inconvenient areas of current software through its graphical user interface and simple operation procedures, and also added elements users need. By donating tablet computers, into which iCan software has been installed, to the Autistic Children Foundation, the Syinlu Social Welfare Foundation, and families with autistic children, iCan will help those with speech impediments in the future - the similarity of the plan's name to ATEN's core values, "iCAN", is purely coincidental.



iListen Smart Communication Software for the Hearing-Impaired

iListen, a smart communication software designed for the hearing-impaired, is the result of another cooperation, this time between ATEN and the NTUST Department of Industrial and Commercial Design. A smartphone transforms sound into characters, giving the hearing-impaired instant assistance in every area of life, and also features functions of a safety warning device and translator, thereby improving all of the inconveniences encountered by the hearing-impaired when communicating with others.

iListen won the Samsung Apps Contest held in April 2012, and later seized the red dot Communication Design Award 2012, known as the Oscars of the design world. Its many innovative communication assistance functions designed for the hearing-impaired, as well as intuitive interface design, won high praise from professional judges.

The iListen smart communication software for the hearing-impaired is mainly applied on smartphones or tablet computers, providing 4 convenient functions that improve the quality of life and safety of the hearing-impaired, as follows:

- ① **Verbal Communication (Communication):** Inputting text allows the phone to read it out, or converting the speech of others into text allows the hearing-impaired to understand what others are saying.
- ② **Transportation Prompts (Transportation):** Provides an instant reminder to the hearing impaired when they are about to arrive at a station by vibrating, based on the different methods of travel and locations used, allowing them to get ready ahead of time and relax when traveling.
- ③ **Signal Monitoring (Signals):** Features recording and vibrating functionality, using the smartphone as the user's ear. When sound is produced, the phone uses recording as the basis for data, and uses vibration and the screen to notify the user. For example, if the doorbell rings, the user can react immediately.
- ④ **SOS (Emergency):** Enables the user to get help immediately in an emergency through audio warnings, sending a previously-written text message, or making an emergency phone call.



1 Verbal Communication
Communication



2 Transportation Prompts
Transportation



3 Signal Monitoring
Signals



4 SOS
Emergency

Mid-Autumn Rice Donations

As the annual Mid-Autumn festival was approaching, colleagues felt that while they worked and celebrated the festival happily at ATEN, they also hoped to help other families who needed assistance with a little care. As a result, the Benefit Committee launched the “Mid-Autumn Rice Donation” activity. By working with social benefit bodies, the Committee planned to donate 600-800 3kg sacks of vacuum-packed rice, gathered by ATEN employees to the Sihjih Missionaries of Charity and the Eden Social Welfare Foundation, who would then deliver the rice to impoverished families who needed it. A total donation of 1,288 sacks of rice was gathered in a short time, with a total weight of over 3,864kg. In order to ensure that all of the rice received by beneficiaries of the plan was fresh, the Benefit Committee also invited rice suppliers to divide the rice by the dates, locations, and amounts needed by recipients of the rice. All of the rice had been delivered by the end of the year, fully conveying our compassion!



Held Yueqin Ballad Ceremony in Beitou, 2012

Preserving tangible cultural assets is relatively easy. However, intangible cultural assets, such as Taiwanese traditional folk ballads, gradually disappear with the withering of singers. As a result, the Ching-Tang Education Foundation participated in the organization of the Taiwan Yueqin Folk Ballad Ceremony 2012, hoping to provide people with an opportunity to appreciate the artistic beauty of the yueqin, and to promote the trend for learning the yueqin by providing national-level musicians and the new generation of musicians with an opportunity and platform for exchange and learning to achieve the aim of passing on traditional music.



6.3 Environmental Protection

Adopted Taro Fields in Guandu Nature Park

ATEN cares about natural resources: in 2012, there was a systematic call for paid volunteers to take part in many environmental protection activities. Adopting a taro field in Guandu Nature Park, a wetland protection plan, was expanded after we participated in public services to the environment in March. Aside from being in accordance with the spirit of “enterprise salaried volunteers”, we also expanded the number of participants, allowing more colleagues and their families to participate together and experience the recovery of the environment through low-interference agricultural activities. We also used this closeness to nature to understand the importance of protecting the environment and stimulate environment friendly thinking among employees, and established a new model of green technology and fusion of society and the environment.



Adopted Fulong Beach

In order to make good on our world environmental protection promise, and as influenced by the Ministry of Transport Tourism Bureau Northeast and Yilan National Scenic Area Management Office's plan to roll out enterprise coastline adoption, ATEN adopted the beach in front of Dongxing Temple in Gongliao District for the period 10/1/2012 - 9/30/2013. On the 5th of October, almost 100 “salaried volunteers” were convened to clean the beach. With the help of each warm-hearted volunteer, 153.4kg of garbage were cleared from a 360-meter stretch of beach. This not only made the beach cleaner and assisted in ocean protection, but also made employees place importance on world ecology protection and allowed them to contribute their strength to protecting Taiwan's oceans.



6.4 Overseas Record

Charity record of ATEN Infotech, our Belgian subsidiary

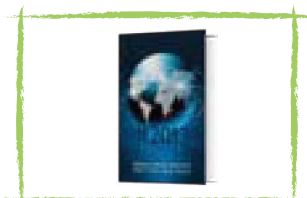
Buy 4 Life

Our Belgian subsidiary bought kids' toys for "Buy 4 Life", benefiting the charity group. A certain proportion of the total of every trade was donated to European humanitarian bodies such as: BKKS, AgainstCancer, Soleils du Monde and Els-smiley vzw.



Christmas Cards (2012) – Amnesty

In 2012, ATEN Infotech bought 300 Christmas and New Year's cards to send to clients and partners. Printed on each card was the logo of the group Amnesty International. When each card was bought, a certain amount of the cost was donated to Amnesty International.



Buy Aid

ATEN Infotech buys coffee beans from Buy Aid every 2 months: a certain proportion of the cost is donated to UNICEF.



Supporting Weyerkesfeesten

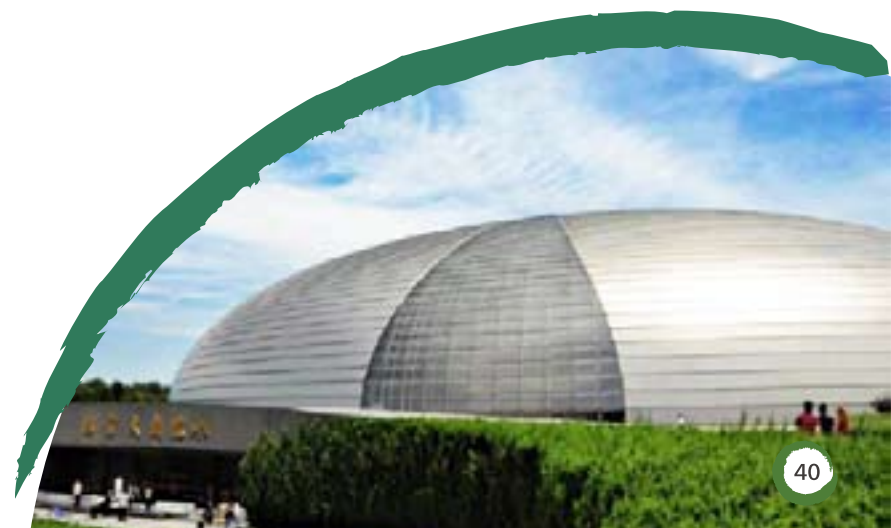
Every year, our Belgian subsidiary helps the disabled and disadvantaged through "Weyerkesfeesten" activities, held by the sponsor, Weyerke.



Charity record of ATEN China, our Beijing subsidiary

Helped impoverished children from Sun Village and Haiding District Qinglong Street Sub-District Office to enjoy a performance by Paper Windmill Theatre.

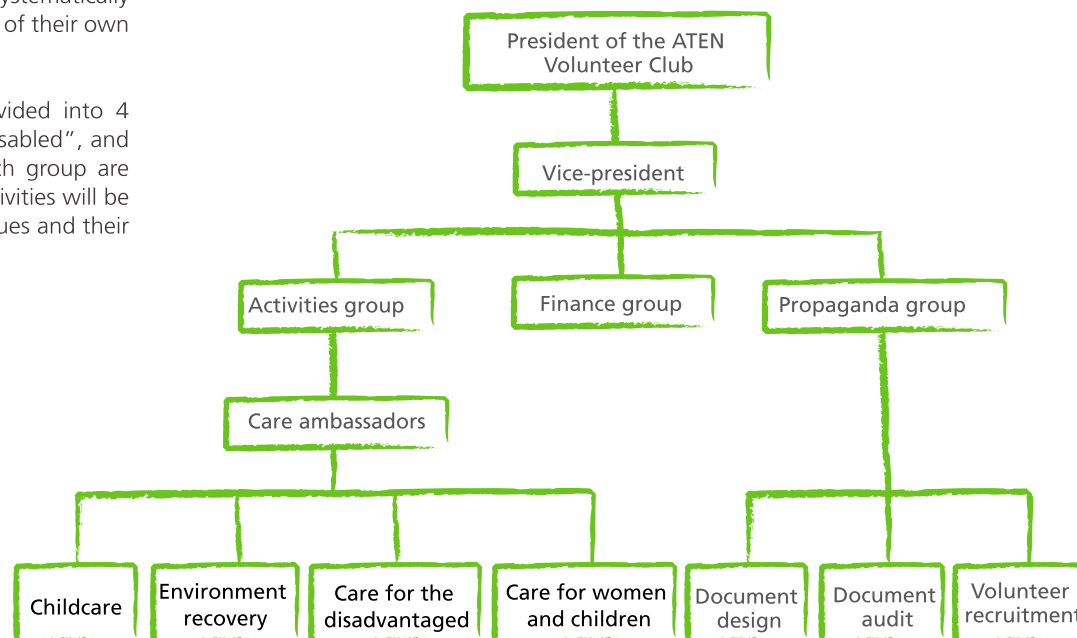
In order to give impoverished children from Beijing the opportunity to enjoy a performance by Paper Windmill Theatre, Taiwan's most famous kids' theater company, ATEN's Beijing subsidiary bought 100 tickets to the National Grand Theatre in Beijing, and gave them to children from Sun Village, an NGO charity which shelters the children of convicted criminals in Beijing, and academically outstanding children of poor family recommended by Haiding District Qinglong Street Sub-District Office, in order to inspire their artistic qualities.



6.5 The ATEN Volunteer Club

In order to actualize CSR in a more strategic, systematic way, and hoping to further encourage the implementation of "employee social responsibility", 96 employees, more than 16% of ATEN's employees, voluntarily signed up in response to the call of CEO's wife, Director Dong Suqing, at the end of 2012, as founding members. From this, colleagues can draw up their own plans to effectively and systematically enact "social participation", choose their own topics, make the most of their own specializations, and work in the long term.

The benefit agencies served by the ATEN Volunteer Club are divided into 4 categories: "Childcare", "Environmental recovery", "Care for the disabled", and "Care for women and children." 4 "care ambassadors" from each group are responsible for planning and implementing activities. All kinds of activities will be held regularly in 2013, and we will continue to call for more colleagues and their families to join the ranks of charity volunteers.



6.6 The Ching-Tang Education Foundation

Introduction

The Ching-Tang Education Foundation was founded by the honored Chairman of the Board of ATEN International Co., Ltd., Mr. Ching-Tang Chen, among others. The vice-chairman, Mr Stephen Chen, is Chairman of the Foundation's Board. It was founded in 2001, aiming to promote social progress by nurturing technological talent and promoting progressive thought; actively participating in community services; arranging donations to schools and organizations for the disadvantaged; and encouraging culture, education, and other charitable educational activities.

2012 Activity Record

- Donated hard up and impoverished student funding to all public schools in Sijhih District
- Provided help with travel expenses to Zhangcun Elementary School when they attended the 2012 Tokyo Culture Exchange
- Helped to put on Yueqin Ballad Ceremony in Beitou
- Held "Ching-Tang Natural Science Camp 2012"
- Issued relief subsidies to impoverished students in all public schools in Sijhih
- Donated scholastic achievement award funds to 100 graduating students from all public schools in Sijhih District

2011 Activity Record

- Donated funds for special teaching software to Sijhih Beifeng Elementary School
- Donated performance funds to Friends of Sijhih Chamber Music and Youth Wind and String Band
- Donated scholastic achievement awards to graduates of all schools in Sijhih
- Assisted the Taiwan Yueqin Folk Ballad Association in holding the Beitou Folk Ballad Ceremony
- Held Green Energy, Environment Protection, New World Innovative Painting Contest
- Issued poverty relief subsidies to impoverished students in all public schools in Sijhih
- Issued relief subsidies to impoverished students in all public schools in Sijhih



2010 Activity Record

- Donated nutritious lunch funds to Sijhih Elementary School baseball team
- Donated compassionate heart service awards to graduates of all schools in Sijhih District
- Donated fees for the purchase and delivery of uniforms for Sijhih Elementary School String Orchestra
- Donated funds for the construction of Sijhih Jinlong Elementary School Library
- Issued relief subsidies to impoverished students in all public schools in Sijhih

2009 Activity Record

- Helped Sijhih Xiufeng Senior High School to take part in a German international girls' softball competition
- Donated masks to protect against H1N1 to all schools in Sijhih
- Issued relief subsidies to impoverished students in 12 senior high schools, middle schools, and elementary schools
- Issued relief subsidies to impoverished students in all public schools in Sijhih
- Helped 14 Baiyun Elementary School students from impoverished families to pay school fees

2008 Activity Record

- Donated a touring photography exhibition to Zhangcun Elementary School
- Donated construction fees to the Sijhih Xiufeng Elementary School Little Green Sky Corridor
- Donated special teaching labor fees to Sijhih Beifeng Elementary School
- Helped the Taiwan Domino Association to hold the 2nd Domino Challenge
- Helped Sijhih Xiufeng Senior High School to attend a Korean international girls' softball competition
- Issued 2008 relief subsidies to elementary, middle, and senior high schools in Sijhih District
- Provided funds for digital TV, baseball team training and school services to Sijhih elementary school
- Provided school service and development funds to the remote Dongshan Elementary School in the mountains
- Helped Zhangcun Elementary school to establish their second library, which was named the Ching-Tang Library



Ch7 Environmental Promise

- 7.1 Environment Management Measures
- 7.2 Green Product Management
- 7.3 Greenhouse Gas Management
- 7.4 Raw Materials and Green Supply Chain Management



Environmental Promise

Environmental Safety Strategy

In the process of protecting the whole ecological environment and sustainable development, ATEN has painstakingly launched a comprehensive environment management system and related activities, in addition to strongly striving for technological improvement and breakthroughs. ATEN has assumed responsibility for preventing pollution, creating an outstanding work environment, protecting the physical and psychological health of employees, perfecting our legal responsibility, performing our social duties and protecting the environment. In obedience to the requirements of ISO 14001, an environmental safety policy has been defined, and serves as the highest directive for deciding environmental management strategy.



ISO 14001
Launching LOGO

1. Enacting environmental protection directives: auditing the implementation of directives related to protecting the environment, and abiding by the environmental regulations and requirements of supervisory agencies.
2. Making the most of resource innovation: using resources well, reducing wasteful behavior, lowering pollution of the environment, and reducing resource consumption.
3. Sustainable green production: regular audits and inspections to ensure the continued improvement of environmental policy, together ensuring a green global village.



Passed ISO 14001 Environmental Management System

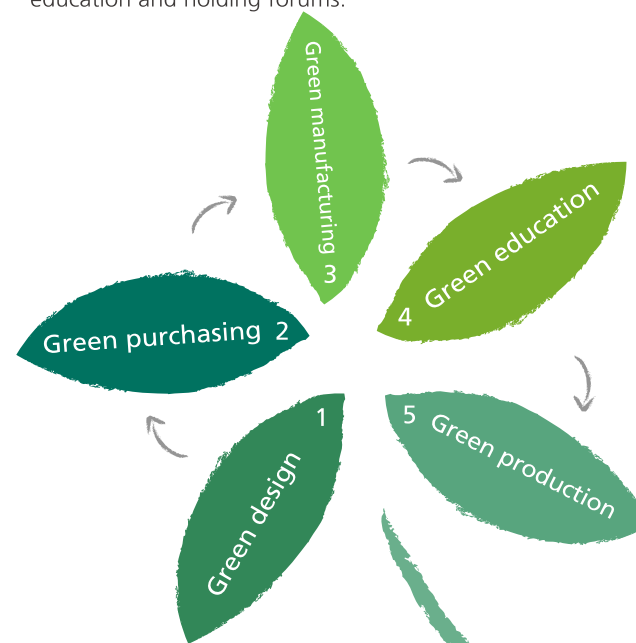
7.1 Environment Management Measures

1. Establishing and maintaining an environmental management system, promising to continue going forward and preventing pollution.
2. Promulgating product development indices, ruling that harmful materials may not be used in the development of new products, changing products or improving the materials used, so as to accord with our regulations and promises in the area of greening products; comprehensively testing materials in order to ensure they conform to our environmental standards.
3. Considering legal requirements as to the quantities of materials suited to use and their impact on the environment in the purchasing and use of raw materials, product manufacturing, transport and pollutant management.
4. Referring to local environmental regulations when managing the environment and pollutants. When there is a clear relationship between our products or services and key environmental considerations, the relevant procedures and needs will be passed to sub-contractors or suppliers for their reference, so as to effect sustained improvement in a win-win situation.
5. It is our duty to make all of our employees understand the rules and requirements of our environmental management system through propaganda, education and communication.
6. Preventing disasters and guaranteeing the health and safety of our employees by establishing a public safety and hygiene management work unit to enact automatic inspection.
7. Making ATEN's environmental management system public, and giving them to related benefit organizations which take an interest in ATEN's environmental achievements, thereby enabling them to understand all of ATEN's diligence and contributions to the environment.

7.2 Green Product Management

Green Product Responsibility

In order to enact CSR, launch our green quality management system, and ensure that the company's products and services accord to the requirements of international directives and standards related to the environment, we have implemented a series of preventative green management measures so as to reduce the negative influences of our products and their manufacturing process on the environment. The scope of these measures extends from the raw materials produced in the supply chain to the final installation of the product. Additionally, we hope to fulfill our green promise through the combined diligence of ATEN, our employees, and supplier partners through passing on our green concepts of loving the world and being environmentally-friendly. We hope to do this by means of guidance in meetings, broadening education and holding forums.



Product Lifetime Appraisal

Following the improvement in consumers' environmental awareness, appraising a product's environmental impact has already changed into a concept of using the product's life cycle. That is, reducing the impact made to the environment in producing raw materials, refining raw materials, manufacturing components, assembling systems, delivering and using them.



Green Product Design

1. Transformer efficiency has been improved by at least 20% through suitable use of components, measurement and adjustment of wiring. This not only reduces system electricity consumption, but also reduces the heat produced (component temperature has been reduced by 20 degrees), thereby extending product life and reducing the cost of air-conditioning server rooms.
2. Reducing the number of components used without influencing product quality reduces redundancy, allows us to re-examine the optimal location of wiring and components, and reduces the PCB layer count, so as to reduce product weight. In this way, transport costs are reduced and the product's carbon emissions and carbon footprint are controlled.
3. Modularized design is used in product development, which means modularized products can be disassembled, combined, reused, and easily understood. This reduces development time and improves product quality, making products more flexible: they are customized, diverse and cheaper.
4. Recycling and reusing developed components not only reduces development costs, but also protects the environment by avoiding the production of waste.

Green design: structure and process

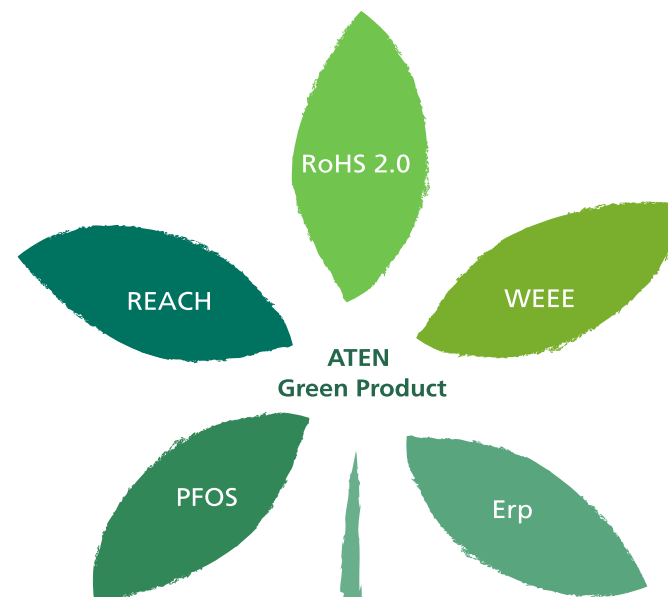


Restriction and Management of Harmful Materials

Following the rapid changing of the times, international environmental protection regulations, industry standards and consumer requirements are also changing constantly. ATEN clearly formulates standards of use and control requirements for harmful products, ensuring that our products meet all requirements and echo ATEN's CSR promise.

Due to the recent implementation of environmental directives, the computer and electronics industries have faced different environmental issues, particularly "WEEE Directive 2002/96/EC on waste electrical and electronic equipment", enacted in May 2005; "2002/95/EC on the restriction of the use of certain hazardous substances in electrical and electronic equipment", which came into effect in August 2005, and Directive RoHS 2.0 (2011/65/EU), which came into effect in July 2006, and was revised to become RoHS 2.0 (2011/65/EU) on the restriction of the use of certain hazardous substances in electrical and electronic equipment in January 2013, and the "REACH substances of very high concern" directive, promulgated in July 2008.

ATEN became aware of the international trend towards environmentalism in 2005, and established the Harmful Material Restriction Management Plan, which then implemented the WEEE, REACH, ErP & RoHS directives - it evinces perfect planning and implementation of requirements and actions in topics related to environmental influence. We also require that our suppliers add their restricted materials to the management system, establish aims and enact them, and strictly abide by related directives and regulations.



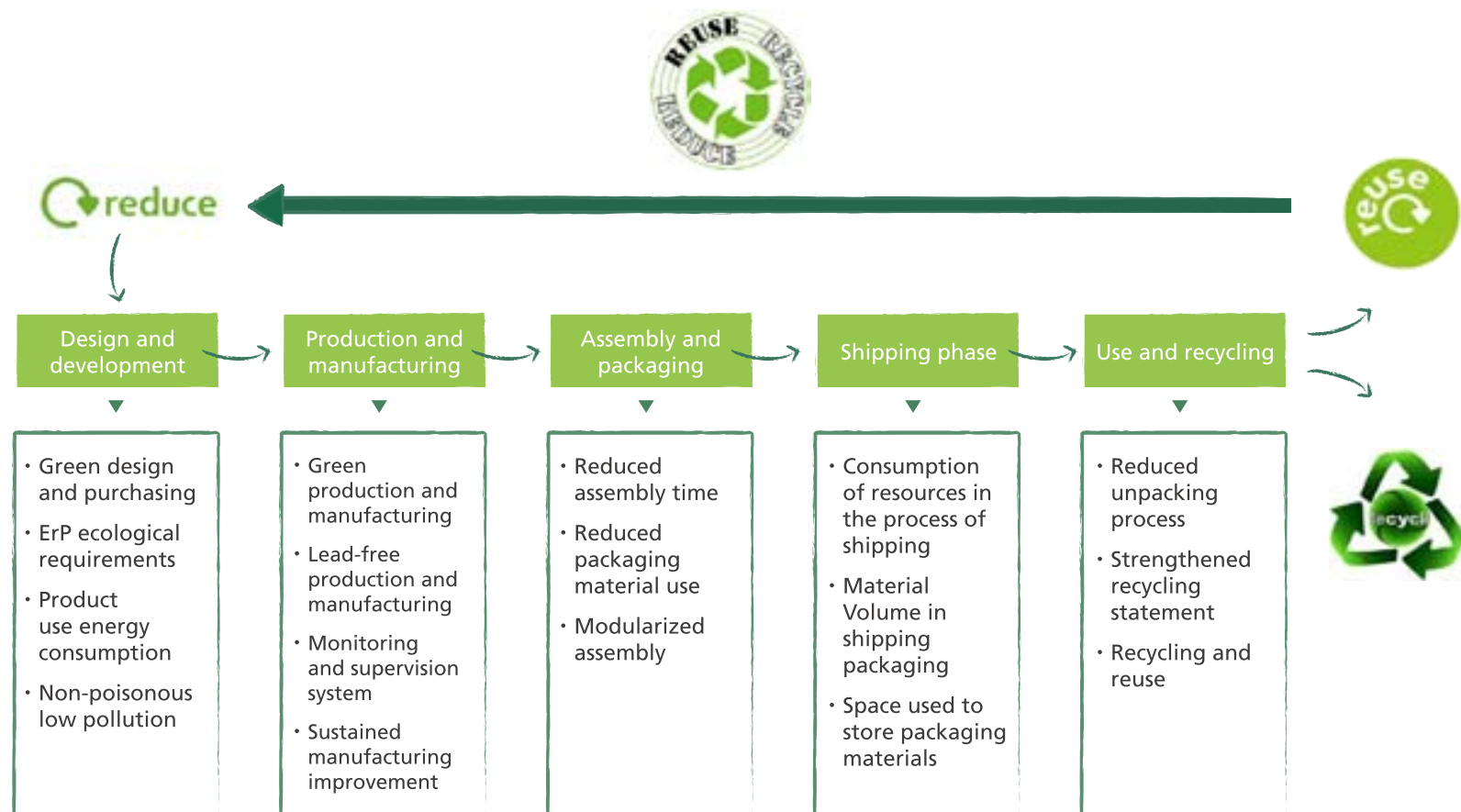
RoHS
Compliant



CE



Green Product 3R Management System Structure



In response to environmental requirements and directives from all over the world, we have formulated measures for restricted materials in our products in cooperation with our suppliers, thereby both protecting the environment and reducing our influence on the environment by promoting obedience to directives.

7.3 Greenhouse Gas Management

Since the Industrial Revolution, along with population growth and technological progress, the pollution of the environment caused by human activities has constantly increased and expanded in scope. Industrial activities emit large quantities of greenhouse gas into the atmosphere, greatly exacerbating the greenhouse effect. Land surface temperatures are rising around the world, resulting to melting glaciers, rising sea levels and shrinking land areas; the ocean’s currents are shifting and the rainfall patterns are changing. The strength and frequency of flood, drought, and wind disasters have increased: climate change caused by global warming has already directly or indirectly influenced nature. As a result, controlling emissions of greenhouse gases has already become a trend, and global warming has become one of the environmental topics followed closely by the entire world.

ATEN respects the emission reduction plans of advanced countries, uses objective management, and strives to achieve the aim of protecting the environment by means of having high standards for ourselves, drawing up clear aims for protecting the environment and saving energy. ATEN has created a system for resource management, continuous monitoring, and constant improvement of monitoring and control.

Investigating Greenhouse Gas Emissions

Greenhouse gases influence the global climate and environment. As an advanced electronics manufacturer, ATEN has undertaken concrete, effective measures on the basis of ISO requirements, including greenhouse gas interrogation of its headquarters and its Xiwan factory.



ATEN uses ISO 14064 standards and GHG Protocol borders as our own, and makes use of control rights:

Baseline year: 2012

Investigation scope: 3F., No.125, Sec. 2, Datong Rd., Sijhih District., New Taipei City 221, Taiwan (ATEN International Co., Ltd. headquarters) and No. 77, Lane 169, Sec. 1 Hsiwon Rd., Sijhih City, Taipei, Taiwan (ATEN Taiwan Factory).

Scope 1 definition:

No clear difference in direct greenhouse gas emissions (such as vehicles, air-conditioning equipment, drinking water facilities, generators), when compared to the previous year.

Scope 2 definition:

Indirect greenhouse gas emissions (such as those resulting from electricity bought from the outside).

6 main greenhouse gas indices were used: Carbon dioxide, methane (CH4), nitric oxide (N2O), fluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF6) and other agents identified as greenhouse gases by central supervisory agencies.

Compared with 2011, greenhouse gas emissions dropped by 250.61 tons of CO2e/year, approximately 8.31%.

Greenhouse Gas Emission Investigation 2012 Findings (tons of CO2e/year)

Table: Emissions of 6 Major Greenhouse Gases							
Greenhouse gas emission	CO2	CH4	N2O	HFCs	PFCs	SF6	Total annual emissions
Scope 1	84.44	7.66	2.88	242.49	0.00	34.88	372.35
Scope 2	2,391.81	0.00	0.00	0.00	0.00	0.00	2,391.81
Total	2,476.25	7.66	2.88	242.49	0.00	34.88	2,764.16
Proportion of total emissions (%)	89.58%	0.28%	0.11%	8.77%	0.00%	1.26%	100.00%

Energy-saving Targets and Measures

Based on ATEN's operating model, the vast majority of carbon dioxide emissions originate from the use of electricity (around 89%). Accordingly, ATEN has actively launched all kinds of energy-saving plans. Details of the measures taken as follows:

Holding employee training courses to spread awareness of ATEN's policy of reducing emissions.

ATEN has incorporated an ISO 14001 environmental management course into new employee induction, accompanied by the company's internal learning platform - HR e-school, the participation of which spread and strengthened employees' recognition and knowledge of protecting the environment. Following is a list of ATEN's concrete actions in protecting the environment.

1. Displaying propaganda for saving energy on ATEN's electronic bulletin board.
2. Air conditioner switched on during working hours: 8:30am - 18:30pm
3. Office lights are regulated during lunch breaks, leaving only necessary illumination.
4. Light regulation in sparsely-regulated public areas (lights activate when motion is detected).
5. If a computer is not used for a long time, the monitor will be switched off automatically, and all monitors are switched off automatically at 20:00 if they are still on.

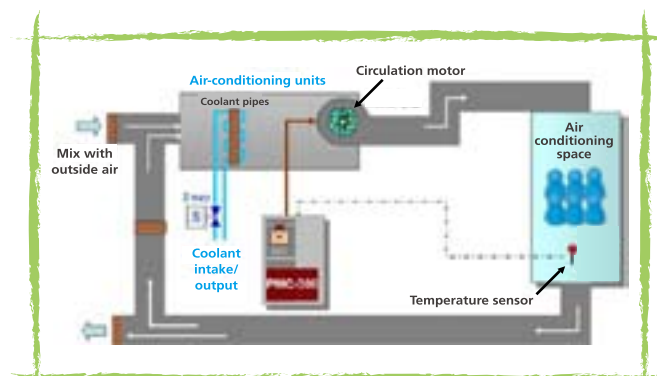
Energy-saving equipment has been installed in factories and offices:

1. T8 light bulbs used in the factory have been replaced with T5 light bulbs.
2. Switching lights on and off is controlled by area, reducing electricity waste.
3. A new plan for illuminating production lines has been made, reducing unnecessary illumination.
4. Infrared control and regular adjustments in the illumination of certain areas.
5. Adjusting the amount of lighting commonly used in office environments and reducing unnecessary illumination to the greatest extent possible while respecting regulations and maintaining a comfortable environment.



Environmental Management Plan

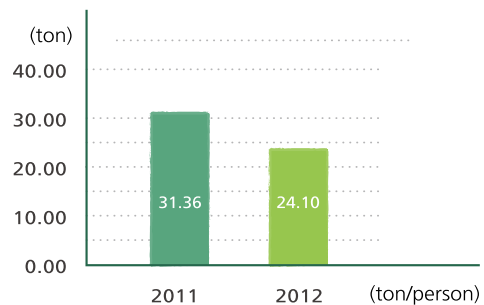
Environmental improvement plan name	Air conditioning energy-saving management
Analysis of the present situation	<ol style="list-style-type: none"> 1. Coolant motor has no non-return valve. 2. Voltage and current distribution produces abnormal loads on transformers. 3. Temperature control not accurate. 4. Medium system leaks lead to the compressor being unable to send data. 5. Corrosion of water pipes leads to breakage and a large quantity of water being lost.
Responsible work unit	Headquarters management department
Improvement method/procedure	<ol style="list-style-type: none"> 1. Non-return valve added to coolant motor. 2. Coolant management control system's voltage switch replaced, air drying filter and condenser washed with chemical agents. 3. Replacing the temperature switch, adjusting the transmission method and output water temperature. 4. Checking the ice water control machine for leakage and refilling it. 5. Replacing cooling pipes and seals.
Planned enactment period	2012/07~2012/10
Fees/equipment committed (NTD)	<ol style="list-style-type: none"> 1. Cost of replacing backflow barrier: 280,000. 2. Host management system treatment: 1,990,000. 3. Replacing corroded coolant piping: 980,000. <p>Total cost: 3,250,000</p>
Expected benefit (environmental/operating cost) indicators	<ol style="list-style-type: none"> 1. According to statistics taken from the receipts supplied by the Taiwan Power Company, electricity use over the period July-December 2011 and July-December 2012 was 1,313,575 kWh and 1,186,608 kWh respectively, showing a reduction of 126,967kWh and an average monthly reduction of 21,161 kWh. 2. Average monthly reduction was 21,161 kWh, and resulting in an annual reduction of 253,933 kWh. As each kWh costs NTD 3.2, this means NTD 812,582 could be saved each year. 3. It is projected that engineering improvements could recover their costs in saved electricity within 4 years.



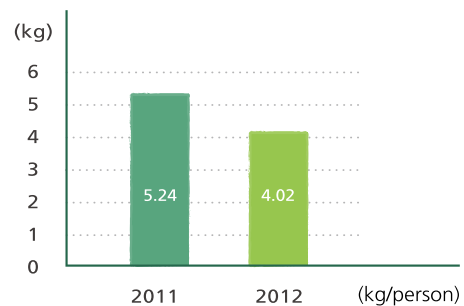
Reduced water use

In the face of global environmental change, in addition to reducing carbon emissions and saving energy, the ever-apparent lack of water is another important environmental impact humanity will face in future. Based on conserving water resources and sustainable enterprise operation, all faucets in ATEN facilities have been replaced with water-saving faucets. We have also promoted water conservation, energy efficiency and reduced carbon emissions among employees. Statistics from the Xiwan factory show that water use per person has been reduced by 23% compared to the previous year.

In 2012, average water use per person dropped by 7.3%



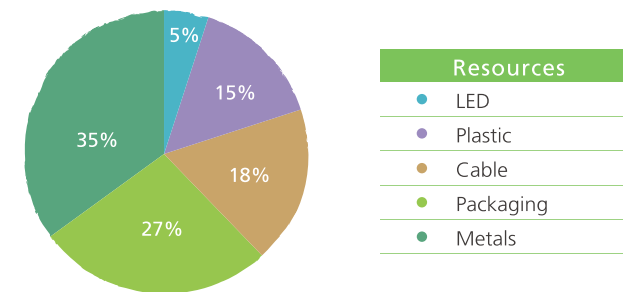
Average CO2 emission per person dropped by 1.22Kg



7.4 Raw Materials and Green Supply Chain Management

Types and Quantities of Raw Materials Used

Resource consumption statistics help to assess the use efficiency of raw materials, and fall under the trend towards environmental topics and ecological design. We strive to improve the efficiency with which raw materials are used and to reduce the quantity of materials used in packaging and shipping. The resources invested in production are divided into 5 main types: metals, plastic, cables, LEDs, and packaging. In 2012, the following quantities of raw materials were purchased:

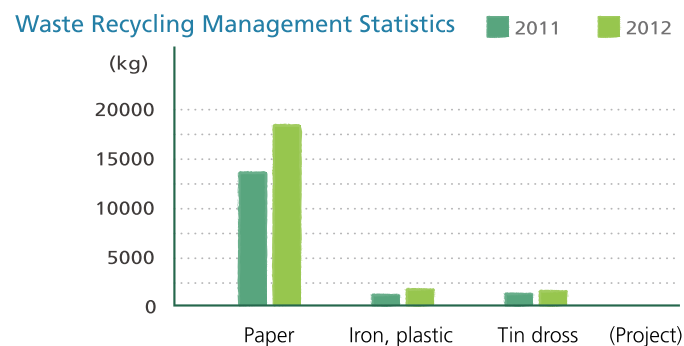


Waste Management and Recycling

Our business is mainly concerned with assembling and packaging electronics. Waste produced during production includes: tin dross, waste plastic, mixed metal scrap, and waste paper, of which tin dross, waste plastic, waste paper and mixed metal scrap are recycled and reused by professional, qualified manufacturers; while normal waste, including lifestyle waste, is burned or buried after being collected by recyclers. Statistics show that the quantities of paper/iron/plastic/tin dross recycled at the end of 2012 were respectively 33.1%, 26.8%, and 11.1% greater than in 2011.

ATEN has been striving to reduce waste for a long time, and make this a reality in employees' lives: displaying garbage division adverts and carrying out garbage separation. Our aims for the first phase of the plan are to: find the garbage influenced most by daily office activities, make an environmental management plan and continue to improve it.

In the second phase, we will control waste from the very beginning, from displaying adverts on the wall of the employee cafeteria: "Take only as much as you'll eat", to green product designs. We hope that our diligence will encourage other enterprises to pitch in for the environment.



Green Supply Chain Management

ATEN maintains that suppliers are partners, and constantly works to improve suppliers' awareness of social responsibility, including the topics of the environment and workers' rights. Furthermore, we have added items related to CSR and carbon footprint monitoring to our supplier operational standards for appraisal and evaluation. In the future, sustainable green products will be added, and we will continue to strengthen our advocacy of environmental and economic responsibility, and creating innovative values. ATEN's many supply partners are good models from which ATEN can learn about enterprise sustainable operations and innovation, as well valued friends with whom we have cooperated for many years. ATEN promises that through our influence, we will expand related concepts above and below us in the supply chain.

Improving operational efficiency

1. Integrating supply chain resources
2. Improving the quality and speed of product development and material selection
3. Unified, even control of quality information

Strengthening risk management

1. Establishing a comprehensive Green BOM database
2. Introducing SAP system informatization/systemization
3. Clearly grasping material risk & responding swiftly

Improving enterprise competitiveness

1. Optimizing our response to green planning
2. Comprehensive verification, and rapidly responding to clients' environmental regulations
3. Strengthening enterprise environmental awareness, and improving our international image

Statement on Forbidding the Use of Conflict Minerals

ATEN's prohibition on the use of conflict minerals

In the last few years, the social and environmental problems created in the process of extracting raw materials have gradually come to the world's attention, among them the situation in the Democratic Republic of Congo, where mineral extraction has given rise to severe armed conflict. Based on the line of CSR and international justice, and in response to the Dodd-Frank Act of 2010, H.R. 4173 passed by the American Senate, ATEN has expressed its concerns about the problem of conflict minerals with our suppliers in order to avoid the use of illegally-extracted metals as raw materials, as well as in the process of production.

Although ATEN has no need to directly purchase raw metals, and we understand that most of our suppliers also do not directly purchase such materials, ATEN's statement that it does not use conflict minerals also requires that suppliers ensure that the raw materials used in their products raise no such problems.



ATEN's declaration with regard to conflict minerals

1. ATEN's suppliers must assume their responsibility to society and to protect the environment.
2. ATEN's "3 Nos Principles" mean that ATEN does not support, accept or use minerals which come from the Democratic Republic of Congo or surrounding countries, which are illegally-extracted, or extracted in a deprived environment; so-called "conflict minerals".
3. Suppliers should trace the source of all of the cobalt, gold, palladium, tantalum, tin, and tungsten in their products so as to ensure that it does not come from "conflict mineral regions".



Ch8 / Client Satisfaction and Service

- 8.1 Customer Satisfaction Survey
- 8.2 Comprehensive Customer Service System
- 8.3 Customer Health and Safety
- 8.4 Information Security and Guaranteeing Customers' Rights to Privacy
- 8.5 Sales Regulations



6 Client Satisfaction and Service

ATEN International provides comprehensive product solutions, and aims to win the confidence of customers and partners by providing satisfactory services. In consumer relations, we hold to the principle of “integrity with pragmatism”, considering the customer’s needs first; in addition to providing an innovative suite of products, providing flexible, rapid, and professional customer service is also an important index of maintaining and promoting company competitiveness.

ATEN promises to provide customers and partners with the most outstanding brand value, products, strategy, service, delivery, profit and capacity-price ratio. We have established deep, trusting partnerships with customers over an extended period - we take every problem and requirement seriously, and listen diligently and react promptly, ensuring that customers’ needs are satisfied.

8.1 Customer Satisfaction Survey

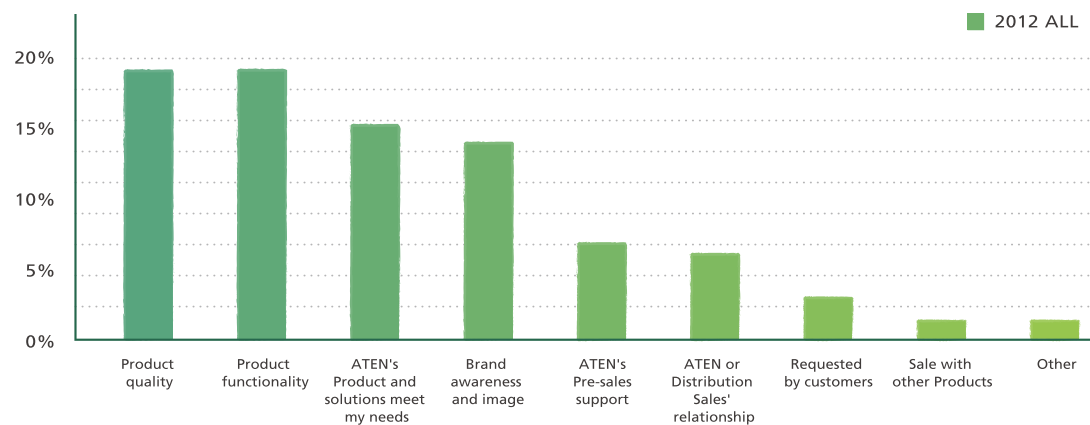
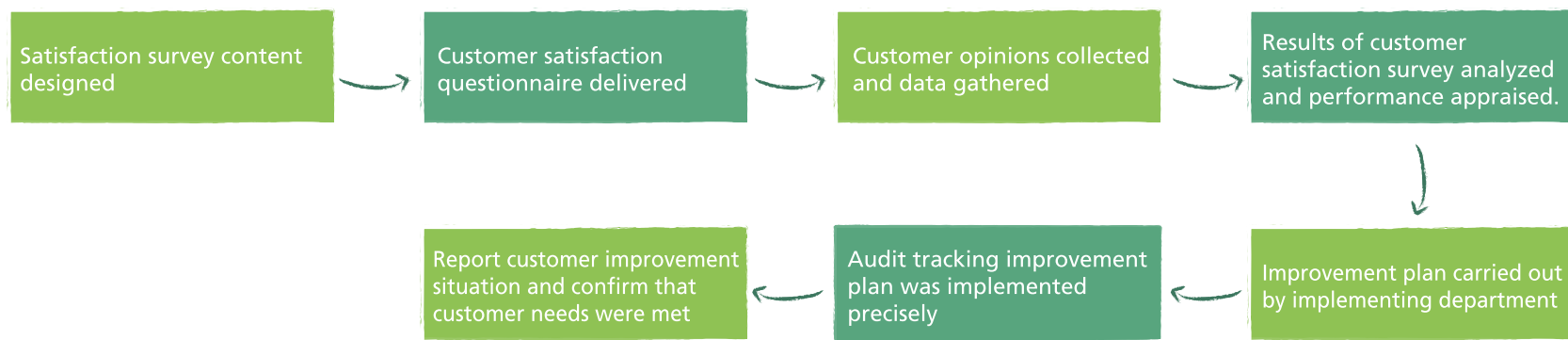
In order to actively understand customers’ appraisal of our services and use them as the basis for improvement, ATEN conducts at least 1 customer satisfaction survey each year and provides 1 post-sale service satisfaction survey each week, ensuring that every customer’s voice is heard and that it is fully answered. With regard to satisfaction, we constantly improve our services: we develop an improvement measures plan whenever we do not achieve our aims, and have established an audit and tracing system to ensure customer satisfaction. We have also incorporated customer satisfaction within our ISO management, strongly demanding that our organization as a whole provide service highly satisfying to customers by pursuing outstanding quantified targets. We hope to increase customer loyalty and produce opportunities for them to purchase our products again.

Furthermore, customer feedback methods are added to the packaging of every product, including telephone, fax, and address details for our customer service centers around the world. A customer feedback area has also been provided on each of our regional websites, allowing customers to get the support they need quickly thereby improving customer satisfaction.

ATEN’s customer satisfaction survey covers many facets, including products / sales / delivery time / merchandising / technical support / after-sale service / purchasing decision factors / brand image / customer loyalty / customer risk management. Assessing the survey results allows both the company as a whole and relevant departments to understand customer needs deeply, explore areas for improvement in depth, and establish an effective, rapid and practical platform for communication with customers, so as to maintain ATEN’s competitive advantage.



Satisfaction Survey Flowchart



According to the 2012 customer satisfaction survey, the main factors motivating customers' purchase of ATEN products are:

1. Product quality
2. Product capability
3. Product solutions
4. Brand recognition and brand image
5. Professional service

8.2 Comprehensive Customer Service System

In pursuit of the greatest possible customer satisfaction, ATEN's customer service network is distributed over the entire world. We have integrated service resources to establish a global customer service area. We provide a local service system in all areas in Taiwan and abroad, ensuring the promptness and professional nature of customer services, and the sustainable operation of customer relationships, in order to win the satisfaction and trust of customers.

A concrete explanation of the service system follows:

Customer Service Hotline

In order to allow customers to raise issues promptly, we provide service on an 0800 line, a technical support line and a Skype line. Professional customer service personnel communicate directly with customers, helping to resolve customer issues.



eService: Online Service Platform

In addition to customer service hotlines, ATEN also provides a portal to comprehensively integrate customer service resources, the eService platform (<http://eservice.aten.com>), thereby providing more prompt, professional, perfect after-sale services. The following services are gathered on this platform:

Online Technical Support Service (eSupport):

When customers require a service, ATEN technical personnel can use this platform to undertake direct and rapid communication with them, effectively assisting customers worldwide to resolve technical problems, eliminating obstacles and providing all required information. Every enquiry is logged on the eSupport platform, to make it easier to track. Important problems are also recorded in an FAQ, integrated into a database, or placed on the eService platform for customer enquiry and sharing.

Frequently Asked Questions (FAQ):

The eService platform has already accumulated around 3,000 FAQs, provided for customers' reference. Statistics show that there are around 1700 visits to our eService platform every month - this shows that many customers around the world have the ability to resolve issues on their own. In order to meet customers' need to resolve problems by themselves, ATEN will continue to provide a more comprehensive FAQ.

Global-RMA Online Maintenance Service System:

Customer maintenance service can be provided by filling out an application form online, after which professional RMA personnel receive the form and send an RMA code to the customer's address. Customers can obtain their product's warranty information and instant maintenance progress, and check previous maintenance records. This allows customers to obtain information related to maintenance via a comprehensive RMA procedure system. Maintenance records from all over the world are collected, further monitoring product quality. RMA rate reports are produced and sent to the relevant departments every month to propose improvement strategies.

Partner Center:

ATEN's information sharing platform dedicated to sales partners provides the most prompt market information intelligence reports and product information to our sales partners, allowing sales partners from all over the world to provide the most outstanding customer end service by using the resources provided on the information sharing platform.

24-hour Replacement and Maintenance Service

Providing perfect after-sale service has always been an aim pursued by ATEN. In order to achieve better, faster and more comprehensive service, ATEN provides sales partners and consumers with an exclusive “24-hour fast replacement and maintenance service”. To receive a replacement product provided by ATEN and receive their repaired product within the shortest time possible, customers need only go through a convenient replacement and maintenance process. This solves the problem of work being impaired due to a missing product while it is being maintained.

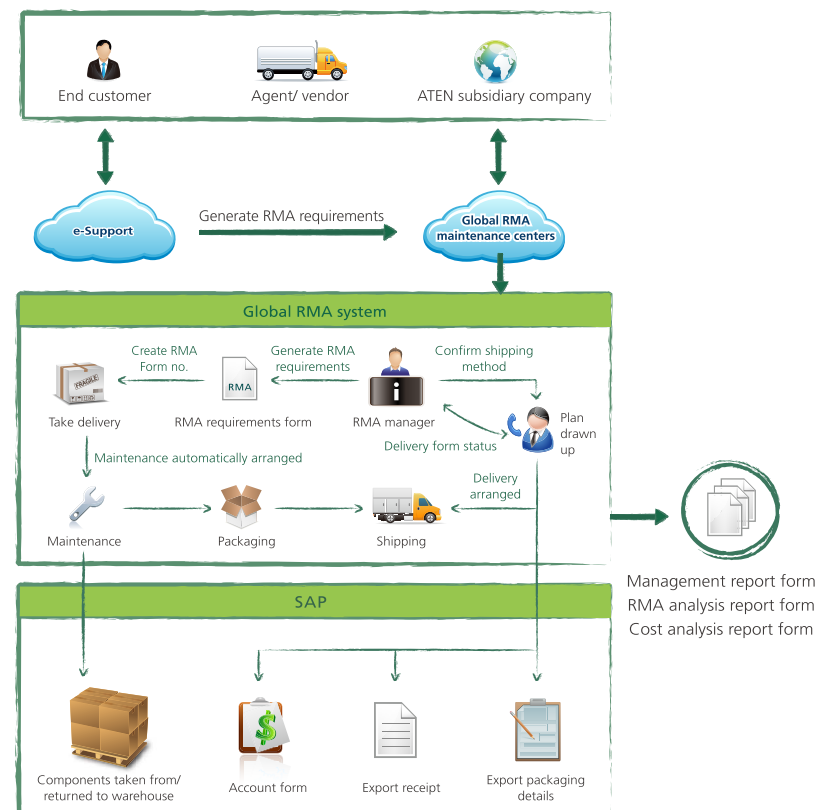
Perfect After-Sale Service and Product Guarantee

Customer service departments, which are divided into “technical support” and “RMA” units, have been established in ATEN’s headquarters and all subsidiaries, providing consolidated after-sales services. When customers are faced with problems in using their products, they can seek assistance through the customer service hotline. Customers are promptly assisted to eliminate their problems by professional technical support engineers. If a customer’s product requires maintenance, they immediately send it to one of our regional centers, where inspection and maintenance is carried out by RMA engineers. ATEN provides a 2-year guarantee worldwide (subject to adjustment in some countries), and places importance on local after-sales support - customer satisfaction is the keystone around which our brand is built.

Rapid Maintenance Service

A complete network linking our headquarters and subsidiary companies provides rapid 3-day maintenance in Asia and 5-day maintenance in Europe and America, reducing customer wait time and providing constant praise from satisfied customers.

Global RMA Exchange and Repair Service System Structure



8.3 Customer Health and Safety

ATEN is mindful of the influences its products and services have on the health and safety of customers. As well as continuing to carry out health and safety assessments and improvement plans throughout a product's lifetime, ATEN has also established the "Harmful Material Restriction Plan" in 2005, which has been verified by the relevant regulations around the world, and abides strictly by the relevant directives and regulations. Throughout 2012, ATEN violated no directive related to health and safety or our own voluntary standards.



8.4 Information Security and Guaranteeing Customers' Rights to Privacy

Taking information security seriously is a promise ATEN makes to customers. While also improving customer services, we are more mindful of maintaining customers' rights to privacy and their intellectual property rights. In response to the new Personal Information Protection Act, which was formally enacted in 2012, ATEN is committed to advocating for customers' right to privacy, and views the protection of sensitive information as a very important internal issue. Aside from avoiding reputational losses, losing customers and compensation for damages, it is also the single best response to our customers' support and confidence. ATEN completely abides by the Appropriate Safety Protection Measures directed at private agencies, and is responsible to the Center for Global Intellectual Property Law for matters related to the protection of data, ensuring that customers' personal data cannot be illegally stolen, falsified, leaked, damaged or misappropriated, and actively propagates personal data laws in the relevant departments, so as to guarantee the security of every customer's personal data.

ATEN will continue to promote the importance of information security and define clear information security regulations, strengthen its internal promotion of them, and establish and integrate a system of highest restriction rights in every major part of the company. ATEN will introduce system control, carry out audits, and strengthen the management of access to sensitive data. We will use varied information technologies to prevent leakage of information, guaranteeing the rights and interests of customers. ATEN will also ensure that our employees view protecting customers' right to privacy as their first priority when carrying out their duties. As of the end of 2012, ATEN has never violated any customer's right to privacy, lost any customer data, harmed the interests of customers, or been the target of legal action as a result of data loss.



8.5 Sales Regulations

Respecting Regulations

ATEN is diligent in respecting all national and international laws in the areas in which we operate. All of our sales activities conform to regulations related to intellectual property and fair market competition, and respect local cultural traditions and values everywhere we operate. We also implement the Antitrust Law, the Fair Trade Law, and other laws. We will prevent inappropriate commercial behavior and assist every country to establish a free and competitive market.

As of the end of 2012, ATEN has never violated any law related to market expansion, including: regulations related to advertising, promotion and subsidy, and our voluntary principles.

Marketing Communication

As a globalized enterprise, ATEN has sold products using the unitary ATEN brand for many years, and has established professional groups for the sale and promotion of each of our product lines. The Department of Planning, responsible for product planning and brand sales, and under it the Sales and Promotion Center have been established within the company. The Sales and Promotion Center's primary functions and work cover the following areas:

1. Planning and management of the Corporate Identity System
2. Corporate brand image planning and implementation
3. Product sales planning and implementation
4. Corporate public relations planning and maintenance of media relationships

Marketing communication: corporation operating concepts, product spirit, CSR, and corporation philosophy are considered channels of communication. Communication in the area of sales and promotion is done in every way and directed at every target. The channels used include: the corporate website, exhibition activities, press conferences, seminars, news announcements, and sales aids. All required information related to the company is provided to the relevant people, so as to enable them to understand ATEN's operating system and direction. All communication channels, forms and content used by ATEN conform to sales regulations. This has won the recognition and support of the public, and completely respects intellectual property rights.



Ch9 / GRI Indicator Index



GRI Indicator Index

The following indicators constitute the entirety of the Global Reporting Initiative's (GRI) Sustainability Reporting Guidelines (GRI G3.1) used with regards to this report.

4 Standard Disclosures

Project	GRI G3.1 Indicator	Chapter	Page	Notes
1. Strategy and Analysis	1.1 Statement from Most Senior Decision Maker	1. Manager's Preface	5	
	1.2 Description of key impacts, risks and opportunities.	3.1 Introducing ATEN	11	
2. Organizational Profile	2.1 Name of the organization	3.1 Introducing ATEN	11	
	2.2 Primary brands, products, and services	3.1 Introducing ATEN	11	
	2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures	3.2 Global Distribution	16	
	2.4 Location of organization's headquarters	3.1 Introducing ATEN	11	
	2.5 Regions and countries where the organization operates	3.2 Global Distribution	16	
	2.6 Nature of ownership and legal form	3.1 Introducing ATEN	11	
	2.7 Market of provision for products and services	3.2 Global Distribution	16	
	2.8 Scale of the reporting organization	3.1 Introducing ATEN	11	

Project	GRI G3.1 Indicator	Chapter	Page	Notes
	2.9 Significant changes during the reporting period			No significant changes during 2012.
	2.10 Awards won during the reporting period	3.4 Awards Won	18	
3. Report Parameters	3.1 Reporting period	Introduction	2	
	3.2 Dates of past reports	Introduction	2	
	3.3 Reporting cycle	Introduction	2	
	3.4 Contact point for questions regarding the report or its contents.	Introduction	2	
	3.5 Process for designing report content	Introduction	2	
	3.6 Report boundaries	Introduction	2	
	3.7 Specific limitations on the scope or boundary of the report	Introduction	2	
	3.8 Branch companies, subsidiary company, leased facilities, outsourced operations, and bodies which have significant influence over organization.	Introduction	2	
	3.9 Financial and environmental data on which the data measurement techniques and calculations in this support were based mostly came from 3rd-party public testing or verification agencies.	Introduction	2	
	3.10 Explanation of re-statements from previous reports and the reasons for said re-statements.	Introduction	2	
	3.11 Significant changes between this and other reports	Introduction	2	
	3.12 Table identifying the location of the Standard Disclosures in the report	9. GRI Indicators	64	
	3.13 Policy and current practice with regard to seeking external assurance for the report	Introduction	2	

Project	GRI G3.1 Indicator	Chapter	Page	Notes
4. Governance, Commitments and Engagement	4.1 Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	4.1 Corporate Governance Structure	20	
	4.2 Indicate whether the Chair of the highest governance body is also an executive officer	4.4 Board of Directors	22	
	4.3 For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	4.4 Board of Directors	22	
	4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	4.3 Shareholders' Meeting	22	
	4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	4.5 Remuneration Committee	23	
	4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided.	4.4 Board of Directors	22	
	4.7 Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	4.4 Board of Directors	22	
	4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	4. Corporate Governance	19-23	

Project	GRI G3.1 Indicator	Chapter	Page	Notes
	4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	4. Corporate Governance	19-23	
	4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	4.4 Board of Directors 4.5 Remuneration Committee	22 23	
	4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization.	4. Corporate Governance	19-23	
	4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	2.2 Stakeholder Relations	8	
	4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: Has positions in governance bodies; Participates in projects or committees; Provides substantive funding beyond routine membership dues; or Views membership as strategic.	4.6 Domestic and International Associations	23	
	4.14 List of stakeholder groups engaged by the organization.	2.2 Stakeholder Relations	8	
	4.15 Basis for identification and selection of stakeholders with whom to engage.	2.2 Stakeholder Relations	8	

Project	GRI G3.1 Indicator	Chapter	Page	Notes
	4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	2.2 Stakeholder Relations	8	
	4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	2.2 Stakeholder Relations	8	

6 Performance Indicators

Project	GRI G3.1 Indicator	Chapter	Page	Notes
Economic Performance Indicators	EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	3.3 Operational Achievements	17	
	EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change.	7.3 Greenhouse Gas Management	51	
	EC3 Coverage of the organization's defined benefit plan obligations.	5. Employee Care	24-32	
	EC4 Significant financial assistance received from government.			<ol style="list-style-type: none"> 1. Industry innovation examples (tax deductions for research and development). 2. New investment qualified for a 5-year exemption from enterprise income tax due to founding and provision of services related to technology from 1st July 2008- 31st December 2009.
	EC5 Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.			The remuneration system has undergone auditing by the Remuneration Committee and is higher than the minimum remuneration stipulated by law. After selection and induction, core salary of new employees is decided on the basis of their academic history, management experience, ability, and work experience. There are no wage disparities between genders and all employee salaries are higher the minimum wage required by law.

Project	GRI G3.1 Indicator	Chapter	Page	Notes
	EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.			All selection of ATEN's suppliers is done on the basis of our Supplier Selection Method, as opposed to on the basis of their location.
	EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	5.1 Employee Status	25	
	EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, inkind, or pro bono engagement.	6. Active Social Participation	33-43	
	EC9 Understanding and describing significant indirect economic impacts, including the extent of impacts			No assessment of indirect economic impact was carried out in 2012.
Environmental Performance Indicators	EN1 Materials used by weight or volume	7.4 Raw Materials and Green Supply Chain Management	54	
	EN2 Percentage of materials used that are recycled input materials.	7.4 Raw Materials and Green Supply Chain Management	54	
	EN3 Direct energy consumption by primary energy Source	7.3 Greenhouse Gas Management	51	
	EN4 Indirect energy consumption by primary source.	7.3 Greenhouse Gas Management	51	

Project	GRI G3.1 Indicator	Chapter	Page	Notes
	EN5 Energy saved due to conservation and efficiency improvements.	7.3 Greenhouse Gas Management	51	
	EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	7.2 Green Product Management	46	
	EN7 Initiatives to reduce indirect energy consumption and reductions achieved	7.3 Greenhouse Gas Management	51	
	EN8 Total water withdrawal by source.	7.3 Greenhouse Gas Management	51	
	EN9 Water sources significantly affected by withdrawal of water.	7.3 Greenhouse Gas Management	51	
	EN10 Percentage and total volume of water recycled and reused	7.3 Greenhouse Gas Management	51	
	EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.			Factory and operating areas are not situated within protected areas.
	EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.			No significant influence.
	EN13 Habitats protected or restored.			Material emitted by factory has no significant influence on surrounding wildlife, so no habitat has been protected or restored.

Project	GRI G3.1 Indicator	Chapter	Page	Notes
	EN14 Strategies, current actions, and future plans for managing impacts on biodiversity			Factories are surrounded by green areas so as to preserve scenic value and increase habitat for wildlife.
	EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.			No such impacts.
	EN16 Total direct and indirect greenhouse gas emissions by weight.	7.3 Greenhouse Gas Management	51	
	EN17 Other relevant indirect greenhouse gas emissions by weight	7.3 Greenhouse Gas Management	51	
	EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved.	7.3 Greenhouse Gas Management	51	
	EN19 Emissions of ozone-depleting substances by weight.			Production and products do not use any ozone-depleting substances.
	EN20 NO, SO, and other significant air emissions by type and weight.			No pollutants emitted.
	EN21 Total water discharge by quality and destination.			All waste water discharged from ATEN's treatment facilities and factories undergoes suitable treatment before being discharged into non-government water systems.
	EN22 Total weight of waste by type and disposal method.	7.3 Greenhouse Gas Management	51	
	EN23 Total number and volume of significant spills			No spills.

Project	GRI G3.1 Indicator	Chapter	Page	Notes
	EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally			All clearing of hazardous waste is done in accordance with environmental directives.
	EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.			With the exception of rainwater, all water discharged is discharged into pipes under the premises, and so has no direct impact.
	EN26 6 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	7.2 Green Product Management	46	
	EN27 Percentage of products sold and their packaging materials that are reclaimed by category.			Done on basis of WEEE Directives.
	EN28 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.			No punishment related to non-compliance with environmental alws and regulations received in 2012.
	EN29 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	7.4 Raw Materials and Green Supply Chain Management	54	
	EN30 Total environmental protection expenditures and investments by type.	7.3 Greenhouse Gas Management	51	
Labor Practices and Decent Work Performance Indicators	LA1 Total workforce by employment type, employment contract, and region, broken down by gender	5.1 Employee Status	25	
	LA2 Total number and rate of new employee hired and employee turnover by age group, gender, and region.	5.1 Employee Status	25	

Project	GRI G3.1 Indicator	Chapter	Page	Notes		
	LA3 Benefits provided to full-time employees that are not provided to temporary or part time employees, by significant locations of operation.	5.3 Compensation and Benefits	30			
	LA4 Percentage of employees covered by collective bargaining agreements.			Employee type	Number of employees	Percentage
				Participation in collective associations	576	95.5%
				Non-collective association	27	4.5%
				Total	603	100.0%
	LA5 Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.			Mandatory notice of operational changes in accordance with the relevant directives.		
LA6 Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs.	5.4 A Healthy Workplace	31	ATEN has a Labor Safety and Hygiene Committee comprised of 15 members, 9 (60%) of whom are laborers.			

Project	GRI G3.1 Indicator	Chapter	Page	Notes															
	LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.			<p>There were no instances of occupational disease, work-related fatalities or permanent losses at ATEN in 2012. Please see the following statistics for each category:</p> <table><tr><th></th><th>Temporary total disability</th><th>Total lost days</th><th>Work injury rate</th><th>Lost day rate</th></tr><tr><td>Male</td><td>0</td><td>0</td><td>0%</td><td>0%</td></tr><tr><td>Female</td><td>0</td><td>0</td><td>0%</td><td>0%</td></tr></table> <p>Notes</p> <ol style="list-style-type: none">1. Temporary total disability: workers who are able to return to work after a number of days spent resting, without suffering any injury.2. Total lost days: rest period in days for which employees who left as a result of an accident and returned on the same day do not count.3. Work injury rate: calculated as ratio of injuries to total work time for the whole year.4. Lost days: calculated as ratio of lost working days to total working time for the entire year.		Temporary total disability	Total lost days	Work injury rate	Lost day rate	Male	0	0	0%	0%	Female	0	0	0%	0%
		Temporary total disability	Total lost days	Work injury rate	Lost day rate														
	Male	0	0	0%	0%														
	Female	0	0	0%	0%														
LA8 Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	5.4 A Healthy Workplace	31																	
LA9 Health and safety topics covered in formal agreements with trade unions.			No trade union; not applicable.																
LA10 Average hours of training per year per employee by gender, and by employee category	5.2 Talent Nurturing	28	There is no difference in training or treatment between genders at ATEN.																

Project	GRI G3.1 Indicator	Chapter	Page	Notes
	LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	5.2 Talent Nurturing	28	
	LA12 Percentage of employees receiving regular performance and career development reviews, by gender			ATEN has a total of 603 employees. Aside from 27 blue-collar Filipino employees who do not take part in audits, the remaining 576 employees undergo regular biannual performance audits and management, on which work systems and the annual KPI are based, not due to gender disparities.
	LA13 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	5.1 Employee Status	25	

Project	GRI G3.1 Indicator	Chapter	Page	Notes																					
	LA14 Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.			<p>The concept of equal pay for equal work is maintained in the payment of salaries, and the difference in pay between male and female workers falls within standard deviation, showing that there is no difference in remuneration on the basis of gender.</p> <p>The following table shows the remuneration ratio of female to male employees at each level:</p> <table><tr><th>Employee type</th><th>Male</th><th>Female</th></tr><tr><td>High-level management</td><td>1</td><td>1.09</td></tr><tr><td>Mid-level management</td><td>1</td><td>1.01</td></tr><tr><td>Base-level management</td><td>1</td><td>0.99</td></tr><tr><td>Manufacturing group head</td><td>1</td><td>1.14</td></tr><tr><td>Indirect employee</td><td>1</td><td>0.87</td></tr><tr><td>Direct Employees</td><td>1</td><td>0.87</td></tr></table>	Employee type	Male	Female	High-level management	1	1.09	Mid-level management	1	1.01	Base-level management	1	0.99	Manufacturing group head	1	1.14	Indirect employee	1	0.87	Direct Employees	1	0.87
Employee type	Male	Female																							
High-level management	1	1.09																							
Mid-level management	1	1.01																							
Base-level management	1	0.99																							
Manufacturing group head	1	1.14																							
Indirect employee	1	0.87																							
Direct Employees	1	0.87																							
	LA15 Return to work and retention rates after parental leave, by gender			<p>ATEN strives to provide a friendly workplace and encourage working. ATEN provides a direct gift of NTD3,000 to every employee who has children, and actively provides lactation rooms for female employees, beneficial co-operation with childcare organizations above those required by law. In 2012, 2 employees applied for parental leave, and 11 female employees applied for maternity leave. No employees resigned after childbirth: the retention rate after parental leave was 100%.</p>																					

Project	GRI G3.1 Indicator	Chapter	Page	Notes																							
Human Rights Assessment Indicators	HR1 Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	5.5 Human Rights	32	N/A																							
	HR2 Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken.	7.4 Raw Materials and Green Supply Chain Management	54																								
	HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.			<p>All new employees receive a course of training on company work rules, including a statement of employee rights and responsibilities. ATEN also has a “Corporate Social Responsibility Digital Learning Section”, where training related to human rights policy is provided. The major training courses provided and hours of training in 2012 are as shown in the following table:</p> <table><tr><th>Course-times</th><th>Course name</th><th>Person-times•Hours</th></tr><tr><td>1</td><td>Personal Information Protection Act Announcement Course</td><td>321</td></tr><tr><td>2</td><td>If You Have Information Security You Have Protection. If You Don't Have Information Security You'll Have an Epitaph</td><td>193</td></tr><tr><td>3</td><td>New Employee Training – Work Rules</td><td>71</td></tr><tr><td>4</td><td>The New Retirement System and Pensions</td><td>20</td></tr><tr><td>5</td><td>Stay Away, You Pig – Say No to Sexual Harassment at the Workplace</td><td>10</td></tr><tr><td>6</td><td>The Road to Standing on your Own Two Feet – Employment Services Available to the Physically and Mentally Disadvantaged in Taiwan</td><td>5</td></tr><tr><td></td><td>Total</td><td>620</td></tr></table>	Course-times	Course name	Person-times•Hours	1	Personal Information Protection Act Announcement Course	321	2	If You Have Information Security You Have Protection. If You Don't Have Information Security You'll Have an Epitaph	193	3	New Employee Training – Work Rules	71	4	The New Retirement System and Pensions	20	5	Stay Away, You Pig – Say No to Sexual Harassment at the Workplace	10	6	The Road to Standing on your Own Two Feet – Employment Services Available to the Physically and Mentally Disadvantaged in Taiwan	5		Total
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Project	GRI G3.1 Indicator	Chapter	Page	Notes
	HR4 Total number of incidents of discrimination and corrective actions taken.	5.5 Human Rights	32	No incidents of discrimination occurred at ATEN in 2012.
	HR5 Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.			ATEN respects employees' rights to free association given by law, and does not exclude association and collective behavior. ATEN holds regular labor-capital meetings in accordance with directives, and takes concrete action to promote labor-capital harmony. We have also established a Benefits Committee, and hold all kinds of employee benefit activities at irregular times. We simultaneously encourage employees to participate in all kinds of group activities within and outside the company, and regularly subsidise groups which apply for approval.
	HR6 Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.			No such cases occurred at ATEN in 2012. ATEN guarantees not to use child labor in strict accordance with all directives and requirements.
	HR7 Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.			No such cases occurred at ATEN in 2012. No conduct which may result in forced labor is permitted at ATEN in strict accordance with all directives and requirements.
	HR8 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.			All security personnel are qualified. ATEN contracts guards from professional, legal security companies, who have undergone related training as stipulated by law. The human rights policy of security personnel is articulated in the security company's work rules, and ATEN actively requires them to carry it out.

Project	GRI G3.1 Indicator	Chapter	Page	Notes
	HR9 Total number of incidents of violations involving rights of indigenous people and actions taken.			There were no cases of the violation of the rights of aborigines at ATEN in 2012. In addition to clearly defining the rights and interests of each employee in labor contracts, ATEN also guarantees them in many rules and methods. ATEN also holds labor-capital meetings every season, at which any issue can be directly expressed to investors, recorded, and the rights of aborigines or ethnic minorities cannot be ignored.
	HR10 Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.			No such reviews or assessments were carried out in 2012.
	HR11 Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.			ATEN holds regular labor-capital meetings in accordance with directives, and takes concrete action to promote labor-capital harmony. No such grievances were filed in 2012.
Social performance Indicators	SO1 Percentage of operations with implemented local community engagement, impact assessments, and development programs.	6. Active Social Participation	33-43	
	SO2 Percentage and total number of business units analyzed for risks related to corruption.			ATEN has drawn up a clear internal control system and methods, which are strictly audited by the Audit Department. We also promote ATEN's core internal values, of which "integrity with pragmatism" is the most important, and upheld throughout the company.
	SO3 Percentage of employees trained in organization's anti-corruption policies and procedures.			ATEN's "Work Rules" state that it is not permissible to use a work relationship to receive gifts or banquet invitations.

Project	GRI G3.1 Indicator	Chapter	Page	Notes
	SO4 Actions taken in response to incidents of corruption.			Based on our “Work Rules” and core value of “integrity with pragmatism”, our employees conduct themselves with integrity in all their dealings. If any incident of corruption occurs, it is handled on the basis of ATEN’s internal methods in a fair manner.
	SO5 Public policy positions and participation in public policy development and lobbying			No such participation occurred in 2012.
	SO6 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country			No political contributions made in 2012.
	SO7 Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.			No involvement in anticompetitive, anti-trust, or monopolistic legal action in 2012.
	SO8 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations			No such fines or sanctions incurred in 2012.
	SO9 Operations with significant potential or actual negative impacts on local communities.			No such impacts.
	SO10 Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.			No such impacts.
Product Responsibility Performance Indicators	PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	8.3 Customer Health and Safety	62	
	PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.			No cases of such non-compliance.

Project	GRI G3.1 Indicator	Chapter	Page	Notes
	PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	7.2 Green Product Management	46	
	PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.			No such non-compliance.
	PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	8.1 Customer Satisfaction Survey	58	
	PR6 6 Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	8.5 Sales Regulations	63	
	PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.			No such non-compliance.
	PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.			No such complaints
	PR9 Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.			No such fines.



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Integrity with
pragmatism as
our philosophy



Caring with
respect as
our spirit



Ambition with
optimism as
our attitude



Novelty with
added-value as
our achievement

