

Yageo 2013 Corporate Social Responsibility Report



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OVERVIEW

Yageo have always fully devoted ourselves to the corporate social responsibilities, in order to be a good corporate citizen. We continue to strengthen the ties with our employees and suppliers, enhance corporate governance, business ethics, maximize social contribution, and environmental protection. We provide a clean & healthy living environment to the society to show our care for the earth and the next generation. Yageo's business and our commitment to sustainable growth are depending on these cornerstones.

Report Scope

This report contains information related to all Yageo factories located in Taiwan, as well as our wholly-owned subsidiaries, Yageo (China) – Dongguan and Suzhou. Financial figures in this report are expressed in US dollars unless otherwise specified. This report is published in English and is available on Yageo's corporate website.

We publish the Social Responsibility Report on an annual basis, and the previous report was published in Jul. 2014. This report is compiled based on the Global Reporting Initiative (GRI) G3 framework.



1. MESSAGE FROM THE CHAIRMAN AND CEO



As an industrial leader, Yageo's core value is a constant focus on achieving higher levels of operational, environmental and safety performance. We spare no efforts to maintain a strong, healthy workforce, operate safely and responsibly, and deal ethically with our stakeholders, partners and the public. Our objective is to create sustainable value for our employees, shareholders, suppliers, business partners and the communities.

We are dedicated to preserving a green globe and minimizing environmental impacts by reducing, reusing, and recycling materials used in our manufacturing processes.

Yageo's **Social Responsibility Statement** is as following:

- To ensure labor's obligations and rights, Yageo draws up regulations and system according to Labor Standards Act
- Yageo fully complies with "Gender Equality in Employment Law" and labor related applicable obligations in Labor Standards Act. Yageo prohibits sex, race, religious belief, age, marital status, disability, and nationality discrimination
- According to company employment policy, Yageo does not engage in child labor, employ anyone below 16 years of age and avoids enforced labor
- Yageo respects the human rights, complies with "Gender Equality in Employment Law" and takes steps to avoid issues of sexual harassment
- Yageo is devoted to environmental protection. Our environmental policies are :
 - To implement pollution prevention by complying with legal requirements
 - The reduction and disuse of prohibited materials, resource recycling
 - Strive for sustainable business development and continue environmental improvements
 - To establish/ implement an environmental management system to provide a safe and healthy working environment for employees

We firmly believe that Yageo's vision and competitive edge in environmental conservation and workforce protection will create corporate and product value, drive a sustainable growth and benefit all of our stakeholders. We will continue to fulfill our social responsibilities for a better tomorrow.

A handwritten signature in black ink, consisting of two large, stylized loops followed by a series of smaller, connected strokes.

Pierre T. M. Chen
Chairman

2. CORPORATE PROFILE



Yageo is the world's leading passive component service provider, providing the industry's leading process technologies and the comprehensive product portfolio. Yageo's leading industry position is based on a combination of key differentiating strengths: technology leadership, manufacturing excellence, and customer partnership.

Revenue for 2013 totaled NT\$24.735 billion (USD830 Million), net income was NT\$1,450 million, and earnings per share was NT\$0.75.

2.1 An Introduction to Yageo

Established in 1977, the Yageo Corporation has become a world-class service provider of passive-components with capabilities on a global scale, including production and sales facilities in Asia, Europe and the Americas. The corporation provides one-stop-shopping, offering its complete product portfolio of resistors, capacitors and wireless components in both commodity and specialty versions to meet the diverse requirements of customers.

Yageo currently ranks as the world No.1 in chip-resistors, and No. 3 in MLCCs, with 21 sales/service offices in 15 countries, 9 production sites, 8 JIT logistic hubs and 2 R&D centers worldwide.

Yageo's broad product offerings are targeting at key vertical markets, including applications for mobile, tablet PC, industrial/power, alternative energy, medical and automotive. We serve diversified leading global customers, such as EMS, ODM, OEM and distributors.

The company is listed on the Taiwan Stock Exchange since October 1993, and GDR listing on the LUX since September 1994.

2.2 Business Summary

Yageo made fundamental transformation throughout the organization in the past few years. As we continue into 2013, we're excited by the incredible opportunities ahead. **Yageo is pursuing continuous growth by the following five main strategies:**

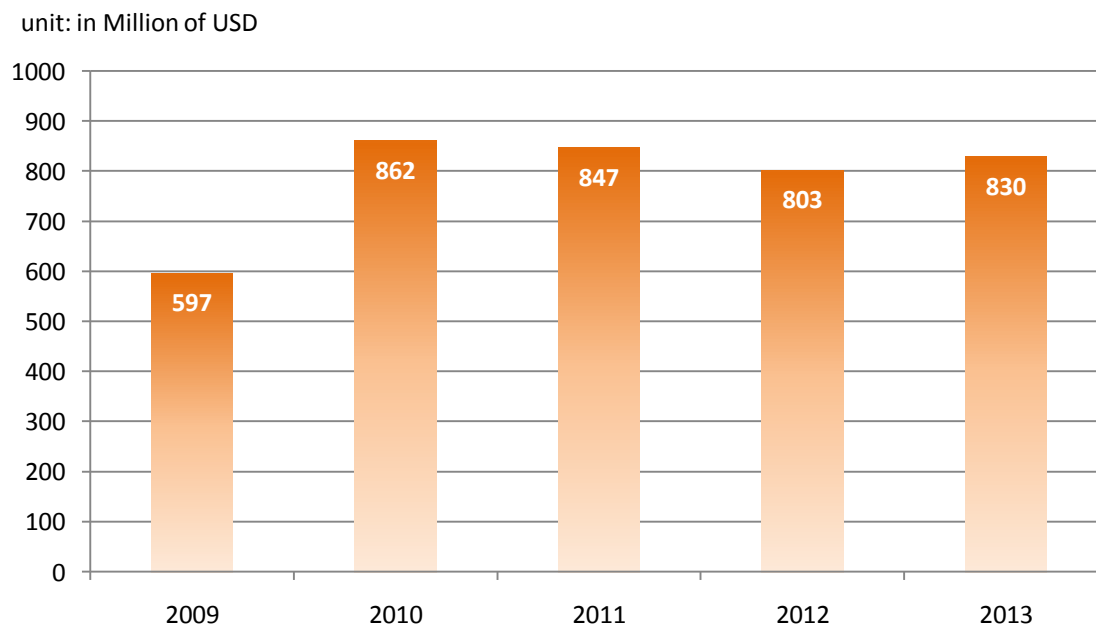
- Enhance product mix and customer profile to optimize sales revenue growth and profitability
- Streamline operations (standardize/automate) and improve efficiency
- Progress toward a high performance organization
- Fully engage in adjacent technologies & reposition Yageo in the markets
- Implement collaborative sales management and leverage corporate level of resources and relationship



Yageo will continue improving the fundamentals, offering product portfolio with a holistic launch to be impactful to the market. We will leverage our leading position in Greater China home market, further penetrate Europe and N. America with the in-depth segmentation strategy backed with R&D resources.

2.3 Financial Highlights

Yageo achieved USD830 million revenue in 2013. Breakdown by product, MLCC and R-Chip account for 40% each; by region, China is our largest contribution which accounts for around 70% of total revenue. However, the efforts of AVL at customer's HQ in Europe, N. America, Japan and Korea also cannot be ignored.



2.4 Corporate Governance



Yageo Corporation is firmly convinced that a sound corporate governance practice is the cornerstone of the company. By holding on to the highest standard of corporate transparency and integrity, Yageo has benefited from effective risk management, efficient organizational functioning, greater investor confidence and increased market attractiveness in recent years even

though the stock market is bearish and the economy is in a slump.

Reinforcing the framework of corporate governance has proven to be as essential to the end results as an appropriate business model in Yageo's seeking to become the world's finest passive component services provider.

As a principle, Yageo maintains strict reporting requirements across its global organization. In addition to publishing monthly sales information via the press and on Yageo website, Yageo also holds the annual general meeting and one-on-one investor meetings to keep the investor communities informed in un-prejudiced, consistent and timely manner.

2.4.1 Board of Directors

Yageo's Board of Directors consists of nine renowned members with a diverse experience and knowledge, they are world-class business leaders or scholars. Under Chairman Pierre TM Chen's leadership, Yageo's Board of Directors takes a straightforward and serious approach to its duties and is a proficient and independent Board.

The primary responsibilities of the Board of Directors are supervision, counseling and direction to the management of the Company. They also provide guidance to the management team of the Company. The Board's detailed responsibilities include, but are not limited to, the following:

1. Composing the business plan;
2. Proposing earnings distribution plan or plan for making up the losses;
3. Proposing plan for capital increase or decrease;
4. Approving important corporate policies and contracts;
5. Electing and terminating the President and Managers of the Company;
6. Establishing and withdrawing the branch offices;
7. Approving the budget and financial accounts;
8. All matters shall be decided by resolutions of the board of directors, unless the Law or Memorandum of Incorporation provide certain matters shall be resolved at the Shareholders Meeting.

Meetings of the Board Directors

1. Chairman of the Board

The Board of Directors shall appoint a Chairman to represent the Company and a Vice Chairman from among the board members. In the case where the Chairman is on leave or unable to perform his or her duty, the Vice Chairman shall take the place of the Chairman. In the case where the Vice Chairman is also on leave or unable to perform his or her duty, the Chairman shall designate one of the board members to take his or her place. If the Chairman fails to make designation, the board members shall appoint a member among themselves to take the place of the Chairman.

2. Frequency of Meetings

The regular meetings are held per quarter and shall give 7-day notice to Directors and Supervisors before the meeting. In the case of emergency, the meeting may be convened at any time.

2.4.2 Corporate Compliance

The EICC Code of Conduct was established to ensure worker safety and fairness, environmental responsibility, and business efficiency. Yageo adopts the EICC Code of Conduct, has created a manual to manage, efficiently implement, the promotion of EICC and to protect human rights and social aspects.

EICC (Electronic Industry Citizenship Coalition) Code of Conduct:

- Prevention of occupational injury and illness.
- A commitment to uphold the human rights of employees, and to treat them with dignity and respect.
- Obey environmental laws and regulations.
- Conduct business operations with reference to ethics.
- Protect intellectual property
- Emphasize continuous improvement

Yageo's management team closely scrutinizes both domestic and foreign government policies and regulatory developments that could have a potential impact on Yageo's business and financial operations; we have established related risk management procedures. As of today, Yageo has never been subject to any material monetary fines and/or non-monetary sanctions for non-compliance with any regulations and statutory laws.

2.5 Stakeholder Identification and Communication

Yageo has established a core team to lead corporate social responsibility activities, including representatives from Investors & Public Relations, Human Resources and Corporate Marketing. The core team identifies stakeholders and integrates stakeholders' concerns into annual plans and routine tasks, also keeps flexibility to incorporate ad-hoc issues into annual plans.

The core team also quests support from other departments if necessary. Yageo stakeholders include employees, suppliers, customers, investors and stockholders, government, and the community. Yageo assumes certain responsibilities to its stakeholders and needs to regularly communicate with them through different measures and channels to understand their needs and expectations from Yageo. We also take these needs and expectations into consideration for corporate social responsibility policy and projects.

2.6 Investor Engagement

The objective of Yageo's business strategies and financial policies is to support and enhance the value of our long-term shareholders. In addition to align ourselves with international standards that demonstrate our reputation and position as a premier investment and sustainability leader, we are also highly ranked within the passive component industry. Since public listed in TSE in 1993, we have consistently delivered value to shareholders through cash dividends, maintaining a solid financial status, and keeping high credit ratings among technology companies.



Yageo has established an effective communication system to distribute information to better serve investors and the investment community. Each quarter, our Investors & Public Relations Department reports and publishes company performance to the investors. Yageo Investors & Public Relations team holds investor and analyst meetings on a regular basis. All these efforts emphasize on serving investors with timely, accurate and transparent information regarding Yageo business, operations and performance. In addition, information regarding Yageo's business performance and Material information releases on TSE Market Observation Post System, are posted on Yageo's corporate website in a timely manner.

Our corporate governance accomplishments were recognized by "Euromoney" and "Asiamoney" magazines in their 2003 and 2004 surveys rating Yageo Corporation as one of few Taiwan companies to have achieved corporate accountability, particularly in respect of operation strategies, financial and operational transparency.

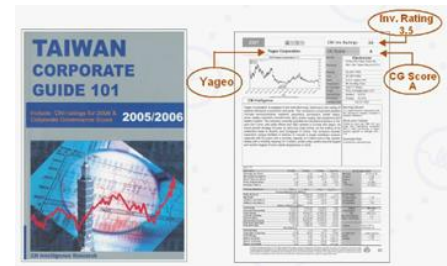


EuroMoney Survey

- One of the five companies recognized in Taiwan
- One of the four technology companies recognized in Taiwan

CN Intelligence Research

- Yageo rated A in corporate governance



CG Certificate by Taiwan Corporate Governance Association

- One of the six companies certificated by CGA

AsiaMoney Survey

- Good corporate governance practice in Taiwan

2.7 Awards Received in the Reporting Period

- Top 500 importers/exporters by the International Trade Bureau of Taiwan
- Supplier of the Year Award by Western Digital (USA)
- Excellent Supplier Award by Coolpan (China)
- Best Customer Service Supplier Award by Flextronics Asia
- 1H 2012 Outstanding Delivery Award by ZTE (China)
- Total Cost Of Ownership (TCOO) Award by Celestica

3. EMPLOYMENT

People is one of the most valuable assets to support Yageo’s business success. Every employee throughout the organization is expected to adhere to Yageo’s True Colors - our core values of Speed, Innovation, Efficiency and Flexibility. These values are also the basis on which we build the trust and integrity that will allow our business to continue to succeed.



3.1 Employment

Yageo’s principles of human resource planning to ensure resources are available to meet current and future business needs, which are described as below:

- Organization planning and headcount budgeting according to business plan and strategies.
- Develop various recruiting channels such as job banks, internal referral, outsourcing agents, campus recruiting.
- Prepare 5~10% extra workforce as backup manpower.
- Provide training to upgrade workforce capability.

3.1.1 Yageo Workforce Structure

At the end of 2013, Yageo had around 9,000 employees worldwide, including 6,661 production operators, 1,555 R&D/technical, 1,199 management and sales. Regardless of gender, relation, race, nationality or political affiliation, Yageo has well defined the employment policy for hiring - based on their job qualifications and company requirements. We also have procedures in place to ensure an equal treatment for all candidates and employees in recruitment, development, and evaluation.

3.1.2 Employee Retention

Yageo’s encourages work-life balance, enhancing managers’ capabilities, and providing career development opportunities to keep and attractive talented employees. The average annual turnover rate of the past three years has been less than 10%.

Location	Monthly Attrition Rate	
	OP	Non-OP
Taiwan	2.10%	1.50%
China	7%	3%

3.1.3 Recruitment

Hiring managers are required to prepare job description of the vacancy before recruiting. Yageo recruits employees through an assessment and selection process according to qualifications defined. We prohibit sex, race, religious belief, age, marital status, disability, and nationality discrimination in hiring.

Yageo prepares employment contract which includes all terms of wages, benefits, working hours, exit procedure, contract termination, information security, intellectual property... etc., The contract shall be signed by the candidate prior to his/her employment day.

3.1.4 Abolition of Child Labor

Taiwan's "Labor Standard Law" states that no workers below the age of 15 shall be employed, and that children between the age of 15 and 18 are not permitted to perform heavy or hazardous work. To comply with the law, Yageo never hires employees less than 16 years old, we also conduct age verification in recruitment process to avoid hiring underage labors.

3.1.5 Performance Measurement

The objective of Yageo's performance measurement system is to improve the performance of individual employees and the organization as a whole. The key evaluation criteria include: leadership, initiatives & follow through, problem solving, teamwork, strategy executions and organization building.

3.2 Employee Development

We train workers to industry standards, and invest in the local workforce. Continuous learning is especially important for Company success in the sluggish economic situation. Yageo provides comprehensive learning opportunities and resources to all employees and a tailor-made individual development plan to the employee's development needs, also with business needs. Training days for each indirect labor received in average is 6 days, and 42 days for each direct labor.

Development and Training Programs

Yageo not only employs talented people, but is also focusing its energies on enhancing the leadership and capabilities of its staff. Yageo offers opportunities for people to grow both professionally and personally by adding value to the organization, improving their leadership skills and work capabilities through our management training programs by external professional institution, which including:



3.3 Compensation and Benefits

Yageo place employee's benefits in high priority, employees are entitled to a comprehensive compensation and benefits package above the industry average. Based on salary changes in the industry, productivity at Yageo, and individual employee performances, annual salary raises will be calculated. Yageo offers employees a wide range of benefits, which include:

- Employee cafeteria
- Group insurance
- Travel allowance from Employee Welfare Committee
- Incentive and festival bonuses

Working Environment

Yageo also strives to provide a comfortable working environment for employees. These include: safe and clean working environment, friendly safety guards within factories.



3.4 Employee Relations

Yageo believes that high productivity and performance are based on harmonious employee relationship. Therefore, Yageo dedicated to building employee relations by recognizing employee's achievements and enhancing open communication channels.

In order to timely deliver company policies to employees, Yageo communicates with employees through various channels, listening and responding to employees' feedback. Besides the formal channels, the employee survey and the Ombudsman channel collect employee views and concerns.

Company information is communicated with employees through

- 1) Corporate business review meeting
- 2) Department meeting
- 3) Employee Portal
- 4) Bulletin board

Employees can raise concern through channels of direct supervisor, grievance hotline, suggestion box, health & safety committee...etc.

3.5 Work and Life Balance Program

Work-Life balance is critical for your employees and your organization as a whole. Yageo's work and life balance program helps employees enjoy a better quality of life and it also contributes to Yageo's success. Yageo cares employees' well-beings by providing a healthy, safe working environment, and offering a variety of activities.

3.5.1 Health Care

Yageo offers annual employee health examination, consultation service as well as on-site clinics for convenient employee medical service.

3.5.2 Yageo Employee Welfare Committee

The Yageo Employee Welfare Committee (EWC) was established under the requirements of Taiwan's Employee Welfare regulations. The key objective is to provide comprehensive welfare services to all employees, and help to keep a good balance between work and life. The EWC organizes employee activities, special offers from contracted retailers, festival gifts, etc.

3.6 Corporate Security and Risk Control

Yageo is committed to create a safe working environment and protect proprietary information. Therefore, in order to safeguard the interests of the Company, customers, employees and shareholders, Yageo is dedicated to physical security, employee security, and vendor security. Yageo takes effective risk management to avoid possible security incident.

3.7 Safety and Health

3.7.1 Safety and Health Management

Yageo stipulated the "Safety and Health Policy" as our guidelines according to the OHSAS18001 occupational health management system standard and Yageo's internal actual situation requirements as the basis. Our goal is to achieve high quality of safety in the workplace, and high security of labor health.

1. Have its business activities conducted in such a way to protect the health and safety of its employees, and to minimize any adverse effects on the environment.
2. Implement working practices, which will prevent personal injury and damage to property.
3. Limit the potential to cause harm from known hazardous process by maintaining a safe system of work, and by planning for emergencies which may reasonably be foreseen.
4. Involve its employee in carrying out the policy, and make them aware of their own responsibility for the health and safety of themselves and others.
5. Provide appropriate training to ensure the competence of staff who advise on occupation health, safety and environmental matters.
6. Secure the maximum benefit from our own experiences concerning dealing with health and safety hazards for the good of the business as a whole.

3.7.2 Emergency Response

To ensure the safety of personnel is Yageo's first priority of disaster response policy, followed by avoiding pollution to the environment, to reduce property losses and maintain normal production. We believe that when natural disasters or accidents occur, proper treatment in the initial stage of the event not only reduce the chance of personnel injury and environmental pollution to the minimum level, but also decreases losses and lowers the difficulty of resuming production to a certain extent. Yageo pays a great amount of attention to emergency response - from emergency equipment setup, creation of contingency procedures, drill, training, and other preparations.

3.7.3 Risk Management Policy

Purpose

Will have, and be able to demonstrate that it has in place, a strategy, structure and process to effectively identify and manage, in a timely fashion and at an appropriate level, its exposure to risk. Risk management relates to the culture, processes and structures directed towards the effective management of potential opportunities and adverse effects within Yageo's corporate environment. The purpose of this policy is to describe the corporation's fundamental approach to risk and risk management. It provides guidelines and information on how Yageo Corporation manages risks.

Organizational Scope

Risk management is a corporate-wide policy. A systematic application of management policies, procedures and practices and also include a clear understanding of roles and responsibilities will lead to an effective risk management.

3.7.4 Contingency Response Plan

Purpose

The purpose of this Contingency Response Plan (the "Plan") is to sketch the standard procedures for Yageo employees to follow when disasters occur at its manufacturing plants.

Scope

This Contingency Response Plan provides action plans which include:

1. The preparation work for disaster prevention.
2. Standard Operating Procedures for responding to various disasters.

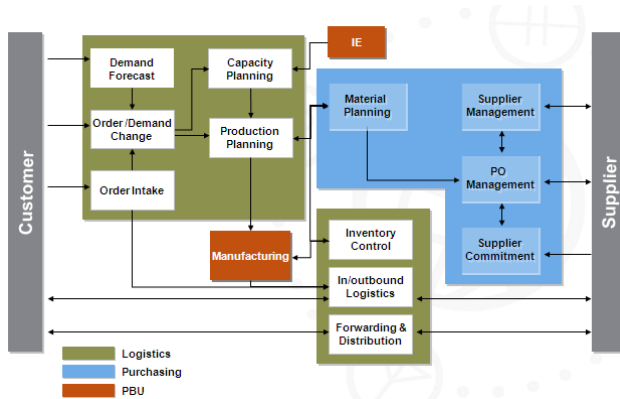
Disasters

1. Fire Accident (Emergency Incident)
2. Natural Disasters (Typhoon, Earthquake or Flood)
3. Explosion
4. Accidents That Cause Major Environmental Impact
5. Chemical Spills
6. Utility Outage (Ex: Power and water)



7. All other possible accidents

4. CUSTOMER SERVICE & SUPPLIER MANAGEMENT



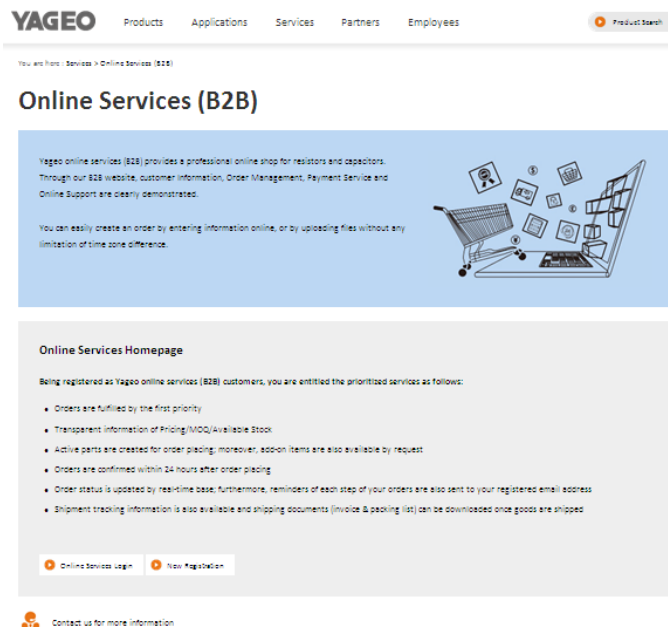
Yageo believes that customer service is vital to strengthening customer loyalty, as such, we are committed to providing efficient and innovative services to our customers. Customer loyalty will lead to higher levels of customer retention and thus to business relationships expansion.

Yageo also cooperates with suppliers to fulfill our corporate social responsibilities – we have formed a reliable and sustainable supply chain network, which supports protection of the environment, human rights, health and safety. The supplier selection criteria including ISO certified vendor, non-use of hazardous substance guarantee, etc. Yageo committees and managing teams execute a complete “Plan-Do-Check-Act” (P-D-C-A) cycle to align corporate direction in supply chain management.

4.1 Customer Service and Satisfaction

4.1.1 Customer Service

Yageo aims to maintain its leading position in the passive component manufacturing technologies and services. Achieving this goal will help Yageo to retain existing customers, attract new customers, and further enhance customer relationships. To facilitate customer interaction and information access on a real-time basis, Yageo has established a wide range of web-based services covering applications in EDI, and online literature request. We also launched a B2B Portal to provide online Order Management, Payment Service and Technical Support.



4.1.2 Customer Satisfaction



Yageo conducts surveys and reviews on a regular basis to ensure that we understood and addressed customer's needs and wants adequately. We also integrated customer feedback into our continuous improvement plans as part of business processes.

In order to identify customer's specific requirements and expectation from Yageo, and gain direct feedback from customers to evaluate Yageo's strengths, weakness, opportunities and threats, an annual Customer Satisfaction Survey has been carried out.

The team has reported the survey findings and analysis of customer feedback to the Yageo management team. Appropriate action plans will be taken by related functional and regional teams, and the improvement progress will be monitored closely.

4.2 Supply Chain Risk Management

In 2012, Yageo formed an internal committee, dedicated to managing our supply chain - members come from global logistics, materials management, risk management, and quality system management. The focuses of the committee are risk alleviation and supply chain improvement. The steering team, including a senior director and managers, guides annual goals and reviews progress on a quarterly basis.



The committee's working team shares risk management practices with suppliers to assist them in reducing production and transportation risks, helps suppliers improve quality systems, green procurement, and safety. Meanwhile, we also monitor the financial situation of strategic suppliers through regular communication and public information, monitor the inventory of supply chain, and draw up backup plans. The working team holds monthly meetings to keep track of progress and actively handle suppliers' issues.

4.3 Helping Suppliers Improve Delivery and Quality

4.3.1 Lean Supply Chain

Global Logistics' importance is increasing; logistics must support the goals of a lean manufacturing program. We need detailed, timely and accurate information to make the right transactional, planning and scheduling decisions for all aspects of the business. Therefore, Yageo works closely with our suppliers to exchange inventory information, so the demand and price fluctuations can be detected in early stage. We collaborate with our suppliers to build a strong and lean supply chain together to reduce the supply interruption risk.

4.3.2 Collaborating for Continuous Improvement

Each quarter, Yageo evaluates strategic supplier performance for delivery, quality, and safety, and the results of the evaluation are delivered to supplier's top manager. Through regular meetings, Yageo also works closely with its suppliers for performance improvement. We also provide special technical support to suppliers through open communication meetings in certain projects.

4.4 Ensuring Supplier Compliance

4.4.1 Quarterly Business Review

Yageo conducts quarterly meetings with our key suppliers' senior managers to review quality, delivery and cost performance. Through semi-annual or quarterly monitoring of key indicators of a scorecard and checklist, we ensure supplier's compliance with Yageo requirements.

4.4.2 Site Audit

Based on an annual plan, Yageo's purchasing department visits our suppliers and performs on-site audits. If there are special concerns identified from these audits, we co-work with suppliers to develop appropriate action items to meet our expectations. These solutions are executed by specified person-in-charge with a clear goal and timeframe.

4.4.3 Certification

Key suppliers must acquire ISO-9001 certificate. Other suppliers have priority to be chosen if they comply with HSF requirements or acquire ISO-9000/ ISO-14000 certification or have signed environment protection sheet. Furthermore, we conduct site audits to ensure suppliers' factories are well protected by fire protection systems and measure supplier safety performance through accident counts.

5. ENVIRONMENTAL PROTECTION

In the past few decades, “going green” has become a trend for businesses around the world to begin implementing environmentally friendly business and production practices. Some of the global leading manufacturers not only taking the lead to adopt the environmentally friendly electronic parts, and also consider capability of providing “green” products and production system as one of the key criteria to choose their suppliers.



SONY Green Partner certificate is one of the most strict standards and most respectable in the world. However, Yageo’s global MLCC and R-Chip factories, have obtained the Sony green partner certificate in 2003.

As a pioneer in the field of lead-free, non-hazardous products, all of our products are RoHS compliant, to fulfill our commitment to the environmental protection.

Environmental Policy

Yageo devised the environmental policy as our guidelines according to the ISO14001 environmental management system standard and Yageo’s internal actual requirements as the basis. Our goal is “Clean Production and Sustainable Environmental Protection”, and main points are as below:

1. Establish and implement an environmental management system.
2. Implement pollution prevention in compliance with legal requirements
3. Strive for business sustainable development and continue the environmental improvements.
4. Mobilization of all employees to be fully engaged in environmental protection activities.
5. Implement energy saving and waste minimization; strengthen resource recycling and reuse; phase out or reduce the use of environmentally hazardous materials in production..

5.1 Green Management Organization and System

Yageo established a Green Management Organization structure according to the ISO14001/ROHS/EICC/OHSAS18001 standard, and also considering company's actual situation.

BU Head is the person-in-charge of this ISO14001/ROHS/EICC/OHSAS18001 organization, PED manager is the management representative, human resources manager is the deputy, environmental security supervisor and HR assistant manager are the executive secretary, each department head is the direct supervisor of ISO14001/ROHS/EICC/OHSAS18001 for their department, each department has to allocate at least one the full time or part-time personnel to be responsible for the promotion.

5.1.1 ESH and Hazardous Substance Management System Certificates

All Yageo manufacturing facilities in Taiwan, and China have received ISO 14001 certification for environmental management systems, OHSAS 18001 for occupational safety and health. According to ISO 14001 and OHSAS 18001's concept of continuous improvement, Yageo is devoted to establish a safe and comfortable work place by carrying out its responsibilities to prevent pollution and accident, conserve energy and resource, and reduce waste.



OHSAS 18001 Certificate



ISO 14001 Certificate



5.1.2 Waste Management and Resource Recycling

Yageo has waste control procedures - waste gas and water produced from the production is controlled, and there's promotion of reuse. The identification of all commercial waste before waste management suppliers taking out from Yageo, we have to apply via the website of Environmental Protection Administration & get the permission documents. After Yageo double confirmed the quantity, content of waste and the time that the supplier takes the waste out from Yageo. The supplier should report back through the official website within 48 hours for government control & monitoring.

5.2 Declaration of Metal Conflict Free

Yageo assures certain of metals, i.e. Gold (Au), Tantalum (Ta), Tungsten (W), Tin (Sn) and Cobalt (Co), used in our products are not sourced from mines in the regions controlled by non-governmental military groups or unlawful military factions, including the eastern region of the Democratic Republic of Congo (DRC) ("Conflict Metals").

5.3 Environmental Compliance Record

Yageo established communication channels regarding environmental compliance: via emails, quarterly Environmental Safety Committee meetings, annual audit by government and customers. In 2012, Yageo underwent self-assessment of ISO14001, RoHS, and OHSAS18001 in May and Nov., in May, DNV conducted annual audit for ISO14001 and OHSAS18001, and all of the non-compliance items have been fixed.

Yageo's environmental compliance effort includes the following:

- ISO 14001 Certification
- OHSAS 18001 Certification
- RoHS directive 2002/95/EC Compliance
- Authorized SONY Green Partner
- Samsung Eco Partner

In 2013, Yageo's environmental objectives, indicators are as below:

	Objectives	Indicator	Results
1	Reduce the frequency of electric head write-off	From twice a year down to replacement of every two years	Achieved
2	Increase powder reuse and recycle rate	Increase powder reuse and recycle rate to 3.5%	Achieved
3	Reduce electroplating production line ventilation by 10%	Annual electricity saving of 75,816WH, steam saving 355T	Extended
4	Air conditioning power consumption improvement	Annual electricity saving of 702,000 kilowatt-hour, reduce CO ₂ 700 Tons	Extended

In 2013, Yageo's occupational health objectives, indicators are as below:

	Objectives	Indicator	Results
1	Reduce employee finger injury rate	Modify machinery design, reduce injury rate to %	Completed
2	Reduce concentration of organic substance on material area	Modify ventilation mechanical structure, reduce occupational disease rate to 0%	Completed
3	Operational safety improvement on factory rooftop patrol	Ensure 0% occupational injury of patrol staff	Completed
4	Repair damaged handrails to eliminate safety concern	Ensure 0% occupational injury of patrol staff on the stairs	Completed

In 2012, Yageo's EICC objectives, indicators are as below:

	Objectives	Indicator	Results
1	Child labor ratio	0%	Completed
2	Number of occupational disease	Less than 1	Completed
3	Training plan execution	Training plan execution rate 100%	Completed