

# INDEPENDENT ASSURANCE OPINION STATEMENT

## TXC CORPORATION 2016 Corporate Social Responsibility Report

The British Standards Institution is independent to TXC CORPORATION (hereafter referred to as TXC in this statement) and has no financial interest in the operation of TXC other than for the assessment and assurance of this report.

This independent assurance opinion statement has been prepared for TXC only for the purposes of assuring its statements relating to its corporate social responsibility (CSR), more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by TXC. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to TXC only.

### Scope

The scope of engagement agreed upon with TXC includes the followings:

1. The assurance scope is consistent with the description of TXC CORPORATION 2016 Corporate Social Responsibility Report.
2. The evaluation of the nature and extent of the TXC's adherence to all three AA1000 AccountAbility Principles in this report as conducted in accordance with type 1 of AA1000AS (2008) assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

This statement was prepared in English and translated into Chinese for reference only.

### Opinion Statement

We conclude that the TXC 2016 Corporate Social Responsibility Report provides a fair view of the TXC CSR programmes and performances during 2016. The CSR report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the TXC and the sample taken. We believe that the 2016 economic, social and environmental performance indicators are fairly represented. The CSR performance indicators disclosed in the report demonstrate TXC's efforts recognized by its stakeholders.

Our work was carried out by a team of CSR report assurers in accordance with the AA1000 Assurance Standard (2008). We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that TXC's description of their approach to AA1000 Assurance Standard and their self-declaration of 'in accordance' with the GRI G4 guidelines: the Comprehensive option were fairly stated.

### Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- review of issues raised by external parties that could be relevant to TXC's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 6 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality and Responsiveness as described in the AA1000 AccountAbility Principles Standard (2008).

### Conclusions

A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality and Responsiveness and the GRI G4 guidelines is set out below:

## **Inclusivity**

This report has reflected a fact that TXC continually made a commitment to its stakeholders, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. The reporting systems are being developed to deliver the required information. There are fair reporting and disclosures for economic, social and environmental information in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the TXC's inclusivity issues.

## **Materiality**

TXC publishes sustainability information that enables its stakeholders to make informed judgements about the organization's management and performance. In our professional opinion the report covers the TXC's material issues.

## **Responsiveness**

TXC has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for TXC is developed and provides the opportunity to further enhance TXC's responsiveness to stakeholder concerns. Issues that stakeholder concern about have been responded timely. In our professional opinion the report covers the TXC's responsiveness issues.

## **GRI-reporting**

TXC provided us with their self-declaration of 'in accordance' with the G4 sustainability reporting guidelines: the Comprehensive option ((All Indicators related to each identified material Aspect). Based on our review, we confirm that social responsibility and sustainable development indicators with reference to the GRI Index are reported, partially reported or omitted. In our professional opinion the self-declaration covers the TXC's social responsibility and sustainability issues.

## **Assurance level**

The moderate level assurance provided is in accordance with AA1000 Assurance Standard (2008) in our review, as defined by the scope and methodology described in this statement.

## **Responsibility**

This CSR report is the responsibility of the TXC's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

## **Competency and Independence**

The assurance team was composed of Lead Auditors and Carbon Footprint Verifiers experienced in industrial sector, and trained in a range of sustainability, environmental and social standards including AA1000 AS, ISO14001, OHSAS18001, ISO14064 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

*For and on behalf of BSI:*



Peter Pu

Managing Director BSI Taiwan

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