

The D-Link logo is rendered in a bold, white, sans-serif font. The 'D' is significantly larger than the other letters, and a registered trademark symbol (®) is positioned at the top right of the 'k'.

D-Link®

Building Networks for People

2015

CSR Report

INDEX

1

Message from the Chairman

- 3 Core Values of a Sustainable Business

2

ABOUT THIS REPORT

- 7 D-Link Corporation 2015 CSR Report Complies with Dual International Standards of GRI G4 and AA1000
- 9 Identifying Material Aspects and Boundaries
- 11 Maintaining Continuous and Close Communications with Our Multiple Stakeholders

5

ENVIRONMENT CATEGORY

- 38 Mercury Should Not Be on Your Desk
- 39 Reducing Energy Consumption and Carbon Emissions
- 41 Haggling Over Every Cent of Materials Used
- 43 Optimum Design of Inner and Outer Packaging
- 45 Reduction in Packaging Materials for Hot Selling Items in Europe
- 48 Living in Harmony with Earth
- 49 Leading the Industry in Double Certification
- 52 Our Suppliers to Comply with Global Environmental Standards

3

ABOUT US

- 15 World-Class Global Networking Brand
- 17 Developing Our Brand by Recruiting Local Talents
- 19 Top Market Share in Global Sales
- 21 Award-Winning Product Designs
- 23 2015 Consolidated Revenues Reached NT\$26.6 Billion

4

CORPORATE GOVERNANCE

- 27 Sound Corporate Governance Maximizes Shareholder Interest
- 31 Senior Executives Lead By Example

6

EMPLOYEE CARE

- 57 2,602 Employees around the World
- 60 Creating Gender Equality in the Workplace
- 61 Listening Attentively to the Voice of our Employees
- 62 Defending the Human Rights of our Employees
- 63 Motivating Our Employees

7

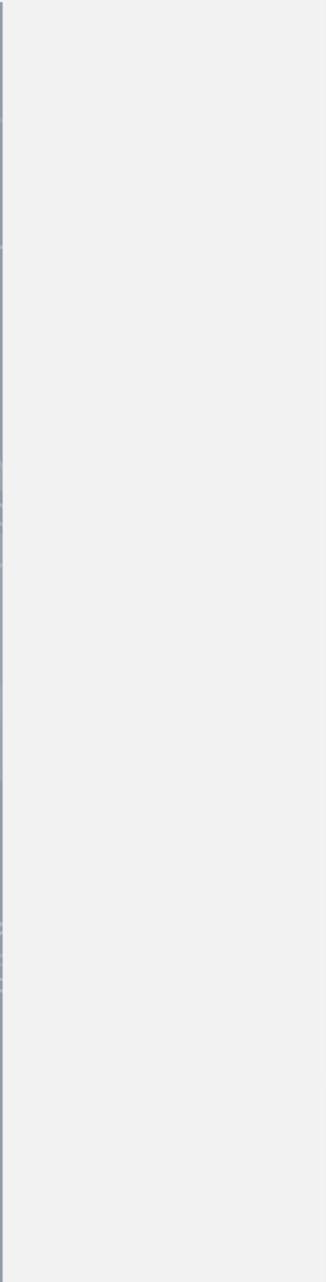
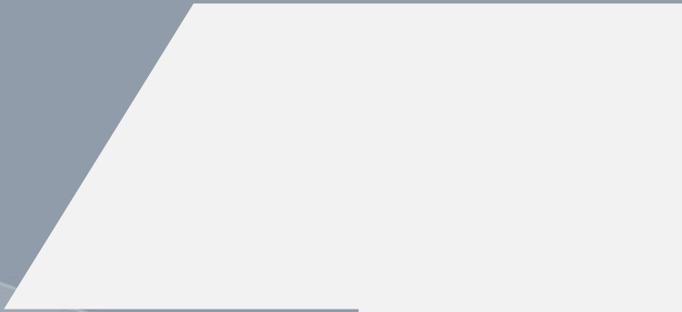
SOCIAL BENEFITS

- 67 The D-LINK Charitable Foundation
- 68 Starlight Classroom Cares for Children in Disadvantaged Communities
- 71 Social Welfare Enterprises

8

APPENDIX

- 75 GRI G4 Index





Building Networks for People

WORDS FROM THE CHAIRMAN

D-Link



Strengthening the Core Values of D-Link and Accomplishing the Mission of a Sustainable Business

Currently, our company's global operation consists of 184 subsidiaries and offices with 2,602 employees.

We adopt the brand D-Link to market our products and services globally, constantly strive to differentiate ourselves from other players in the industry, and continue to innovate and transform ourselves to ultimately become a network communications enterprise with the capability to provide value-added cloud services. While upholding the spirits of D-Link: "Innovation", "Execution Capability", and "Heritage", we aim to make the trademark of D-Link the synonym of "Building Networks for People" in the minds of our global consumers. Strengthening the Core Values of D-Link and Accomplishing the Mission of a Sustainable Business.

Integrated Smart Cloud Solutions for Home Consumers

With the "Heritage" spirit of D-Link as the foundation, we aim to pass down the entrepreneurial spirits from our entrepreneurial teams to our business development teams, thereby to reinforce the capabilities of our professional management teams, and to implement our "brand" and "innovation" market segmentation strategies; in the European and the American markets, our products are developed according to the customers' demands for innovation; and in the emerging markets, our brands are promoted to meet the customers' demands for brands; furthermore, we aim to attract long-term high-yield shareholders to secure our company's long-term development. From 2013, the global registered users of mydlink™ cloud services, our very own creation, officially grew beyond one million, and mydlink™ has since become the focus of the market attention by being the world's largest surveillance cloud application. Furthermore, we also actively deployed new technologies to be the first to effectively launch the 11ac full product line. Subsequently, in 2014, we released the mydlink™ Home App and Smart Home product series; in the future, we also plan to launch mydlink™ value-added cloud service platform and the digital security surveillance application services, moving towards the goal of becoming the provider of Smart

Homecloud and the integrated security surveillance solutions, aiming to create the top global cloud networking brand.

D-Link Green ProjectGreen Technologies, Compliance to Regulations, and Packaging

As the leading global network product manufacturer, we continue to enhance our research and development capabilities as well as our commitment to environmental protection concerning the product supply chain. We expect to meet consumers' demand for product functions as well as environmental protection. In 2009, we initiated the D-Link Green Project. This project consists of three key solutions: the Green technology to reduce energy consumption, the compliance with Green regulations by using nontoxic raw materials, as well as the Green packaging initiative to reduce the volume of packaging materials. The Green initiative by D-Link is our commitment to and assurances for all consumers. D-Link will continue to ensure that both the consumer and enterprise products comply with the global environmental standards throughout their product life cycles.

Strengthening Our Corporate Values and Realizing a Sustainable Business

D-Link is not only dedicated to the design, production and marketing of top quality networking solutions, but also insists on upholding our corporate values: the forward-looking and pioneering spirits of Entrepreneurship, Accountability, Teamwork, and the principle of Integrity; these corporate values are the major factor for which D-Link continues to grow and remains superior to other competitors in the network communications industry. Looking forward, we will continue to make efforts in the aspects of corporate governance, economic and industrial development, labor/management relations, employee care, environmental protection, and social commitment, etc., so D-Link can realize the practices of corporate social responsibility and fulfill its heritage responsibility for sustainable innovation.

D-Link Chairman, Mr. Roger KAO



About this report



GRI Sustainability Reporting Guidelines Version 4

About this Report

D-Link Corporation 2015 CSR Report Complies with Dual International Standards of GRI G4 and AA1000

This is the second time D-Link has released a CSR report. Going forward, we shall continue this endeavor on an annual basis to provide a public account of our non-financial operations and our corporate vision for the practice of sustainable management.



GRI

Empower
Sustainable
Decision

Reporting period

From January 1 to December 31, 2015.

There were no significant changes in our company's organizational size, structure, ownership or supply chain during the 2015 reporting period.

Date of last report and release

The last report was for the period January 1 to December 31, 2014 and was released on June 1, 2015.

Scope and boundary of this report

This report takes into account the economic information and data sources from the company's 2015 annual report, which includes the published consolidated financial statements. Consolidated revenues data covers the D-Link group's overall operating income. In the section on disclosure of environmental and social categories, the Taipei operational headquarters was the disclosure boundary.

Compilation guide

The compilation of this report is based on the Global Reporting Initiative, Sustainability Reporting Guidelines Version 4.0 (referred to as GRI G4). The report chooses to be in accordance with its core option, and singles out the General Standard and Specific Standard Disclosures in the annual sustainability issues and information disclosure. The report is accompanied by GRI G4 complete table, providing indexes for the contents of each chapter.

Verification criteria and results

This report has been vetted by Senior Management as well as been referred externally for further verification to improve the report's reliability. We have adopted the standard established by a global non-profit organization, AccountAbility, of Type 1 and High Assurance in the 2008 Edition of AA1000 Assurance Standard as our Assurance standard. We single out the report's disclosure of information in simulation verification. In the future, we will also invite a third-party certification body for external verification.

External guarantee measures for collateral reporting

External guarantee measures for collateral reporting of the financial data revealed are from the accounting firm, KPMG, and are in line with the International Financial Reporting Standards (IFRS) auditing and attestation consolidated financial statements. Moreover, ISO 9001 Quality Management System, OHSAS 18001 Occupational Safety & Health Management System, ISO 14001 Environmental Management System, ISO 14064-1 Greenhouse Gas Inventory Standards have all been verified by third-party certification bodies. Third-party certification institutions include TUV Rheinland Germany, SGS Taiwan, and AFNOR Group.

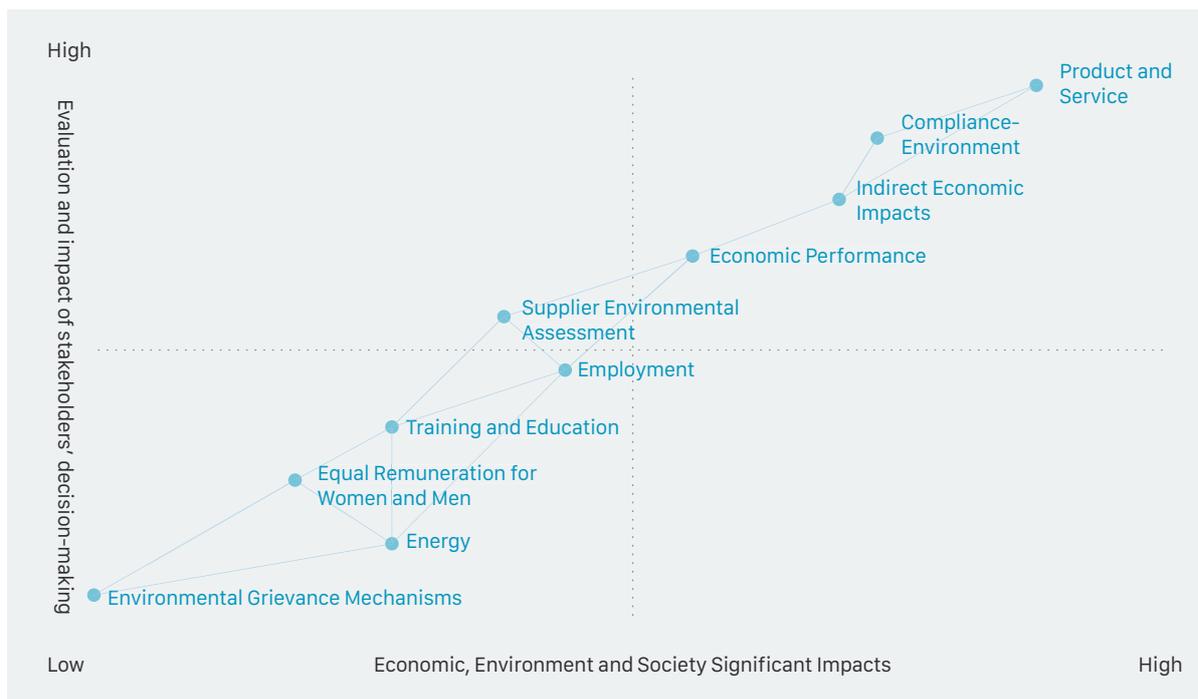
Identifying Material Aspects and Boundaries

We identify material aspects through four steps: identification, prioritization, validation and review. The identification process is done via a dedicated corporate social responsibility unit, which holds internal meetings and based on GRI G4 aspects and standard disclosures, select the relative issues and identify a list of topics for proposal.

In the second step, according to the GRI G4 delineating report, three principles of relevant topics sequencing are defined. Principle 1: Stakeholder inclusiveness, clarifying stakeholders, how to respond to their reasonable expectations and interest in this report. Principle 2: Materiality, confirm the selected issues once again for their significance in making an economic, environmental, and social impact. Principle 3: Sustainability context discloses our company's improvements or mitigation of our activities to the environment. At the same time, we also follow the GRI G4 guidance in step 1 to authenticate relevant topics.

We have also implemented stakeholder questionnaires and collected their concerns, a total of 100. Data obtained have provided material issues ranked by priority.

In step 3, we validate the material aspects identified with GRI G4 principles. For completeness, this report covers all aspects such as economic performance, materials, occupational health and safety, and staff training and education; aspect boundaries, for each aspect definition of the boundary; and integrity of information during the reporting period. More important, the top decision makers have approved this report's material aspects of a list of priorities, to identify the material aspects and boundaries of the final stage, that is Step 4, for review. It will be launched after the release of this report with all the stakeholders' feedback collected and prepared for the next reporting period.



▼ Topic identification, boundaries and material aspects summary table

Order	Relevant Issues	Aspects	GRI G4 Index	Stakeholders boundaries							
				Internal	External						
				Staff	Shareholders	Customers	Suppliers	Government	Media	NPO	
1	D-Link Green	Products and Services	G4-EN27 Reduce the degree of environmental impact of products and services	●		●	●				
2	D-Link Green	Compliance-Environment	G4-EN-29 No violation of environmental laws and regulations, were imposed heavy fines	●		●	●	●			
3	D-Link Charitable Foundation	Indirect economic impact	G4-EC7 Local community infrastructure investment and the development and impact of Service Support	●			●	●	●	●	
4	Revenue information discloses	Economic Performance	G4-EC1 Direct economic value of production and distribution	●	●			●	●		
5	Supplier Management	Supplier Environmental Assessment	G4-EN-32 Using environmental standards to choose a proportion of new suppliers	●			●				
6	Unpaid parental leave for raising children	Employment	G4-LA3 Divided according to gender, parental leave after the reinstatement and retention ratio	●			●				
7	Staff Training	Training and Education	G4-LA9 According to gender and classification of employees, the average number of hours of training per employee per year	●				●			
8	Gender equality in the job market	Equal Remuneration for Women and Men	According to the categories of employees and important operations base division: minimum wage and Salary and wages ratio.	●				●			
9	Emissions	Energy	G4-EN16 Energy indirect greenhouse gas emissions (Scope two)	●				●			
10	Lay in ISO 14001:2015 Environmental Management System	Environmental Grievance Mechanisms	GA-EN34 The number of environmental impact complaints handled and resolved through the formal grievance-mechanism of filing, processing and settlement.	●				●			

Stakeholder Interactions

Maintaining Continuous and Close Communications with Our Multiple Stakeholders

Continuous close communications with stakeholders is done through the identification process, the annual report for stakeholder groups, and consist of a total of seven major categories, including customers, employees, non-profit organization, investors, suppliers, government, and media.

Stakeholders Engagement Group, Identification and Selection

In our engagement with stakeholders, we plan out a rigorous process of identifying and analyzing material aspects. First, the corporate social responsibility team members will, through internal meetings, brainstorm and identify various stakeholders, including customers around the world, domestic and foreign investors, staff, government officials, customers and suppliers, non-profit organizations and the media. We then adhere to the reporting standards, formulated by Account Ability, a global non-profit organization, namely the AA1000 Stockholder Engagement Standard 2015 Edition, abbreviated as AA1000 SES 2015, which includes the responsibilities, influences, conflicts, dependency and different points of views. These five standards form the basis of the identification procedure and the key scores for all the stakeholders, and ultimately we engage in six major categories of stakeholders, who are our first priority. After the identification procedure, the engagement of stakeholders for the annual report is done in respect of seven major categories, namely customers, staff, non-profit organizations, investors, suppliers, government, and media. Notably, we place special emphasis on D-Link product users, as they form an integral part of our daily operating process, and are the stakeholders with whom we communicate the most frequently with.

Methods of Engagement with Stakeholders, Frequency and Particular Programs

We employ various methods of engaging with, cooperating, and surveying the views of our stakeholders, in particular D-Link users. The details of stakeholder engagement mode, frequency and specific programs have been formalized. Furthermore, in light of the company's corporate social responsibility policy and development direction, we also have plans to implement questionnaires and emails in order to gauge stakeholders' opinions and to improve feedback. Feedback results are transmitted to the department heads for processing, and an internal meeting is to be organized where all the major issues are discussed and resolved.

▼ Topic identification, boundaries and material aspects summary table

Stakeholders	Communication Channel	Communication Frequency	Related to Records
Customer	Marketing activities	Monthly	Official website news center
	Social network	Daily	Cloud D-Link, D-link Youtube and other website records
	Global language of the official website	Daily	Each country's national website customer service mailbox task force, customer's reaction sent to responsible unit to deal with, technical support, shopping, maintenance service records
	Global toll-free services	Daily	Statistical report on consumer feedback
	Customer service mailbox	Daily	Statistical report on consumer feedback
	Customer satisfaction survey	Daily	Customer satisfaction survey report
	Brick and mortar business sales position consulting	Daily	Dealer feedback record
Staff	Labor-Management meeting	Once quarterly	Labor-management meeting report
	Staff performance interview	Twice yearly	Staff performance evaluation Table
	Internal publicity channel: E-mail, posters, lift notice boards		E-mail, posters and photos
Non-Profit Organization	Conference call communication	No fixed schedule	Telephone interview records
	Face-to-face communication	No fixed schedule	Interview records
	E-mail box	No fixed schedule	E-mail
	Foundation responsible person's contact	No fixed schedule	Minutes of meeting
Investor	Annual Shareholders meeting	Once yearly	Handbook for shareholders meeting, meeting record
	Quarterly Operating achievements illustration meeting and conference call	Once quarterly	Market observation post system's juridical persons' illustration meeting
	Monthly Revenue turnover proclamation	Once monthly	Market observation post system and company website release of company's monthly revenue and press release
Supplier	Selection of new suppliers	Once per store	Supplier selection and evaluation report
	Environmental protection requirements	No fixed schedule	Supplier letter of commitment
	Annual audit	Once yearly	Supplier audit record
	Supplier training	No fixed schedule	Training materials
	Suppliers conference	Once yearly	Conference contents
		Correspondence	
Government	Market Observation Post System		
	Company website		
Media	News conference	No fixed schedule	Latest official news and press releases





D-LINK

**The Best Global
Consumer Brand
in Internet
Communication
Products**

Company Profile

World-Class Global Networking Brand

Founded 29 years ago, the company now has 2,602 employees worldwide, a foothold in 66 countries, and more than 184 sales centers around the world.

We are a leading manufacturer in the Internet communication products industry and our products are marketed under the D-Link brand worldwide. D-Link product lines cover: switches, wireless broadband and digital home products, and much more. Our services help general consumers, business users and operators alike. Our company was established in 1986, in accordance with the Company Act of the Republic of China. In October 1994, we listed on the Taiwan Stock Exchange. Since its inception, D-Link brand products have been sold throughout the world. Through internalization, localization and globalization, sales performance has grown steadily. Deep-rooted in the market for so many years, we have studied, designed, developed and marketed Internet communication equipment products and related services as our part of our core business development process. Our commitment to global consumers and businesses of all sizes is to provide high-quality networking solutions. With our complete and diverse product lines, we have been awarded international prizes as an affirmation of our network products and services. D-Link has become a leading global consumer networking communication product brand, beyond the European and American mainstream markets. Our brand also occupies an important position in emerging markets, ahead of its main competitors.

Group and corporate organization

D-Link's subsidiary companies are divided into two categories, one which has a presence in the major countries around the world and is responsible for marketing and selling D-Link's Internet communication products and for providing sales and after-sales services in each country and its neighboring regions. The second category con-

sists of investment holding companies which are responsible for strategic investments in the stocks of the aforementioned marketing subsidiaries, or of D-Link's partners who provide upstream and downstream technologies, products, and channels. The company's organizational chart of its affiliates and subsidiary business operations are referred to in Chapter 8 of the 2015 Annual Report, on special mention notes, which states that the aforementioned subsidiaries are the same with the ones covered in consolidated financial statement.

D-Link products have not only won international recognition for their design and functionalities, but also gained recognition for their green technology. There are tremendous prospects with being the first to introduce green energy and eco-friendly concepts and leading quality in our products. With more than 184 sales and service locations in 66 countries, regional warehouse logistics centers in 15 countries, and a total of 44 maintenance centers together with product and marketing services throughout the world, D-Link has become one of the most globalized manufacturers from Taiwan with the highest marketing coverage. The main products — switches, wireless networks, and broadband network computer communication equipment — have leading global market shares. In small and medium-sized enterprises and home local area network markets, we are the leading manufacturer of consumption Internet communication equipment around the world. In many countries, D-Link is the top brand with sustained development of enterprises and telecom broadband markets propelling us to become an integrated network solutions provider with omni presence.

Adopting ISO 27001 Information Security Management System

In 2014, we adopted the ISO 27001 Information Security Management System to ensure the stability and security of our global business operations, sales, accounting, and confidentiality of services as well as to minimize risks and establish preventive measures to enable our business to run smoothly without disruption. The following is the information security threat categories. Each year, it is used to implement the asset stocktaking and authentication risk analysis and to establish effective risk prevention. It includes natural threats (such as flooding, earthquakes, typhoons, and thunder strikes), environmental threats (such as conflagrations, pollution, and explosions) and disruptions caused by human factors (such as illegal eavesdropping, careless mistakes, hacking, computer crashes, bugs, and Internet disconnections).

About D-Link

Name of company :	D-Link Corporation
No. of employees :	2,602 employees worldwide
Capital :	Total paid-up capital NT\$ 6,769,961,660.-
Date of incorporation :	1986
Main products and technologies :	Ethernet switches, broadband products, wireless products, digital home products
Name of Chairman:	Mr. Roger KAO
Corporate headquarters :	No.289, Hsinhu 3rd Road, Neihu District, Taipei City
Operational coverage area :	More than 184 marketing stronghold areas in more than 66 countries. Areas covered include: Taiwan, USA, Canada, Europe, Australia, India, Singapore, Middle East (Dubai), Turkey, Egypt, Israel, Latin America, Brazil, South Africa, Russia and China.

2015 D-Link Smart DeVices Range of Products



Wi-Fi Smart Plugs

Control your devices and appliances from anywhere.



Wi-Fi Sensors

Always know when something is happening at home.



Wi-Fi Siren

Scare away intruders and have peace of mind.



Wi-Fi Cameras

The simplest way to keep an eye on your home, kids, pets or business.

Developing Our Brand by Recruiting Local Talent



North America
U.S.A, Canada

\$ Total capital

6.7
billions

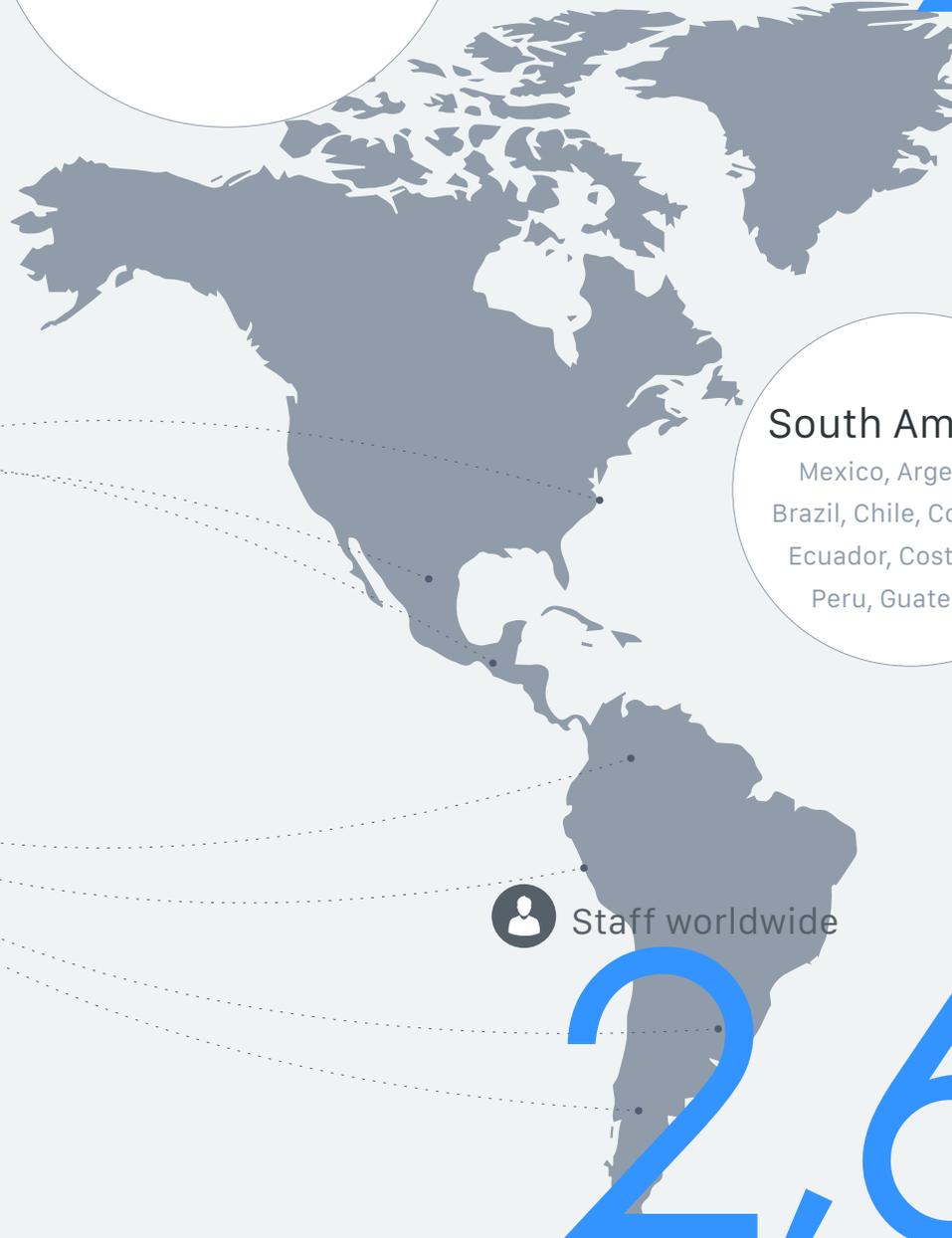
✂ Sales centers set up in 66
countries

184

South America
Mexico, Argentina,
Brazil, Chile, Columbia,
Ecuador, Costa Rica,
Peru, Guatemala

👤 Staff worldwide

2,602



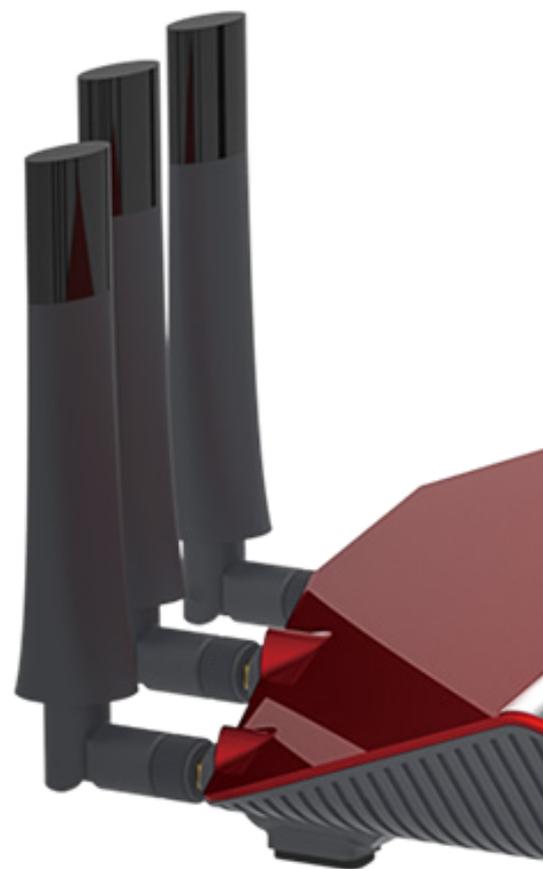
Products and Services

Top Market Share in Global Sales

Ethernet Switches, Wireless Networks, and Broadband Network Computer Communication are the main products that have taken the largest market share in global sales. In the SME and Home LAN markets, we are leaders in the global consumer network.

D-Link is ranked third in the global Ethernet switch market

With the dawning of the Big Data era, the corporate market has faced increasing demand for data centers, and this in turn drives demand for 10G and 40G Ethernet. With the gradual stabilization of the global economy, various corporate users are increasing their investments to purchase and upgrade their basic networking equipment. According to the forecast by the Gartner, the market research firm, the global growth rate of switch and connector port shipments was 2.8% in 2015. D-Link is ranked third in the global Ethernet switch market.



D-Link 802.11ac Wireless routers and gateways hold a market share of 17%

According IDC, D-Link's 802.11ac wireless routers and gateways held a 17% of the global market and D-Link's unique product with internal mydlink and a lifelong free customer free service platform had also strengthened customers' purchases. From 2010 till now, global registered users have reached 3 millions. With the rise in demand for various types of mobile devices, consumer dependence on wireless networks has also increased. The escalating demand for higher transmission speeds has accelerated the production and delivery of related wireless network equipment. In recent years, competition in the networking industry has been intense. D-Link's primary goal is to meet consumer demand for speed and quality in networking products. We began to implement 802.11ac wireless in 2012, and by 2013, we were the first to launch a full range of 11AC products to meet the needs of consumers at every level. The reception for these products in all our markets has been very enthusiastic.



D-Link Ethernet Switch

Catering to broadband product trends, introducing the D-Link LTE Multi-SerVice Adapter

With the continual rise in the number of mobile broadband users globally, the demand for mobile devices will continue to rise. According to statistics from the Global mobile Suppliers Association (GSA), by the end of 2014, the number of 4G LTE service providers exceeded 350. In view of this, we attempted to integrate our solutions with the idea of "mobility". We launched products such as the LTE Multi-Service Adapter, Smart Antenna, and LTE outdoor devices, which allow our users to access their 4G LTE connection anywhere, anytime.

Digital Home Products, exclusive mydlink parallel cloud platform

Gartner, a well-established market research firm, believes that the Internet of Things (IoT) is poised for explosive growth in the coming years; by 2020, the number of IoT devices will exceed 26 billion, and IoT will add some USD 1.9 trillion to the world economy. The rise of IoT also popularizes the concepts of the smart home and smart city. D-Link was the first to spot an opportunity in the security surveillance market. With the technological advantage from our extensive experience with networking equipment, we took the market by storm. According to the NPD and Context consumer market research groups, D-Link currently holds up to 40% of the market share in North America and Europe. Other than network surveillance cameras, D-Link also launched home gateways, smart plugs, motion sensors, door/window contact sensors, and sirens, and has developed other new products based on corresponding technologies. These products can be interconnected via the mydlink cloud service platform, providing our customers with a safe and convenient smart network environment.

Award-Winning Product Designs

D-Link has three products that have won the "21st Edition of The Taiwan Excellence Awards" gold and silver awards. In addition, there are a number of other products that have also won awards:

- Gold Medal Award: Mobile Cloud Companion All-in-One Mini Wireless Router DIR-505/505L
- Silver Medal Award: D-Link HD PoE Day/Night Outdoor Cloud Network Camera DCS-2310L
- Silver Medal Award: D-Link HD PoE Day/Night Outdoor Cloud Network Camera DCS-2310



TAIWAN EXCELLENCE AWARDS

- 22nd Edition: D-Link had a total of 19 products that won excellence awards
- 23rd Edition: D-Link had a total of 8 products that won excellence awards



IF PRODUCT DESIGN AWARDS

MommyEye DCS-825L and EyeOn Baby Monitor DWR-930 4G LTE mobile router won the iF Product Design Award in 2014



RED DOT DESIGN AWARD

Wi-Fi connection into the corresponding channel network device DMG-304P HomePlugAV PowerLine and DWR-730 HSPA+ mobile router, with its compatibility and storage, it's convenient and practical functions, calm and simple have made it won the Red Dot Design Award in 2013.



GOOD DESIGN

Exquisite product design, foreign awards again and again In 2012 DIR-636L 11N USB 1000M wireless router (N300 Gigabit Cloud Router Wireless) got the favor of the review and won the design award.



GOOD DESIGN

- Japanese Industrial Design Promotion Association
- The 2013, light, simple and fashionable DAP-1320 wireless extensions won the design awards.



CNET Best of CES Awards

- 2012: DIR-857 Amplifi™ HD Media Router 3000
- 2013: DGL-5500



CES Innovation

- 2013: DIR-508L
- 2014: DCS-825L, DCS-2136L

Operational Performance

2015 Consolidated Revenues Reached NT\$26.6 Billion

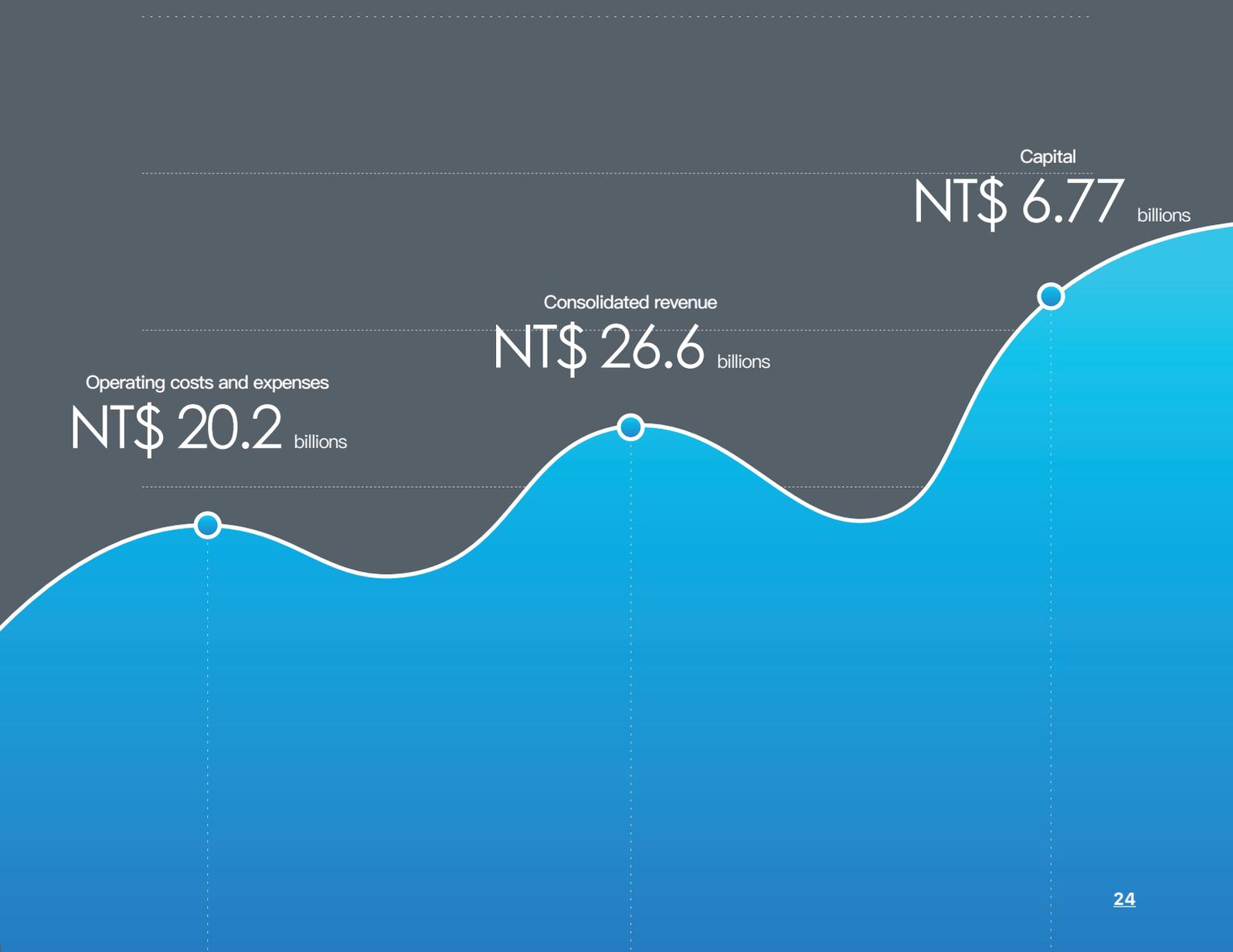
In 2015, the company had consolidated revenue of NT\$26.6 billion and a net loss after tax of NT\$1.825 billion, of which a net loss of NT\$1.87 billion was attributable to shareholders of the parent company. The net loss per share was NT\$2.90. For more information regarding the operational performance of the company and its financial information, please refer to the "2015 D-Link Corporate Annual Report" or query the Market Observation Post System.

In the beginning of 2015, we released the world's first US\$300+ consumer router products on the market. At a price of US\$309, it was an instant hit and became the company's biggest sales item and the high-end product with the best sales, thus supporting the company's premium brand image. Looking ahead, the high-end market success helps to avoid a return to the low-end market and to advance up the consumer channels. In 2016, the company's 30th anniversary looks set to deliver improving results.

▼ Operational performance statistics (unit: NT\$ billions)

Description	2013	2014	2015
Capital	64.76	64.78	67.70
Consolidated Revenue	306	303	266
Operating cost and expenses	302	220	202
Taxes	0.7	0.3	-2.70
Net Income	6	1	-18.26
Earnings per share (NT\$)	1	0.1	-2.90
Employees salaries and welfare	38	39	38.12

2015 Operational Performance







**GOOD AND HONEST
CORPORATE
GOVERNANCE
WILL BRING THE
BEST RETURN TO
SHAREHOLDERS.**

CORPORATE GOVERNANCE

Sound Corporate Governance Maximizes Shareholder Interest

We firmly believe that excellent corporate governance will establish a sound basis for business development, providing high-quality products and services and simultaneously bring the best returns for shareholders.

A well-structured board of directors benefits all equity shareholders and is also the cornerstone of sustainable management. The company's directors and the shareholders' long-term interests guide the company's business strategies and its dealings in an objective and independent manner. We have for a long time adhered to good corporate governance. We are guided by our obligations to institutional shareholders and our management style is transparent. We have a management team in place with oversight from the board of directors. The company maintains high standards of corporate governance and ensures the effective operation of the board of directors in order to protect the interests of shareholders.

Top governance unit is the Board of Directors

The Board of Directors is the top governance unit and the center of major business decisions of the company. It is comprised of 7 directors and 2 supervisors elected in accordance with the Rules for Director and Supervisor Elections. In 2014, the 10th Board of Directors was elected for a period of three years ending June 20, 2017. The responsibilities of the Board of Directors include the appointment and dismissal of supervisors and managers of the company, monitoring and auditing business performance, discussions of major decisions, proposing business strategies and other development issues of the major operational direction of the company in order to reap the

highest benefits for shareholders. The Board of Directors must hold a meeting on a quarterly basis. It held six meetings in 2015 and the combined attendance rate was 91.67%.

Important decisions made by the Board of Directors are released on the MOPS website after the board meeting as a reference for investors. To facilitate communications between the Board of Directors and the operational teams, the CEO, President, Chief Financial Officer, Chief Accounting Officer, and Chief Audit Officer are required to sit in at all board meetings, while other managers, accountants, and legal advisors may be asked to sit in on a case-by-case basis. The Board of Directors is accountable to the Board of Shareholders, and submits reports on the company's performance and dividend proposals to the latter each year. Remuneration for the directors and supervisors is stipulated in our company's Articles of Association. Company profits are computed at the end of each fiscal year, and after the deduction of taxes and various reserves, one percent of the balance will be paid to the directors and supervisors after validation by the Board of Shareholders, according to the stipulations of our company's "Remuneration Policy for Directors and Supervisors". Our company also schedules regular training courses for our directors and supervisors in the areas of corporate governance, securities regulations, business practices, and so forth. A list of Directors and supervisors training during the reporting period is available in the corporate annual report.

▼ Members of the Board of Directors

Position	Name	Gender	Main Educational Qualifications	Current positions and duties
Chairman of the Board of Directors	Roger Kao	Male	Master degree from Chiao Tung University, Institute of Computer Science and Engineering; served as General Manager for the US sector, President of the Great China sector, and other positions.	Brand Director
Vice Chairman	Douglas Hsiao	Male	Graduated from Chiao Tung University, Department of Telecommunication Engineering; served as vice chairman and CEO of D-Link Corporation, President of Alpha Networks Inc.	Chief Executive Officer
Director	John Lee	Male	Master degree from Taiwan University, Institute of Computer Science; served as General Manager and Chairman of D-Link Corporation, Chairman of Alpha Networks, and other positions; won the Personal Achievement Award in 2009 under the Industrial Technology Advancement Award organized by the Ministry of Economic Affairs; a member of our founding team.	
Director	Zhong-He Tai	Male	Graduated from Chiao Tung University, Department of Electrical Control Engineering; Master degree from Tamkang University, Institute of Technology & Innovation Management; co-founder of Acer Inc.; current Chairman of Richtek Technology, SolidPro Technology, Digitimes and other companies.	
Director	Yun-Wen Huang	Female	Holds a Master in Accounting from Bowie State University, USA, held the post of Accounts Manager at D-Link, presently Assistant General Manager at Alpha Networks and other positions.	
Director	Shi-Guo Lin	Male	Graduated from Chiao Tung University, Department of Telecommunication Engineering; currently serving as Chairman of Heli-Ocean Technology, General Manager of Han-Lin Technology, and other positions.	
Independent Director	Hsiang-Feng CHUNG (appointed on 12.06.2015)	Male	Holds an EMBA from Chiao Tung University, held the post of General Manager at Sheng Ling Environmental Co., General Manager at Jiajie Technology, Engineer/Manager at Hewlett-Packard and now working as General Manager at Murad Chia Jie Biotechnology Co., Ltd.	
Independent Director	Chung-Peng FENG (appointed in 12.06.2015)	Male	Graduated from Taiwan University, Department of Electrical Engineering. Holds a Master and Ph.D degrees from the University of Pittsburgh, Department of Electrical Engineering. Held the post of VP at AMOD and Philips China GM and other positions.	
Supervisor	Feng-Yun Zou	Female	Graduated from Fu-Jen Catholic University, Department of Chinese Literature. Successfully held the post of representative for Chia Hua Investment Co., Ltd and Soonest Investment Co., Ltd	
Supervisor	Guan-Zhen Chen (discharged on 25.12.2015)	Female	MAcc from New York University; CPA (USA); held positions I Lotus Accountancy, Underwriting department of Yuanta Securities, and served in other positions.	

Preventing Conflicts of Interest

Personal conflicts-of-interest clauses for directors are clearly listed in our company's "Rules and Procedures for Board of Directors Meetings". Should any director or his/her relations have interests in the subject of discussion, he/she shall be present at the meeting to present his/her views and respond to any queries. The director will have to abstain himself/herself when the board is deliberating on the matter, and shall not exercise voting rights on behalf of other directors. Details of these measures will be recorded in the minutes of the meeting. In addition, should a director be engaged in businesses that are similar in scope with our company's businesses, for personal benefit or otherwise, the director will have to declare this to the Board of Shareholders after being elected. He/she will have to seek the shareholders' permission to lift the conflicts-of-interest restrictions and shall disclose this information on the MOPS website for investors' information. Furthermore, to safeguard our company's interests, various regulations for conflicts of interest are clearly listed in our company's code of conduct, including: non-competition; related party transactions; nepotism; investing in suppliers, customers or competitors; inappropriate benefits or gains; etc.

Setting up an internal audit office to monitor and also prepare the Remuneration Committee to conform to international standards

We adhere to the FSC's formulation "to establish a system of internal controls" with an internal audit department with two supervisors, to perfect the internal control mechanism and continue to strengthen corporate governance in line with international standards. Since 2011, our Board of Directors has appointed a Remuneration Committee to look into the regular review of policies governing performance evaluation and remuneration for directors, supervisors, and managers, as well as reward systems, salary structures, and standards. In accordance with our company's "Remuneration Committee Charter", the Remuneration Committee consists of at least 3 external professional experts who are appointed by the Board of Directors for a term equivalent to the term of service of the board. Current members include: the independent director, Hsiang-Feng Chung; Professor Qian Yang from the Institute of Management, Chiao Tung University; Associate Professor Shu-Fen Wang from the Institute of Finance, Chiao Tung University; and Professor Wen-Jie Wang from the School of Law, Chengchi University. Hsiang-Feng Chung was unanimously elected as the Convener of the Committee. As stipulated by law, two committee meetings were held in 2015, with an attendance rate of 100%.

▼ Remuneration Committee Members

Member	Name	Major Educational Qualifications	Experiences
Convener	Hsiang-Feng Chung Appointed Convener of Remuneration Committee on 13.08.2015	EMBA from Chiao Tung University	General Manager at Murad Chia Jei Biotechnology Co., Ltd General Manager Sheng Ling Environmental Co. General Manager at Jiajie Technology Engineer/Manager at Hewlett-Packard
Committee Member	Qian Yang	PhD Computer Science, University of Washington Master of Management Science, Chiao Tung University Master of Computer Science, Chiao Tung University	Associate Professor/Professor at Institute of Management, Chiao Tung University, Assistant Professor of Electrical and Computer Engineering, US Naval Institute MIS System Analyst, Burnham SerVice Company (US)
Committee Member	Shu-Fen Wang	PhD Financial Management, University of Houston Master of Management Sciences, Chiao Tung University	Head/ Associate Professor of the Institute of Finance, Chiao Tung University External supervisor of Microelectronics Technology Inc. Committee member of the Chinese Association of Valuation Associate Professor of the Department of Management Sciences, Chiao Tung University
Committee Member	Wen-Jie Wang	PhD Faculty of Law, National Chengchi University	Associate Professor/ Professor, School of Law, National Chengchi University Associate Professor and director of the Science & Technology Law Institute, National Chiao Tung University Visiting scholar at Harvard Law School Assistant Professor of National Chiao Tung University of Science and Technology Law Institute

Integrity Management

Senior Executives Lead By Example

All staff members are required to adhere to the highest standards of business ethics. Through an annual online survey system, employees are required to approve their colleagues' integrity values and practical results.

Integrity is one of D-Link's core values and we expect all our employees to have ethical work attitudes, values, and principles, and to carry out their duties in an honest manner. D-Link's businesses can be found worldwide, and our global customer base includes local government agencies and large carriers. Not only would bribery tarnish our company's image and compromise our morale, it would also undermine our customers' trust in us. It is therefore, an area of major concern to our stakeholders.

D-Link strictly prohibits bribery of any sort, and anti-bribery regulations are clearly stated in relevant documents, such as in the "D-Link Technology's Code of Conduct" and "Procedure for Gift Acceptance". It is also part of our company's training protocol to educate all employees on our company's stance and regulations on integrity. Annual assessment of the level of knowledge and application of relevant regulations among our employees is carried out through online surveys. We aim to extend this practice to all our subsidiaries around the world within the next three years. This will ensure that all our employees around the world uphold the highest standards of business ethics when engaging in commercial activities with other firms.

As of this report, there have been no instances of bribery or corruption involving any of our directors, managers, or employees. Furthermore, all our company's donations to third-party organizations are solely for charitable purposes. To ensure that donations and sponsorships are not abused as disguises for bribes, all donations are executed by specially appointed personnel and are planned by D-Link's Charity Fund and Care Club.

Anti-bribery Code of Conduct

Our company complies with all applicable anti-bribery laws and all employees are made aware that bribery is punishable by law and are prohibited from engaging in illegal or inappropriate behavior involving bribery, kickbacks, inappropriate rebates, or gifts of cash or valuables with any other persons in order to obtain or secure business favors related to D-Link products or services. The aforementioned "other persons" include governments, companies, public organizations, and officials of international organizations, employees, or representatives, or any other third party. An activity is deemed illegal or inappropriate if there are reasonable grounds to believe that the act(s) of offering monetary or other benefits to a person involved in commercial decision-making process has substantially influenced the good judgment and decision of this person. To ensure honesty and operational efficiency, all our employees are required to comply with the following: All employees are prohibited from receiving improper benefits from the company or from any other third party in their course of work; this extends to family members and friends of our employees. All employees are prohibited from offering kickbacks, bribes, and other benefits in the form of money or goods to any of our business partners in order to obtain or secure business favors related to D-Link products or services. All employees are strictly prohibited from manipulating, withholding, or abusing any information obtained in their course of work, and from making untruthful declarations in important matters so as to obtain improper benefits.

Integrity and Honesty of Suppliers

D-Link's expectations for integrity and honesty are clearly stated in our contracts with our suppliers. It is stated in all our contracts that "In the event of any of the following, D-Link has the right to rescind or terminate the contract with immediate effect: if the Supplier attempts to offer a D-Link employee (including employees of our branch offices, subsidiaries, or affiliates) an improper benefit, including but not limited to agreements, gifts, or bribes, or has engaged in a similar activity for his/her personal or company's gain". None of our suppliers has been found to be involved in any illegal dealings in 2015.

D-Link Technology's "Procedure for Gift Acceptance"

The "Procedure for Gift Acceptance" is applicable to all employees, and explicitly prohibits any individual or group from improper behavior including but not limited to, the offer/receipt of bribes, unreasonable gifts, hospitality, or other improper benefits. The document also lays out the relevant response measures and disciplinary actions. Any related misconduct may be reported via the following means: Internal Line for reporting misconduct: extension# 1444, External Line: +886-2-66000123#* 1444, E-mail address for reporting misconduct: coc@dlinkcorp.com Chairman of the Disciplinary Committee, personal e-mail address: coc.chair@dlinkcorp.com We accept both named and anonymous reports. Our company shall ensure confidentiality of the reported content and identity of the whistleblower.

Fair Competition

D-Link fully complies with all applicable laws and regulations pertaining to commercial transactions, including the Fair Trade Act, antitrust laws, and unfair competition laws. When competing for business opportunities, all of D-Link's employees are prohibited from manipulating, withholding, and abusing any information obtained in

their course of work, and from making untruthful declarations in important matters in order to obtain improper benefits. Our company's policies on ensuring fair competition include:

1. As D-Link has businesses worldwide and local laws vary in scope and stringency, in the event of legal disputes, our local branch/subsidiary shall engage the help of local legal consultants to best protect the interests of our company.
2. Should the dispute involve our headquarters, the headquarters shall collaborate with the local branch/ subsidiary in dispute settlement.

D-Link, as an international company, in addition to pursuing business growth, is committed to complying with laws and regulations governing fair competition in Taiwan and in the world. It takes into account the interests of all stakeholders as part of its responsibility to uphold social and formal justice. To ensure that our company does not breach the principles of fair competition, we have always required our foreign subsidiaries to report any act or case involving violations of fair competition to our headquarters at the first opportunity. Our legal and other relevant departments will be notified immediately and will then discuss, investigate and confirm the scope of the reported incident. Should the incident be serious and require litigation, it will need to be resolved. In future, if there is any violation of fair competition, this will impact on business, operations, and prospects of D-Link. The situation will be assessed appropriately and dealt with.

As of the end of 2015, there were no reports of any such related case.



Board of Directors



Convener -
Chief Executive Officer



Executive Secretary –
General Manager



Disciplinary Committee

To ensure that all our employees conduct themselves with integrity and honesty, D-Link has appointed a Disciplinary Committee to oversee disciplinary matters. The chairman of the committee is appointed by the Chairman of the Board of Directors, and the committee shall comprise no less than 7 members. Members of the Disciplinary Committee are elected from the human resources, legal, audit, business, research and development, and administration departments.

Duties and Responsibilities of the committee include:

1. Reporting, receiving, gathering evidence for, investigating, and resolving any illegal matters, including reported cases and self-initiated investigations.
2. Monitoring any abnormal dealings that our procurement, technology, business, marketing, or other departments may have with our manufacturers.
3. Establishing employee reward and penalty systems, and disseminating related information.
4. Explaining legal sources, providing consultation on laws and regulations, and liaising with legal agencies.
5. Monitoring and investigating any abnormal business dealings with manufacturers.
6. Making regular and unscheduled announcements on relevant regulations and policies.
7. Liaising with relevant authorities and stakeholders.

There were no instances regarding breaches of integrity in 2015.

Corporate Social Responsibility working group

Since 2008, the Board of Directors established a small group, which had the duty of planning Corporate Social Responsibility. It was a part-time unit; the CEO held the post of convener and brought together all the departmental heads. Members came from the stock services, marketing, finance, R&D, procurement, operations, and other departments. Every year, the working group holds a review and the responsible person for corporate social responsibility policies, guidelines and related management makes proposals for implementation and reports to the Board of Directors.



- Corporate
Governance –
Service Unit
- Consumers –
Marketing
Department
- Finance-
Development
Unit
- Research and
Development –
R&D Unit
- Supply chain –
Procurement
Department
- Customer – RM
- Employee – HR
- Legal – Legal
Unit
- Audit – Audit
Unit
- Occupational
health and
safety –
Occupational
Health and
Safety Unit
- Administrative
Management





In the Face of Climate Change, D-Link Responds with Green Projects and New Concepts



100% EU compliance

RoHS Hazardous
Substance Specifi-
cation

Toxin-free
raw
materials



MERCURY SHOULD NOT BE ON YOUR DESK

We exclude the use of toxic substances from each of our product units. Currently, all raw materials containing lead and mercury have been phased out and we comply with the EU RoHS hazardous substances specifications. In fact, in our supplier management process, we started very early on to make complete records of the traceability of raw materials, showing the chemical composition of each part of every product displayed. This also helps us reduce and eliminate such toxic substances.

Our design and development team adheres to EU environmental standards, in line with EU Eup, RoHS, WEEE and REACH Directive for green products in order to develop such items. At the same time, we have developed a number of products with ecological characteristics to help businesses, project development units, and customers conform to green-product environmental protection specifications. This also helps the research and development personnel in the assessment of the product life cycle to attain the relevant environmental standards and to reduce the impact on the environment according to customer requirements.

In addition, in terms of examination and supervision, through the RoHS Hazardous Substances analysis table and third-party chemical laboratory test report, we consistently regulate the substance content and hold occasional spot checks with suppliers to inspect materials and production processes. Bilateral cooperation with suppliers ensures more than just one-way evaluation and supervision, and increases the qualification rate. Since our work process does not use any toxic products, there are no toxic waste, transportation or spillage problems. In 2015, we did not violate any environmental laws and regulations, and therefore were not subject to any penalty or administrative fines.

Global Cuts in Energy Consumption and Carbon Emissions

EXCLUSIVE GREEN TECHNOLOGY TO SUCCESSFULLY REDUCE THE PRODUCT LIFE CYCLE CARBON FOOTPRINT

Exclusive green technology in the D-Link DGS-1005D and DGS-1008D can automatically identify whether the switch port is in operation or not, and the exact calculation of cable length reduces loss of materials while improving efficient usage of the premises and energy supply. This, as a result, effectively reduces energy consumption and the product life cycle carbon footprint.

We are the first manufacturer in Taiwan to meet the latest international standards of carbon footprint. The D-Link 5-port DGS-1005D and the 8-port DGS-1008D desk switch have received 14067-1:2010 ISO/CD and 2050:2008 PAS certifications. This signifies that the entire product life cycle of greenhouse gas emissions of these products are in a reasonable category and are in accordance with the relevant standards of review. In fact, as far back as early 2005, we started producing energy-efficient products and through practice of green energy, we have expanded our commitment in energy saving. From the initial product development stage, we consider the use of less energy and materials to produce even more superior products. With D-Link green energy saving technology, the DGS-1005D and DGS-1008D desk switches can automatically identify their switch ports during operation and on the basis of the cable length, can adjust the energy supply, reduce energy consumption and carbon dioxide emissions, resulting in a win-win situation for both the consumer and the environment.

The D-Link 5-port (DGS-1005D) and 8-port (DGS-1008D) desk-type Ethernet switch have been awarded ISO/CD14067- 1:2010 and PAS 2050:2008 certification



D-Link

- 1
- 2
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- 7
- 8



Product carbon footprint certification

D-Link is leading the industry, and manufactures the first product to obtain 14067-1:2010 PAS and 2050:2008 ISO/CD certification.

CONSIDERING EVERY DETAIL IN THE USE OF RAW MATERIALS

D-Link has researched smarter ways of making lightweight product packaging and developed new technologies to use raw materials effectively.

With global resources being a finite source, we are committed to conservation and accounting for every minute detail of raw materials usage. In recent years, our efforts have paid off by effectively reducing the consumption of raw materials. At the same time, we have also reduced the use of consumable supplies and cut transportation costs, creating great economic benefits. We have launched a series of packaging reduction programs to effectively reduce the volume and weight of packaging materials in order to scale down the carbon footprint of international shipping.

Our green packaging exemplifies the success we have achieved so far. We completely transformed D-Link’s best-selling product, the DIR-615, which does not use plastic bags. First, all the PE packaging were removed from the adapter, the wire, the rack accessories, and the packaging. Second, the CD, Quality

Management Guide, and Product packaging literature were separated from their PE packaging. Third, the equipment/ device packaging with an existing anti-static plastic bag was replaced with a PE bag. Lastly, the anti-static plastic bag of the antenna was replaced by PE packaging. These four types of packaging reduction measures contribute to cutting plastic consumption.

By improving product packaging, the weight of a 0.846kg box with all the plastic packaging materials removed is reduced by less than 0.01kg. In other words, if the weight of each box can be reduced by 0.01kg of plastic packaging materials, and one million boxes are shipped a year, then 10 metric tons of plastic would not have been used, resulting in a tremendous achievement in mitigating our impact on the environment.

▼ Taking D-Link’s best-selling item DIR-615 as example, by improving packaging materials and reducing the use of plastic raw materials, in one year, 10 metric tons can be saved. An amazing achievement, indeed!

	Before improvement	After improvement
Packaging accessories (adapter / line / frame)	PE bag	Removed PE bag
Documentation description package (CD/ QC guide / appendix)	PE bag	Removed PE bag
Instruments / equipment package	Anti-static plastic bag	Changed to PE bag
Antenna package	Anti-static plastic bag	Changed to PE bag



Gradually consuming less

Using D-Link's best-selling item, the DIR-615, as example, by improving packaging materials and reducing the use of plastic raw materials, in one year, 10 metric tons can be saved. What an achievement!

**10
Ton**

Stories to Share on Green Design — Type A

Outstanding Performance!

Design optimization of the inner and outer packaging carton reduces volume by 32% and weight by 48%.

Another example of our success in improving green packaging is the case of the inner box packaging, Type A, which was substantially transformed leading to a reduction in 32% of its volume and 48% of its weight.

Previously, the PCI adapter, the USB receiver, and the Bluetooth receiver used different internal liner designs. In view of this, we redesigned

the X-type of the GB internal liner so that the internal pad became standard and was made available for all wireless adapters. It is worth mentioning that due to volume and weight reductions in the packaging, international freight costs have also been reduced. In the end, we achieved the goals of introducing a green design in the interest of environmental protection, while also reducing transportation costs.

▼ Taking the D-Link inner box, Type A, as an example, design optimization led to a volume reduction of 32%

	Before improvement	After improvement	Effectiveness
Materials	Clay coated paper, Adhesive E flute Corrugated fiberboard With die-cutting glossy Surface	Clay coated paper, Adhesive E flute Corrugated fiberboard With die-cutting glossy Surface	↓ 32%
L x W x H (cm)	23.7 x 16.8 x 3.6	20.8 x 13.7 x 3.4	

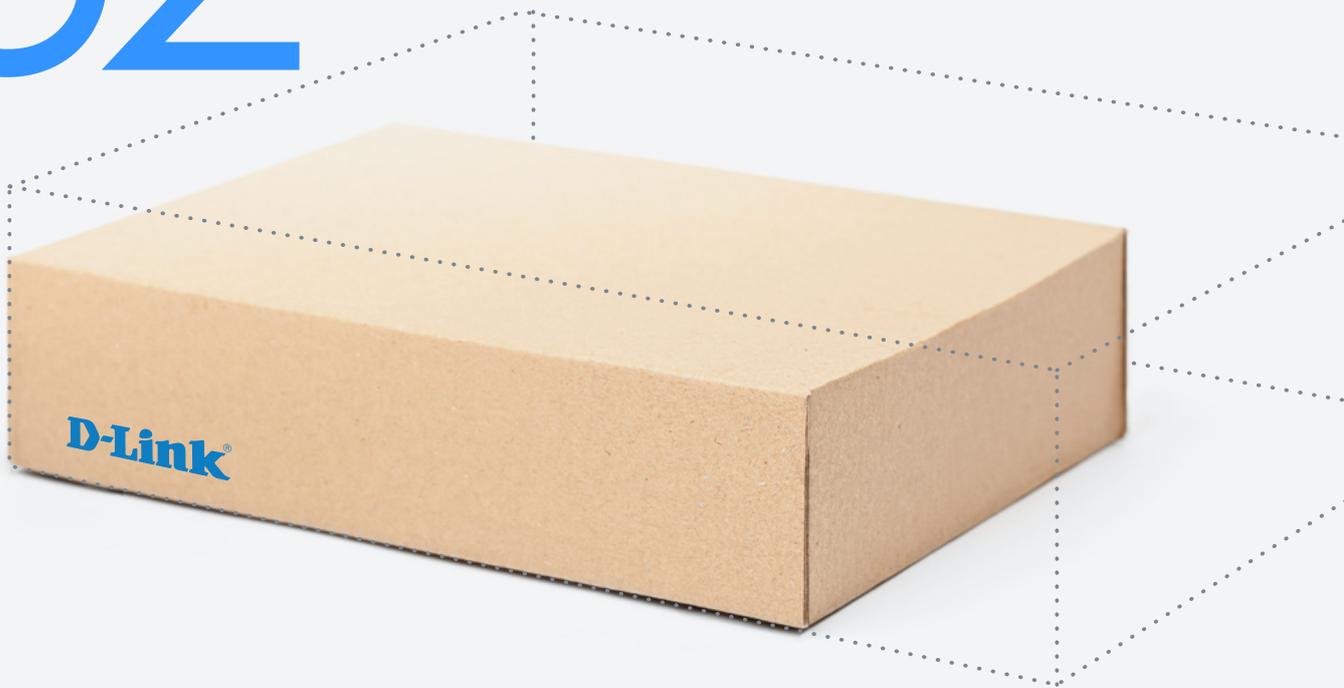
▼ Design optimization also led to a weight reduction of 48%

	Before improvement	After improvement	Effectiveness
Outer packaging	85	40	↓ 48%
Inner packaging (g)	50	30	

Volume reduction

D-Link inner box Type A: volume reduction of 32% through design optimization

32%



Weight reduction

Design optimization led to a weight reduction of 48%

48%

Stories to Share on Green Design — DSL-2500U/BRU

Reduction in Product Packaging Materials for Hot Products Sold in Europe –Fills the Equivalent of ten 20-Foot Containers

The last example of our efforts to reduce the weight and volume of raw materials used in our packaging comes from our most popular product exported to Europe, the DSL-2500U/BRU. This product used to be packed in three bags: the outer packaging, inner packaging, and bubble wrap.

After redesigning, the results showed a volume reduction of 22%. And with this type of hot-selling product exported to Europe, ten 20-foot containers of plastic materials are saved each year with the added benefit of reduced freight costs.

▼ The D-Link inner packaging of the DSL-2500U/BRU was redesigned which led to a weight reduction of 22%

	Before improvement		After improvement		Effectiveness
	L x W x H	Volume	L x W x H	Volume	
Outer packaging	37 x 30 x 5	5550	36 x 30 x 4	4320	↓ 22%
Inner packaging	27 x 21 x 7	3969	27 x 21 x 6	3402	↓ 14%
Bubble wrap	25 x 20 x 6	3000	26 x 20 x 6	3120	4%

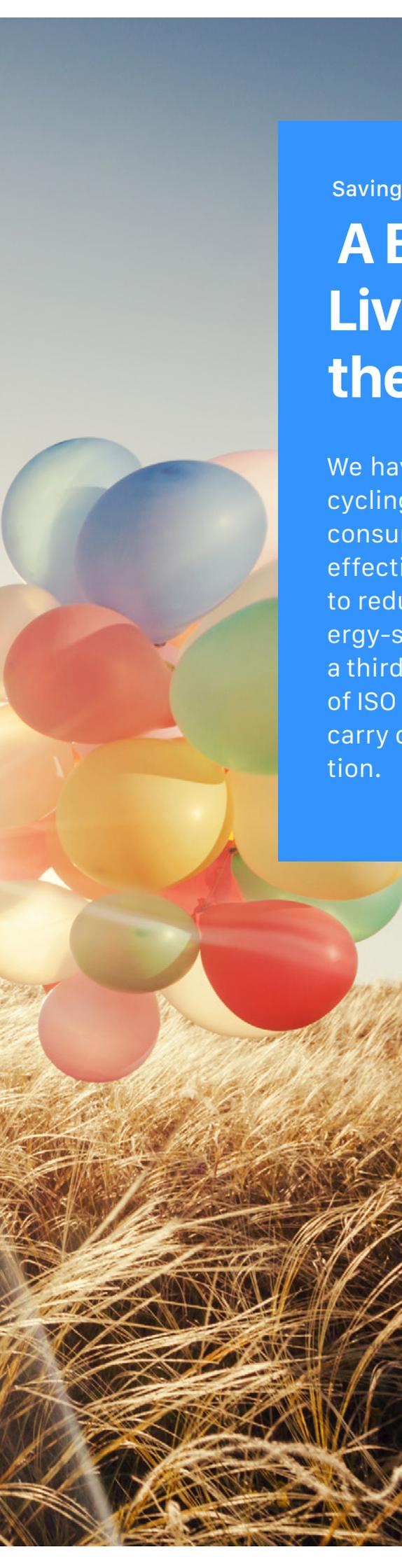
Volume reduction

Taking D-Link Europe's most popular product, the DSL-2500U/BRU, as an example, design optimization led to a weight reduction of up to 22% per year, which is equivalent of ten 20-foot containers

22%







Saving Energy and Reducing Carbon Emissions

A Better Future through Living in Harmony with the Earth

We have implemented a garbage classification and recycling system, electronic operations to reduce paper consumption, a comprehensive water-saving system, effective waste management, encouraged colleagues to reduce the use of disposable supplies, promoted energy-saving environmental protection, and also invited a third-party certification body to audit the new edition of ISO 14001: 2015 environmental management system, carry out inspection, and issue a certificate of verification.

D-Link operates its headquarters from Neihu Technology Park in Taipei City. Over the years, as part of fulfilling our part as a global citizen, we have continuously incorporated environmental protection measures in our routine operations. Our action plan includes reducing paper usage through more electronic-based operations; reducing waste generation by not providing trash bins at each cubicle, and performing trash sorting and recycling; conserving water by replacing all our taps with water-saving models; conserving electricity by replacing lighting in public and underground parking areas with energy-saving LED lights, stopping the operation of some elevators during off-peak hours, and placing drinking fountains on standby during holiday periods. We have also reduced the use of disposable items by providing reusable utensils in the staff canteen, as well as provided a discount of NT\$10 for using personal cups at the cafe, and other similar practices, with the view of conserving and re-using the Earth's limited resources. In 2015, the company was not fined or issued with any orders for improvement by the local environmental protection authorities.

Leading the Industry with the SGS ISO 9001:2015 and ISO 14001:2015 Dual Certification

On September 15, 2015, the International Standards Organization (ISO) officially launched the ISO 9001:2015 and the ISO 14001:2015. Companies are required to upgrade to the new version before 2018. However, D-Link has moved a step ahead of the industry by passing both certifications — the SGS ISO 9001:2015 Quality management system and the ISO 14001:2015 environmental management system — thus becoming Taiwan's first manufacturer to do so.

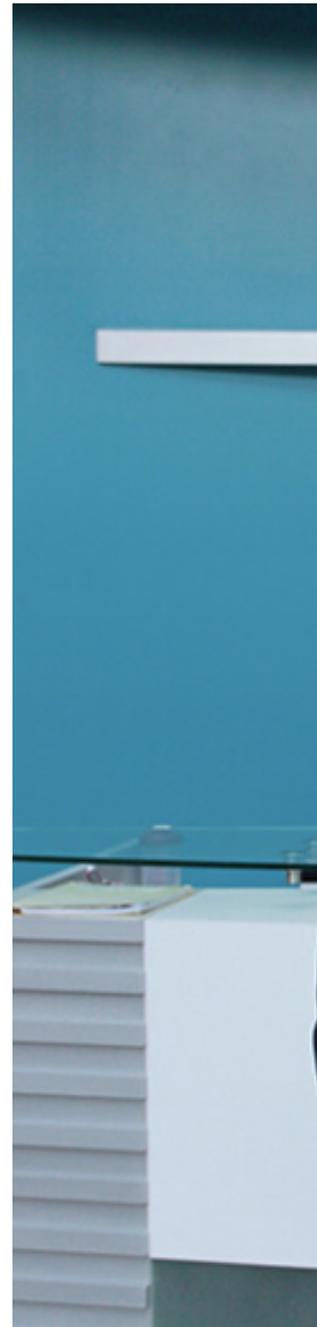
The new editions of ISO 9001/ ISO 14001 are oriented toward performance management systems, and are specially designed with a focus on high-order participation, leadership and communication, management of interest group expectations, paying attention to the handling and environmental changes in management processes, and identifying risk and opportunities to promote a management system that rapidly adapts to changes in the business environment. This revision has three major aspects, including the documentary control of substantial deregulation, paying more attention to the organization's external business environment, and the integration of higher-order management and quality systems to enhance performance and execution.

D-Link's quality and environmental protection policies are in tune with international trends. For example, in

Taiwan, D-Link has introduced a carbon footprint system and is involved in environmental protection by taking the initiative to apply for the verification of the product carbon footprint, in line with the latest international carbon standards.

D-Link has consistently been committed to the policy of sustainable operations, focused on health issues, remains engaged in the entire supply chain, and is an active stakeholder in environmental protection and risk management matters. These practices are in line with significant changes that have been brought forward by the ISO 9001 / 14001. The leadership challenges to quality management and continuous improvement ensure the implementation of consistency in the direction of the strategy.

Taking incoming information into account, the relevant departments within the company are ready to gear up and positively participate in internal audits and preliminary evaluations. Where relevant, the company's rules and regulations will reference the SGS for suggestions and improvements in order to comply with the new version of the specifications. In addition to assisting supplier quality management, audits, counseling, and hosting of carbon footprint meetings with manufacturers, the validation of the new version questionnaire contributes to sharing the latest information with suppliers, thereby



D-Link



helping them solve problems, and strengthening supplier management and establishing closer win-win cooperative relationships.

D-Link, through this new version of verification to consumers and international customers, has shown its high commitment to quality and its aim to strengthen its international competitive advantage. In addition, D-Link acts as an important part of the supply chain risk management for competitive advantage. As an important link in the verification process, D-Link

plays a critical role in examining the supply chain manufacturers, from raw materials to the production environment, quality control processes, quality inspection and efficiency, as well as environmental protection measures that combine to create a green supply chain. By taking the lead at the outset, D-Link has spread its influence throughout the supply chain, helping supplier partners to obtain the latest international certification of management systems, and allow companies to join hands in making concerted efforts to sustain new values.

▼ Carbon dioxide statistics

(unit: Tons CO2e/Year)

	2014		2015		comparing with previous year
	Figures	Ratio	Figures	Ratio	
Category 1: Direct greenhouse gas emissions	10.318	0.6%	9.248	0.6	no difference
Category 2: Indirect gas emissions	1,707.153	99.4%	1,664.070	99.4%	no difference
TOTAL	1,717.471	100.0%	1,673.318	100.0%	

▼ Taipei Operational Headquarters energy consumption

(unit: Tons CO2e/Year)

	2014	2015	comparing with previous year
Electricity Consumption Total	1,707	1,664	↓ 2.52%

▼ Taipei Operational Headquarters water consumption

(unit: cubic meters)

	2014	2015	comparing with previous year
Water Consumption Total	12,561	12,504	↓ 0.45%

▼ Taipei Operational Headquarters

(unit: tonne)

	2014	2015	comparing with previous year
General Waste Consumption Total	14.68	13.32	↓ 9.24%

Supplier Management

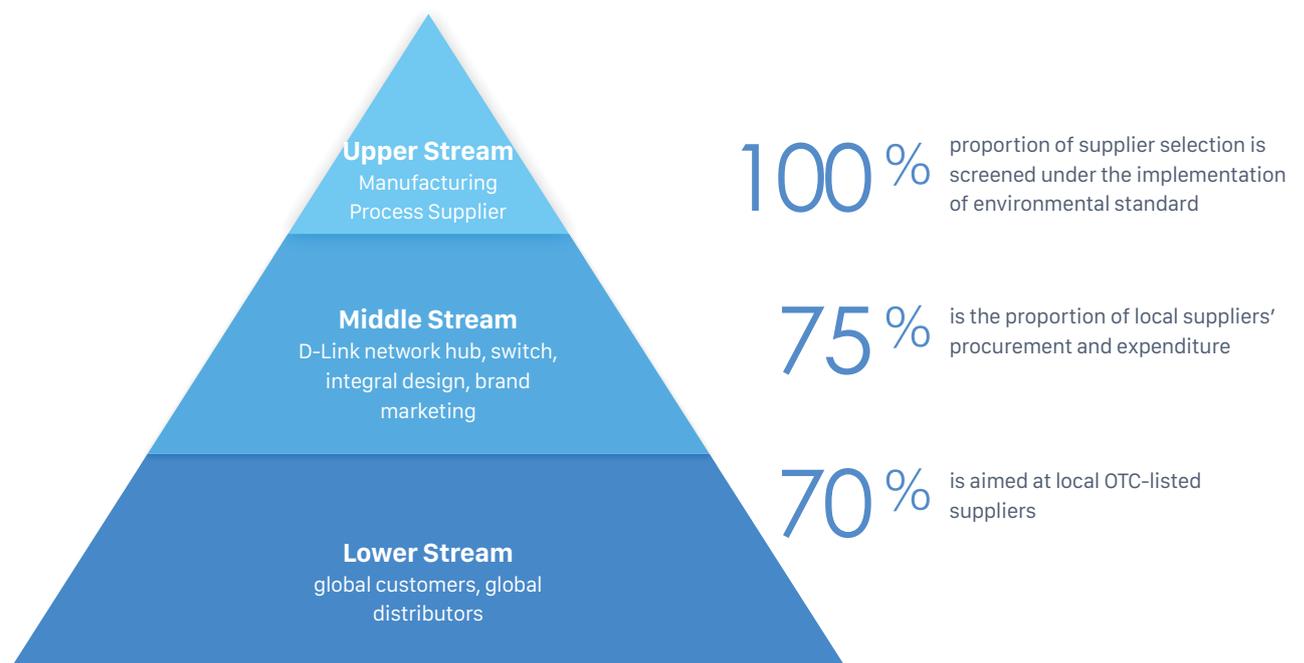
GUIDING SUPPLIERS TO MEET GLOBAL ENVIRONMENTAL STANDARDS

With green product R&D technology and the latest knowledge at hand, we are well positioned to help train local suppliers. At present, the proportion of new suppliers with environmental initiatives and standards screening is 100%

D-Link's Supply Chain

In 2015, we cooperated with a total of 58 suppliers, among which XX were local Taiwanese manufacturers (XX%). In terms of purchase expenditure ratio, local suppliers account for 75%, with OTC listed entities accounting for 70%. This high proportion is due to our having a deep understanding of the local economy. Our economic impact goes beyond merely paying wages and taxes. Through the inclusion of local organizations into the supply chain, we indirectly

attract more investment to the local economy. And, since the local procurement policy is to ensure supply and stability of the economy, it proves to be more effective than remote management. In addition, the proportion of local procurement is also a significant factor in contributing to the local economy and in maintaining communal relationships.



Supplier Management Policy

The D-Link brand has been deeply rooted in 66 countries around the world for more than 30 years. There are more than 184 sales centers. Therefore, we have a good foundation for green manufacturing that can be implemented into the training of local suppliers and we can guide them to meet the requirements of global environment protection. From the point of view of the suppliers, they also continue to improve their skills and knowledge base, as they improve their traditional labor technology and procurement processes to select environmentally friendly non-toxic raw materials, thus indirectly promoting a new virtuous learning cycle. Our involvement in the local supply chain creates a network hub in Taiwan, enabling the switch industry to grow in S-curve fashion.

We developed the "D-Link supplier management measure" for our quality control and purchasing department executives to evaluate suppliers and assess the industry. When new suppliers join the company's supply chain, they must first accept our evaluation. Thereafter, as an official supplier, they must accommodate our regular annual assessments. These assessments look into quality, costs, delivery, services, and various environmental protection issues. Therefore, we use an audit mechanism to promote the QCDS supplier capability, as we have developed an audit procedure at each stage to help them comply with the "D-Link supplier management measure". Furthermore, we also recognize and have signed the environmental initiatives by external departments. These rules and regulations synchronously require suppliers' commitments.

The following are the environmental initiatives and regulations that suppliers and ourselves have signed and agreed to. The proportion for selecting new suppliers under the basis of environmental initiatives and standards is 100%.

WEEE, RoHS, HSF Environmental Norms Required by the EU

All suppliers are required to comply with the EU Hazardous Substance Free, HSF regula-

tions, and must have signed the Restriction of Hazardous Substances Directive 2002/95/EC, RoHS, as well as having undertaken to commit to the Waste Electrical and Electronic Equipment, WEEE. Under strict RoHS management, the maximum amount of hazardous substances contained in the raw materials of the supplier shall not include the following six chemicals: lead, mercury, cadmium (maximum content of 100ppm), hexavalent chromium (CrVI), polybrominated biphenyls (PBB) and polybrominated diphenyl ethers (PBDEs). Moreover, chemical components used in the production of parts for processing, the Material Safety Data Sheet, and the third-party inspection notarized report must all be produced and made available.

Undertaking to sign the EU REACH

Whereas the RoHS directive is for the control of electronic products, the European Union's Registration, Evaluation, Authorization of Chemicals ("EU REACH") is focused on the control of chemical raw materials. These regulations were promulgated by the EU in 2008 specifically for the processing of electrical and electronic products and their sources of raw materials, and their use of chemical products such as plastic, rubber, organic or inorganic chemical raw materials. Suppliers are required to commit and ensure that their products comply with the EU REACH. If products contain substances of very high concern (SVHC), suppliers are obliged to provide information and communicate this fact.

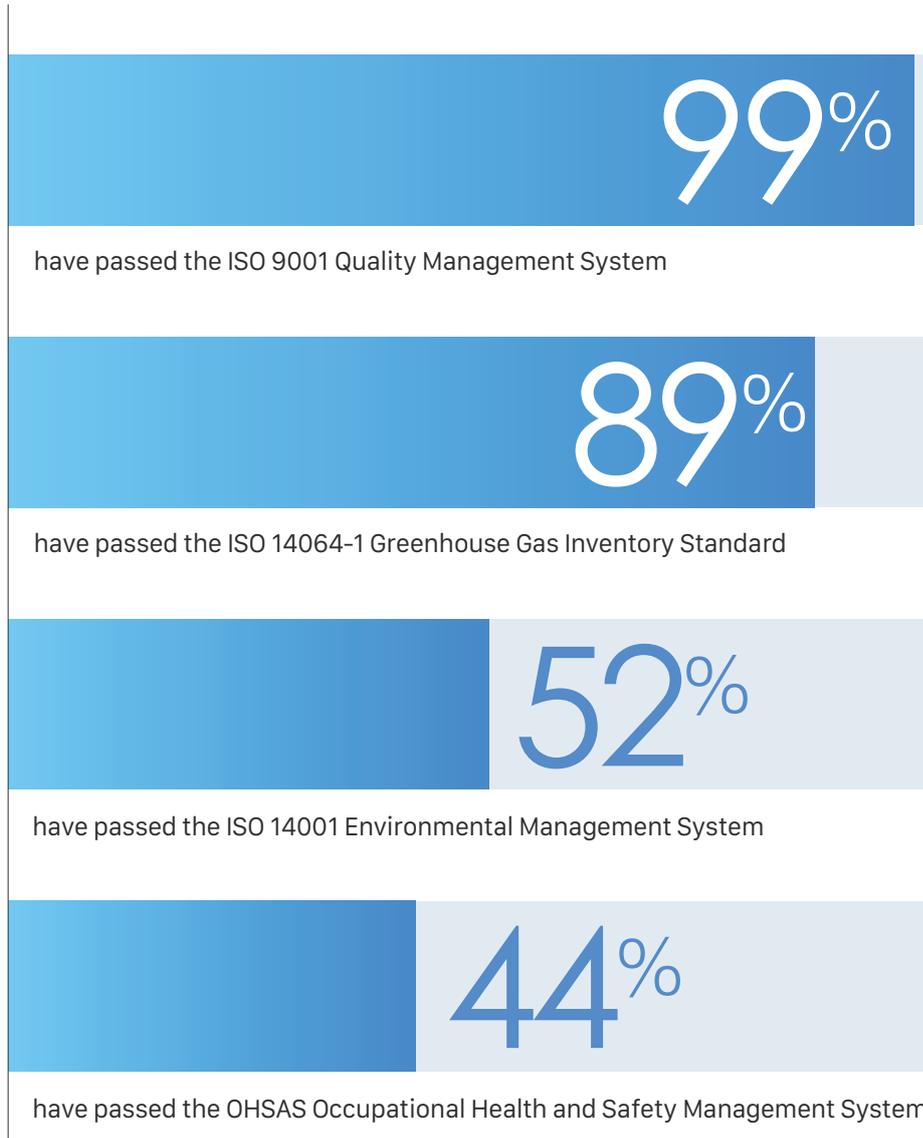
CONFLICT-FREE METALS

We adhere to the Conflict Minerals Act, requiring suppliers not to purchase and use conflict minerals, and commit to adopt responsible ore material sources in an effort to ensure that our products do not use tin, tantalum, tungsten, or gold from conflict zones. Currently, this policy is included in the procurement management supplier and product design projects. In cases where conflict minerals are found, the supplier must expose and provide information on the metal production plant.

INTERNATIONAL MANAGEMENT SYSTEM CERTIFICATION

In addition to the above environmental initiatives and regulations, suppliers are also required to make use of the international management system certification, and through third party validation to ensure that their management processes and environmental policies are in line with international standards. During the period

under review, a total of 99% of suppliers passed the ISO 9001 Quality Management System, 89% passed the ISO 14064-1 Greenhouse Gas Inventory Standard, 88% passed the ISO 14001 Environmental Management System, and 82% passed the OHSAS Occupational Health and Safety Management System



SUPPLIER RIGHTS AND SOCIAL RESPONSIBILITY PRACTICE

Looking to the future, D-Link continues to uphold the integrity of the business, complies with national laws and regulations and works with suppliers to enhance awareness of social responsibility. In addition to general business activities and conditions, D-Link will include the supplier's

code of conduct in the management process to require suppliers to abide by good corporate social responsibility. In next year's report, we will provide more supplier quality, environmental management, and more social responsibility training and assessment results.





The ideal career path blueprint for every employee in building D-Link



2,602 Employees Worldwide

In 2015, we invested heavily in our employees, cultivating and training them through an excellent working environment and a variety of training programs that attract and retain excellent talents.

D-Link believes in "building networks for people", with people being our key focus. As a member of society, we believe that our employees are the very foundation of corporate values and corporate sustainable development. D-Link has always believed in treating our employees in a friendly manner, openly and equally. We are committed to creating safe and secure workplaces and working environments.

We respect diversity and gender equality so

that our employees are free from any form of bias. We value employee development and provide training specific to each employee's position and career developmental needs. Our aim is to nurture each employee to meet their full potential based on their areas of strength. D-Link is well aware that a company's wellbeing is tied to its employees. We believe that only by promoting mutual understanding between the company and its employees through good capital-labor relations management practices can the company and its employees work together toward mutual benefits. For senior and highly-experienced employees who have contributed tirelessly to our company, we provide them with preferential retirement plans in compliance with the relevant laws and regulations as

an expression of our care and concern for their long-term service.

D-Link has responded to market changes by developing a human resources strategy. The company currently employs 2,602 people worldwide. In Taiwan, the combination of the smart home life concept and the use of cloud technology services has resulted in the designing and development of a cloud platform and application software for the research and development of human resources every year. At present, the number of employees is 669 people, of which less than 5% are regular contractees and outsourced personnel. Their work is limited to cleaning buildings and have restricted access for security reasons. More than 95% are formal contract employees.

For recruitment, the department that requires hiring new staff will first prepare an annual manpower plan. After assessment of the plan during the annual manpower budget meeting, a formal application for manpower based on actual needs will be submitted to the Human Resources Department. Information on the available job openings will then be disseminated through local recruitment channels. All recruitment procedures are in compliance with the relevant local regulations and standards, and we adopt a fair and equitable approach when scouting for talent. D-Link believes in meritocracy and developing our employees

based on their individual talents. We have a long-term interest in helping the following groups of people, and offer them priorities in employment, where their qualifications and professional experiences fulfill the required criteria: people with mental or physical impairments, indigenous groups, women who are the main breadwinners for their families, families on social assistance, and other comparatively disadvantaged groups.

Taipei Operational Headquarters, R&D personnel accounts for 47% of all employees

To attain our strategic goals in business, we are currently building up our strength in software for products and cloud services. With our headquarters based in Taiwan, D-Link Technology is constrained by Taiwan's manpower structure. In 2015, research staff accounted for 47% of our total employee strength; in Taiwan, the majority of university graduates who majored in informatics, information engineering, electronics, and other related areas of specialization are male, which is a common phenomenon in Taiwan. Hence, at D-Link Technology, male employees account for 59% of total employee strength, whilst female employees make up the other 41%. Despite this, we insist on meritocracy and allocate jobs based on suitability and capabilities. As such, a good balance in gender ratio is maintained at the management level.

▼ 2015 Gender Ratio and Age Distribution of Incoming/Outgoing Employees in Taiwan

Categories of workers	Gender	Total	Below 29 years old	30-39 years old	40-49 years old	Above 50 years old
Incoming	Male	64%	15%	31%	13%	5%
	Female	36%	10%	21%	5%	0%
Outgoing-	Male	68%	6%	39%	15%	8%
	Female	32%	5%	20%	6%	1%

Reasonable and Equitable Wage Policy

D-Link strongly believes that our employees are our greatest asset. We determine the wage of each employee based on his/her educational background, professional knowledge and expertise, professional experience, and personal performance. All wages are compliant with local laws and regulations. Our wage evaluation criteria are independent of gender, race, religion, political affiliation, marital status, and association with trade unions and other associations.

Implementation of Performance Management

For performance management, D-Link Technology conducts performance appraisals in July each year and in January of the subsequent year. These are done based on an open and clear performance appraisal system. The appraisal is applicable to all our employees regardless of gender, age, race, color, religion, nationality, sexual orientation, religion, disability, citizenship, experience, or political stand, and will serve as assessment criteria for staff appointment, evaluation, and promotion. With the performance management system, we aim to establish common working goals and consensus between our employees and their superiors. In addition, we hope that through these appraisals, our employees and their superiors can work to-

Employee participation in retirement plan:

100%

gether to improve on the inadequacies identified, hence driving the learning and development of both our employees and the organization. With time, we hope to make this part of our regular work, which will help us nurture and develop the talents of each employee, and thereby raise the overall competitiveness and efficiency of our organization.

Retirement Plan

In Taiwan, the local Labor Standards Law and Labor Pension Act stipulates that any employee who joined the company prior to June 30, 2005 (inclusive) is eligible for the old pension system. Under the old pension system, the employer will deposit an amount equivalent to 2% of an employee's monthly salary to their retirement fund account, which is managed by the Trust Department of the Bank of Taiwan. Contributions are made solely by the employer. Currently, the total retirement fund is valued at NT\$108 million. Employees may elect to switch to the new pension system. Under the new pension system, for each eligible employee, the employer will deposit an amount equivalent to 6% of the employee's monthly salary toward the employee's personal retirement fund account each month. On top of the employer's contribution, the employee can opt to contribute another 0% to 6% to his/her personal retirement fund account each month. In appreciation of our employees' long-term contributions to our company, we offer a retirement scheme with superior benefits for employ-

ees who draw relatively high wages under the old pension system. This is an expression of our care and respect for the employees who have served us well over a long career.

Wide Variety of Interesting Welfare Programs and Social Activities

D-Link Technology respects the needs of our employees. We hope to help each employee realize the goal of "Enjoy Your Work, Enjoy Your Life". For this reason, we have proactively planned a variety of welfare programs. For example, our employees in Taiwan benefit from labor and health insurance, childbirth subsidies/childcare leave, and labor pension (through both the new and old systems) as stipulated by our laws and regulations. Additionally, we also purchase group insurance for each employee from the day he/she reports for work (including full-time, part-time, and temporary employees). Our employees can also opt to extend this welfare and protection to their dependents at their own expense. For our employees in other regions, the local laws and regulations apply for their insurance programs. We also provide our employees with a leave system beyond the stipulations of the Labor Standards Law. Our employees are entitled to annual full-pay for the first 7 days of their medical leave, and 3.5 days of special leave in advance from the day they report for work, so that both their bodies and minds can be adequately rested and relaxed when needed.

CREATING A GENDER-EQUAL WORKPLACE

D-Link is aware of the nursing and childcare needs of our female employees. We aim to provide friendly childcare facilities and work environments to help our employees find the proper balance between body and mind, work and family. To meet the expectations of current regulations in providing a warmer, more harmonious, and better work environment, we have set up nursing rooms at our headquarters in Taiwan. In addition to providing dedicated refrigeration equipment for the storage of breast milk, we also ensure strict access control to these rooms to protect the privacy and safety of our female employees. Furthermore, based on the recommendations

of our internal evaluation and our employees, we signed agreements with competent nurseries/childcare centers in the vicinity to provide enhanced childcare options to our employees. In Taiwan, in accordance with the "Gender Equality in Employment Act" and the "Operational Standard for Unpaid Childcare Leave", any employee who has worked a full year with us and who has at least one child below the age of three may apply for unpaid childcare leave for up to two years. Upon expiration of the unpaid childcare leave, we will arrange for the employee to be reinstated in his/her original position in their original department.

▼ Parental leave statistics

Description	2015		2014		2013		2012		2011	
	Male	Female								
Actual applications for unpaid childcare leave	2	8	1	4	0	4	1	3	1	2
Expected number of reinstatements from unpaid childcare leave	2	6	1	1	1	0	1	3	0	1
Actual applications for reinstatement after unpaid childcare leave	1	3	0	0	1	0	0	3	0	1
Number of people reinstated (after unpaid childcare leave) and who continued to work for a year	0	0	1	0	0	2	0	1	1	1
Reinstatement rate1	50%	50%	0%	0%	100%	0%	0%	100%	0%	100%
Retention rate2	0%	0%	100%	0%	0%	67%	0%	100%	100%	100%

Note1 Reinstatement Rate= (actual no. of applications for reinstatement after unpaid childcare leaves in that year) / (expected number of reinstatements after unpaid childcare leave in that year) *100

Note2 Retention Rate= (no. of people reinstated from unpaid childcare leave in the previous year and who continued to work for one year) / actual no. of application for reinstatement from unpaid childcare leave) *100



Establish a Communication Channel, Listen Attentively to Employees

To build a congenial relationship between labor and management, and to promote mutual collaboration and cooperation, D-Link in Taiwan developed the "Operational Standard for Labor Meetings Policy" as stipulated in Article 83 of the Labor Standards Law. Labor representatives are openly elected according to procedures described in the aforementioned document for a term of three years. Labor meetings are held once a quarter, and are chaired in rotation by the labor representatives. In these meetings, issues relating to labor-management negotiations and major labor issues are discussed and debated; all of our employees are welcome to offer suggestions for improvement through the labor representatives. We hope to create a caring corporate environment based on respect for people and human rights, and to protect the labor organization and its group negotiation rights. This will help to promote healthy and positive labor-management communication. In the event of a major change in the company's operations, on top of capital-labor negotiations through the local channels of communication, notice periods will be served in accordance with local regulations.

Open and Positive Communications

D-Link is committed to safeguarding the rights of our employees. Beyond providing a positive environment to facilitate communication with our employees, we also have a management system that handles general and sexual harassment complaints, as well as various channels for communication and complaints (Hotline: 02-6600-0123 ext 1850; Private mailboxes: dlink850@dlink.com.tw; dlink850@yahoo.com.tw). Confidentiality is strictly observed to protect the privacy of the employees involved in complaints and other incidents. In 2015, there were no breaches in any labor rights as laid out by the labor authority. There were also no public or legal incidents involving a violation of human rights. In the event of any incident involving a violation of human rights or mismanagement, our employees are encouraged to voice their concerns via the available channels of communication; confidentiality of personal information is strictly observed to protect our employees' privacy and confidentiality.



Defending Workers' Human Rights

D-Link also advocates freedom of employment, which means all work should be done voluntarily. No employee should be forced to work against their will through coercion, mortgages, unreasonable contracts, or restraint of freedom. It is clearly stated in D-Link's CSR Code of Conduct that child labor is strictly prohibited; the employment of children below the minimum legal age is forbidden. Furthermore, to protect the mental and physical health of minors, it is also prohibited to force minors to work in difficult or dangerous conditions. There were no reports of slavery or human trafficking in 2015.

The following are our commitment to human rights policy:

- Ensure all work is done voluntarily and no employees have been forced or coerced into employment.
- Eliminate child labor and prohibit any worker below the age of 18 from engaging in dangerous tasks.
- Ensure all employees are entitled to at least one day of rest each week, and that weekly working hours comply with the stipulations of local laws and regulations.
- Provide our employees with a reasonable salary and benefits. Wages will be paid in accordance to relevant local laws, and wage deduction as a form of disciplinary penalty is prohibited.
- Provide our employees with varied and equal employment opportunities, and protect our employees from all forms of harassment, including sexual harassment, molestation, corporal punishment, mental or physical coercion, verbal abuse, etc.
- Ensure that no employee is discriminated or treated unfairly due to his/her race, color, religion, nationality, age, gender, sexual orientation, religion, disability, citizenship, prior experiences, or other grounds that are protected by statutory regulations.
- Respect our employees' freedom of association, and their right to participate in labor organizations and to elect representatives.
- Ensure that all our employees have equal access to education, training, and other career development opportunities.



We are committed to ensuring that every employee has been treated fairly, to eliminate bonded labor, to not hire underage workers, and not to indulge in overtime work. In the future, we will cooperate with all suppliers to continuously promote our human rights policy.

Employee Care

Motivating Our Employees Through Training Programs

The sustainable development of a company depends on long-term individual learning and the development of talent. The training and development of our employees is of prime importance to the company and we value each and every one of our employees. As such, our Human Resources Department assists each of our new employees in familiarizing with the company's policies, operations, and environment from their first day of work. Orientation trainings are also conducted bi-monthly to help new employees understand the company's products, the organization, business direction, and philosophies. To cater to different areas of specialization, the department heads and human resources department will arrange for employees to undergo on-the-job training and internal training, including common core functional training, such as DC/ BC/ KC courses, management training, such as Management Training Programs, MTP/ Management Skills Training, MSP courses, and other courses

related to marketing, business, customer service, etc. Based on the needs of each department and their professional skills requirements, our employees are also selectively chosen for specific training (e.g., marketing, business, labor safety, fire safety, specialization-related) through external agencies. Furthermore, to better respond to rapidly changing industry trends, our employees may also be required to attend external seminars or lectures to learn about the latest trends and developments. Through these actions, we hope to encourage mutual learning and growth among our employees, which will then be internalized as a driving force for overall corporate growth. Annual training sessions are also provided according to organizational goals and employees' developmental needs. Each department proposes a specific training program, which will then be organized and executed by the Human Resources Department.

▼ Employee education and training

	2015	2014	2013	2012	2011
Total training time	2,773	3,097	4,263	2,375	2,985
Average no. of persons	669	738	697	633	608
Training hours per person	4.1	4.2	6.1	3.8	4.9



TEAMWORK



Color Chart







**For the past 22 years,
we have proposed a
smarter way to
assist
disadvantaged
groups
in attaining self
sufficiency**

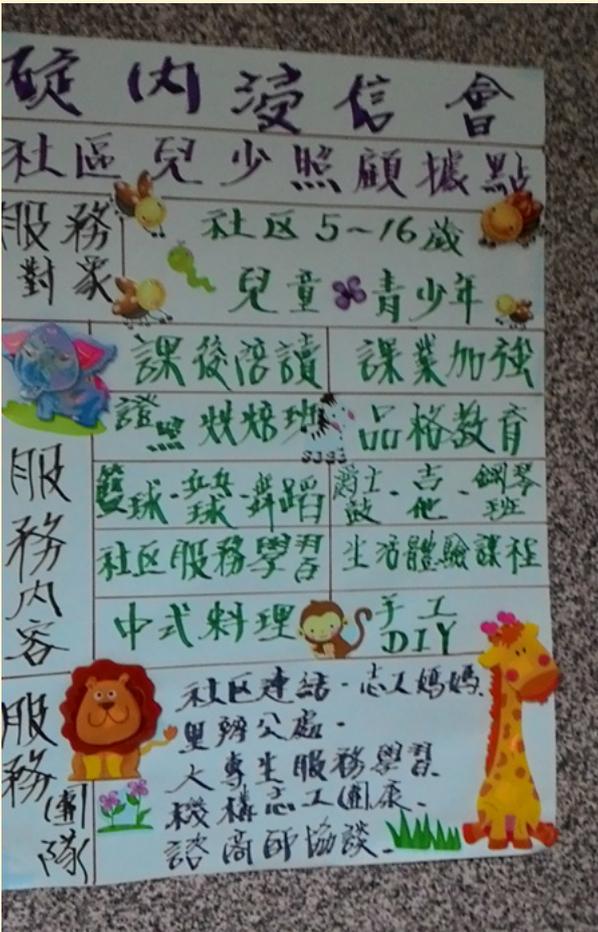
The D-Link Charitable Foundation was Set Up to Help, Care and Give Back to Society



In 1994, D-Link Technology set up the D-Link Charitable Foundation to provide social assistance, care and help for those who are in need. Its goal was to invest long term in social welfare activities such as child and youth welfare, welfare for the elderly, disability assistance, women's welfare, and medical welfare. In 2015, the D-Link Charitable Foundation was assessed by the Taipei City Bureau of Social Affairs to be the top charity fund provider. To increase the degree of involvement among our employees, we also started the Care Club, and welcome all employees to join in caring for and helping those in need. Since 2011, the cumulative amount of donations has reached a total of NT\$16,235,000 and is propor-

tioned as follows: 59% for children's welfare, 30% for youth welfare, 6% for women's welfare, and 5% for disability benefits. This year's donation recipients will be:

- Taipei City Yangming Home for the Disabled
- Kuang Jen Catholic Social Welfare Foundation
- Taipei Association of Spinal Cord Injury
- Single Leaf Association
- Taipei Neihu Women's and Family Center
- Seed Charity Association
- National Taitung University affiliated High School baseball Team
- Hualien County Holistic Care Association
- Seed Charity Association
- Sunshine Public Welfare Foundation



D-Link's Starlight Classroom Caring Service for Children from remote areas

01 Care

Tuition and dinner services. Life routines counseling

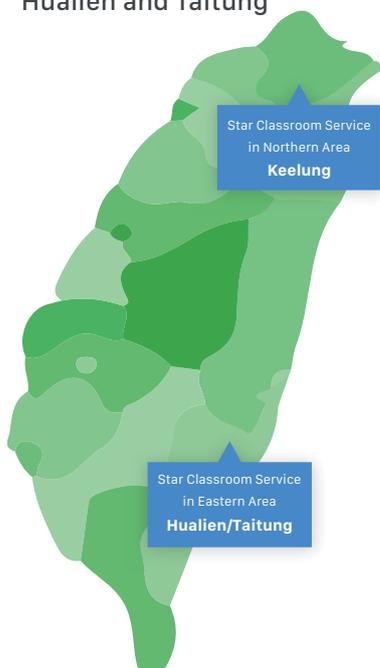
02 Learning

Free skills training

03 Developmental

Character building and social integration training

▼ D-Link's Starlight Classroom service points include Keelung, Hualien and Taitung



In 2008, D-Link set up the "Starlight Classrooms" in remote areas and within disadvantaged communities to provide care and giving at a local level. We provide subsidized meals and after-school tuition for children from grade 1 to grade 3 in Keelung, Hualien, Taitung, and other areas. On top of this, we also provide talent and skills development courses, such as computer skills, painting, kendo, etc. We hope to support both knowledge and character development in children by expanding their scope for learning and by providing a diverse curriculum. In addition, we established our company's Care Club to support our systematic involvement in social welfare activities. The project is carried out in three stages, including:

- Preliminary stage: Provide tuition and dinner. We act through local charitable organizations to address the pressing problems of a lack of tuition and meals.
- Intermediary stage: Promote "charity agriculture". We suggest that parents of the children under this program switch to cultivating organic or toxin-free crops as their main economic produce. Being of higher economic value, these crops can help to increase family incomes and can

help parents work closer to home, helping address the social problem of having no one to take care for the children at home when both parents are often away at work. This is also in line with D-Link's corporate social responsibility goal of encouraging the production of green products.

- Long-term: As the saying goes, "Give a man a fish and you feed him for a day; teach a man how to fish and you feed him for a lifetime." D-Link is fully aware that charitable organizations depend on external donations to support their social work. However, the sustainability

of social work is often affected by instability and a lack of funds. For this reason, we hope to help charitable organizations become "social enterprises", which operates much like a profitable business, with the difference being that its profits are used solely for charitable purposes. D-Link hopes to help social enterprises become self-sufficient by generating income through the sale of organic or toxin-free products. Currently, limited profits of the Seedinland social enterprise have been earmarked for the D-Link Star Classroom child care program.

Care

We provide a warm and stable learning environment for disadvantaged children whose families cannot easily care for them after school. We encourage them to complete their homework and provide them with meals, supplementing and reinforcing family functions through this form of sincere after-school care.

Learning

We provide after-school courses for children and youth from disadvantaged communities and those in remote areas who lack the resources for learning, in the hope of advancing their academic, non-academic, physical, and mental development and building up their confidence.

Developmental

We also develop specialized training programs for character building and social integration training, with the aim of building up each student's character, values and professional skills. By providing academically-challenged children with education and training in their areas of strength, we hope to increase their interactions with the outside world and prepare them for entry into the working world.

▼ Statistics on the education and training programs

Region	Name of Classroom	Starlight Dinner	After School Tutoring	Developmental Type
Keelung	Church Classroom A	√	√	
	Church Classroom B	√	√	
	Church Classroom C	√	√	
Hualien	Kendo Class E	√	√	Kendo
	Hualien Starlight Classroom 1	√	√	Cooking Class
	Hualien Starlight Classroom 2	√	√	
Taitung	Taitung Starlight Classroom 1	√	√	
	Taitung Starlight Classroom 2	√	√	
	Taitung Starlight Classroom 3	√	√	
	Taitung Starlight Classroom 4	√	√	
TOTAL			157,931	

Planting the Seeds of a Non-Profit Organization to Successfully Transition into a Social Welfare Enterprise



D-Link Corporation and the D-Link Charitable Foundation's active counseling of non-profit organizations has transformed them into social enterprises. A social enterprise refers to a business model that solves social or environmental issues, such as engaging in socially responsible activities or promoting environmentally friendly products and services, creating jobs for the disadvantaged,

and providing pro-curement for goods produced by vulnerable or marginalized groups. The organization exists as a non-profit company or organization with its own revenues and earnings. Any surplus earned is mainly reinvested in the social enterprise to continue addressing social and environmental issues rather than extracted for the benefit of its investors or owners.

In recent years, in addition to assisting school children's families to be economically independent, we have also implemented a public welfare agricultural plan. This program helps the parents of the Starlight Classroom's children to transform their agricultural methods by not using pesticides and fertilizers and substituting with natural farming techniques to produce toxin-free products which are sold at better prices. D-Link also pioneered the procurement counseling of toxin-free products and at the same time combined its efforts with public interest groups to set up an agricultural charity network sales platform. The profits are used to provide assistance to children in need of help. In 2015, the purchase of "Sunlight Rice"

to be offered as gifts to shareholders was valued at several million NT dollars.

Our business achievements and social counseling activities include:

- 2012: Successfully transformed the Seedinland Charity into the Seedinland Social Enterprise.
- 2014: Guided the Seedinland Enterprise to become the first social enterprise in Taiwan to publish a CSR report (2013 Seedinland Social Enterprise CSR report).
- 2015: Helped the Seedinland Enterprise to publish its first CSR report based on GRI G4 standards (2014 Seedinland CSR Report)
- 2015: Under the guidance of the Small and Medium Enterprise Administration of the Ministry of Economic Affairs, we held the 55th and 57th symposiums of the One Hundred Social Industries Get-Together Events.
- 2015: Under the guidance of the Ministry of Labor, held a social enterprise seminar in Hualien and Keelung.



種籽

社會企業

健康，無毒，友善土地
種籽，無毒，友善土地
力解社會企業，友善土地
明消除貧窮，友善土地
得捐助公益，友善土地

公益米



國立中央大學農業發展研究所
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APPENDIX

Appendix GRI G4 Index

GRI G4 Index			
Indicator Numbers	Indicator Description	Disclosure Status	Page(s)
General Standard Disclosures			
Strategy and Analysis			
G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	●	4
Organizational Profile			
G4-3	Report the name of the organization.	●	15-22
G4-4	Report the primary brands, products, and services.	●	15-22
G4-5	Report the location of the organization's headquarters.	●	15-22
G4-6	"Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report."	●	15-22
G4-7	Report the nature of ownership and legal form.	●	15-22
G4-8	"Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)."	●	15-22
G4-9	Report the scale of the organization.	●	15-22
G4-10	Report the total workforce contract and gender.	●	57-58
G4-11	Report the percentage of total employees covered by collective bargaining agreements.	●	57-58
G4-12	Describe the organization's supply chain.	●	15-22
G4-13	"Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain."	●	15-22
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.	●	15-22
G4-15	"List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses."	●	15-22
G4-16	"List memberships of associations (such as industry associations) and national or international advocacy organizations."	●	15-22
● covered in the report ◐ partially covered in the report			

GRI G4 Index			
Indicator Numbers	Indicator Description	Disclosure Status	Page(s)
Identified Material Aspects and Boundaries			
G4-17	"List all entities included in the organization's consolidated financial statements or equivalent documents. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report."	●	7-10
G4-18	"Explain the process for defining the report content and the Aspect Boundaries. Explain how the organization has implemented the Reporting Principles for Defining Report Content."	●	7-10
G4-19	List all the material Aspects identified in the process for defining report content.	●	7-10
G4-20	For each material Aspect, report the Aspect Boundary within the organization.	●	7-10
G4-21	For each material Aspect, report the Aspect Boundary outside the organization.	●	7-10
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	●	7-10
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	●	7-10
Stakeholder Engagement			
G4-24	Provide a list of stakeholder groups engaged by the organization.	●	11-12
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	●	11-12
G4-26	"Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process."	●	11-12
G4-27	"Report 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. Report the stakeholder groups that raised each of the key topics and concerns."	●	11-12
Report Profile			
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	●	7-10
G4-29	Date of most recent previous report (if any).	●	7-10
G4-30	Reporting cycle.	●	7-10
● covered in the report ◐ partially covered in the report			

GRI G4 Index			
Indicator Numbers	Indicator Description	Disclosure Status	Page(s)
G4-31	Provide the contact point for questions regarding the report or its contents.	●	7-10
G4-32	Report the 'in accordance' option the organization has chosen.	●	7-10
G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report.	●	7-10
Governance			
G4-34	Report the governance structure of the organization.	●	27-34
Ethics and Integrity			
G4-56	"Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics."	●	27-34
SPECIFIC STANDARD DISCLOSURES			
Category: Economic			
Aspect: Economic Performance			
G4-EC1	Direct economic value generated and distributed	●	23
Category: Environmental			
Aspect: Energy			
G4-EN7	Reductions in energy requirements of products and services	●	67-71
Aspect: Emissions			
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2)	●	51
Aspect: Effluents and Waste			
G4-EN23	Total weight of waste by type and disposal method	●	51
Aspect: Products and Services			
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	●	38-45
Aspect: Compliance			
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	●	48
● covered in the report ◐ partially covered in the report			

GRI G4 Index			
Indicator Numbers	Indicator Description	Disclosure Status	Page(s)
Aspect: Supplier Environmental Assessment			
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	●	52
Aspect: Environmental Grievance Mechanisms			
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	●	38
Category: Social			
Sub-category: Labor practices and decent work			
Aspect: Employment			
G4-LA3	Return to work and retention rates after parental leave, by gender	●	60
Aspect: Training and Education			
G4-LA9	Average hours of training per year per employee by gender, and by employee category	●	53
Aspect: Equal Remuneration for Women and Men			
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	●	60
● covered in the report ◐ partially covered in the report			



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