



## ASSURANCE STATEMENT

### **SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE MERRY ELECTRONICS CO., LTD.'S CORPORATE SOCIAL RESPONSIBILITY REPORT FOR 2018**

#### **NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION**

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by Merry Electronics Co., Ltd. (hereinafter referred to as MERRY) to conduct an independent assurance of the Corporate Social Responsibility Report for 2018 (hereinafter referred to as CSR Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the sampled text, and data in accompanying tables, contained in this report.

The information in the MERRY's CSR Report of 2018 and its presentation are the responsibility of the management of MERRY. SGS has not been involved in the preparation of any of the material included in MERRY's CSR Report of 2018.

Our responsibility is to express an opinion on the report content within the scope of verification with the intention to inform all MERRY's stakeholders.

The SGS protocols are based upon internationally recognized guidance, including the Principles contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) 101: Foundation 2016 for accuracy and reliability and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

This report has been assured using our protocols for:

- AA1000 Assurance Standard (2008) Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2008) at a moderate level of scrutiny; and
- evaluation of the report against the requirements of Global Reporting Initiative Sustainability Reporting Standards (100, 200, 300 and 400 series) claimed in the GRI content index as material and in accordance with.

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, CSR committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant. Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

#### **STATEMENT OF INDEPENDENCE AND COMPETENCE**

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from MERRY, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.



The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

#### **VERIFICATION/ ASSURANCE OPINION**

On the basis of the methodology described and the verification work performed, we are satisfied that the information and data contained within MERRY's CSR Report of 2018 verified is accurate, reliable and provides a fair and balanced representation of MERRY sustainability activities in 01/01/2018 to 12/31/2018.

The assurance team is of the opinion that the Report can be used by the Reporting Organisation's Stakeholders. We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting. In our opinion, the contents of the report meet the requirements of GRI Standards in accordance with Core Option and AA1000 Assurance Standard (2008) Type 1, Moderate level assurance.

#### **AA1000 ACCOUNTABILITY PRINCIPLES (2008) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS**

##### **Inclusivity**

MERRY has demonstrated a commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, CSR experts, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, MERRY may proactively consider having more direct two-ways involvement of stakeholders during future engagement.

##### **Materiality**

MERRY has established processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

##### **Responsiveness**

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

#### **GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS**

The report, MERRY's CSR Report of 2018, is adequately in line with the GRI Standards in accordance with Core Option. The material topics and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material topics and boundaries, and stakeholder engagement, GRI 102-40 to GRI 102-47, are correctly located in content index and report. Due to the fact that comparability is necessary for evaluating performance, MERRY is encouraged to report information in a manner that enables stakeholders to analyze changes in the organization's performance over time in future reports. Also, when reporting on goals and targets for each material topic, the expected results are suggested to be set, if applicable, with quantitative objectives.

##### **Signed:**

For and on behalf of SGS Taiwan Ltd.



David Huang  
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Taipei, Taiwan  
12 August, 2019  
WWW.SGS.COM



**AA1000**  
Licensed Assurance Provider  
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