

LRQA Independent Assurance Statement Relating to INDUSTRY SAFETY AND HEALTH ASSOCIATION Sustainability Report 2016, for the calendar year of 1st January 2012 to 31st December 2016

This Assurance Statement has been prepared for INDUSTRY SAFETY AND HEALTH ASSOCIATION in accordance with our contract but is intended for the readers of this Report.

Terms of Engagement

Lloyd's Register Quality Assurance Ltd. (LRQA) was commissioned by INDUSTRY SAFETY AND HEALTH ASSOCIATION (ISHA) to provide independent assurance on the Chinese version of its Corporate Sustainability (CSR) Report for the calendar year 2012 to 2016 ("the Report") to a limited level of assurance using LRQA verification approach.

Our assurance engagement covered ISHA's operations and activities in Taiwan and specifically the following requirements:

- Confirming that the report refer to:
 - GRI G4's Sustainability Reporting Guidelines, core option
- Evaluating the accuracy and reliability of data and information in the report

Our assurance engagement excluded the data and information of ISHA's subsidy, branches suppliers, contractors and any third-parties mentioned in the Report.

LRQA's responsibility is only to ISHA. LRQA disclaims any liability or responsibility to others as explained in the end footnote. ISHA's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of ISHA.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that ISHA has not, in all material respects:

- Met the requirements above
- Disclosed accurate and reliable performance data and information as no errors or omissions were detected
- Covered all the issues that are important to the stakeholders and readers of this Report.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a limited level of engagement is less than for a reasonable level of assurance engagement. Limited level engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited level of assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable level of assurance engagement been performed.

LRQA's Approach

LRQA's assurance engagement was carried out using LRQA's verification approach. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Assessing ISHA's approach to stakeholder engagement to confirm that issues raised by stakeholders were captured correctly. We did this by reviewing its past and current engagements with its main stakeholders through various communication tools and events that establish and promote dialogues and information exchanges.
- Reviewing ISHA's process for identifying and determining CSR material issues to confirm that the right CSR issues were included in their Report. We did this by benchmarking reports written by ISHA and its peers to ensure that sector specific issues were included for comparability. We also tested the filters used in determining material issues to evaluate whether ISHA makes informed business decisions that may create opportunities that contribute towards sustainable development.
- Auditing ISHA's data management systems to confirm that there were no significant errors, omissions or mis-statements in the Report. We did this by reviewing the effectiveness of data handling processes and systems, including those for internal verification. We also spoke with key people in various departments responsible for compiling the CSR performance data.
- Visiting ISHA's facility at their head office at 6 Floor, No. 10, sec. 6 Roosevelt Road, Taipei, Taiwan, and reviewing supporting evidence to confirm the accuracy and reliability of the data and information in the Report.
- Interviewing middle and senior management at ISHA's head office.
- Checking that the GRI index allows stakeholders to access sustainability performance indicators.

Note 1: Economic performance data was taken direct from the audited financial report by 3rd party.
Note 2: No source data was sampled and verified for accuracy and completeness.

Observations

Further observations and findings, made during the assurance engagement, are:

- **Stakeholder inclusivity:**
We are not aware of any key stakeholder groups that have been excluded from ISHA's stakeholder engagement process. ISHA is committed to being accountable to its stakeholders. In our opinion ISHA have identified their stakeholder groups, engaged with them and then used this information to develop their sustainability vision, strategy, targets and key action plans.
- **Materiality**
We are not aware of any material issues concerning ISHA's sustainability performance that have been excluded from the Report. ISHA has identified and evaluated its material issues by questionnaire and self-study from the ISHA CSR survey and public available information.
Risk assessment criteria have been agreed before the reporting to determine which sustainability issues are material and these appear appropriate.
- **Responsiveness**
Processes were taken to respond to shareholders, government authorities, customers, employees, supplier and communities (7 categories of interested parties) either by inclusion in this Report or through other communication channels.
- **Reliability**
The processes for collecting, aggregating and managing sustainability performance information were established with reference to GRI G4 requirements. Effective implementation of these processes will ensure that ISHA reports reliable sustainability performance information.

LRQA's standards, competence and independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition and ISO/IEC 17021 Conformity assessment – Requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of the International Standard on Quality Control and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

The verification and certification assessments, together with the training, are the only work undertaken by LRQA for ISHA and as such do not compromise our independence or impartiality.

Signed

Dated: 27 Aug. 2018

Kuo-Pao Huang



LRQA Lead Verifier

On behalf of Lloyd's Register Inspection Ltd. Taiwan Branch
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