



ASSURANCE STATEMENT

SGS TAIWAN LTD.'S INDEPENDENT ASSURANCE STATEMENT ON SUSTAINABILITY ACTIVITIES IN LINGSEN PRECISION INDUSTRIES, LTD.'S CORPORATE SOCIAL RESPONSIBILITY REPORT OF 2013

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by LINGSEN PRECISION INDUSTRIES, LTD. (hereinafter referred to as LPI) to conduct an independent assurance of the Corporate Social Responsibility Report (hereinafter referred to as CSR Report) of 2013. The scope of the assurance, based on the SGS Sustainability Communications Assurance methodology, included the text, and data in accompanying tables contained in this report.

The information in the LPI's CSR Report of 2013 and its presentation are the responsibility of the superintendents, CSR implementation team and the management of LPI. SGS has not been involved in the preparation of any of the material included in the LPI's CSR Report of 2013.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance set out below with the intention to inform all of LPI's stakeholders.

The SGS Group has developed a set of protocols for the Assurance of Sustainability Communications based on current best practice guidance provided in the Global Reporting Initiative (hereinafter referred to as GRI) Sustainability Reporting Guidelines. These protocols follow differing options for Assurance depending the reporting history and capabilities of the Reporting Organization.

This report has been assured using our protocols for:

- evaluation of content veracity at a moderate level of scrutiny; and
- evaluation of the report against the GRI Sustainability Reporting Guidelines (G3.1 2011).

The assurance comprised a combination of pre-assurance research; interviews with relevant superintendents, CSR implementation team and the management; 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 affirms our independence from LPI, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors experienced in one or more of the following; AA1000, GRI, ISO 26000, ISO 20121, ISO 14001, OHSAS 18001, SA8000, SMETA, EICC, ISO 50001, QMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SGS Integrating Sustainability Communications service provision.

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 LPI's CSR Report of 2013 verified is accurate, reliable and provides a fair and balanced representation of LPI sustainability activities in 01/01/2013 to 12/31/2013.

The assurance team is of the opinion that the report can be used by the Reporting Organization's Stakeholders. We believe that the organization has chosen an appropriate level of assurance for this stage in their reporting. The report is the first to be assured by an independent assurance team and LPI has taken a bold step by offering the report to evaluation against GRI G3.1 guidelines. This shows a deserved confidence in their reporting process.

In our opinion, the contents of the report meet the requirements of GRI G3.1 Application Level B⁺.

GLOBAL REPORTING INITIATIVE REPORTING GUIDELINES CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

The report, LPI's CSR Report of 2013, is adequately in line with the GRI G3.1 Application Level B⁺. LPI is committed to being accountable to its stakeholders and to integrating inclusivity into its strategic and management approach. A variety of engagement efforts are implemented to underpin LPI's understanding of stakeholder concerns. For future reporting, LPI may proactively consider having more direct involvements of stakeholders during future engagement. The process to assess materiality may be integrated and formalized in LPI's management framework to ensure consistent result.

It is encouraged to adopt GRI G4 in LPI's next report. Addressing on some performance indicators in accordance with disclosure requirements may be further enhanced in future reporting. Further disclosure on performance of supply chain management and DMA (Disclosure on Management Approach) for material aspects and impacts outside of the organization are also recommended.

Signed:

For and on behalf of SGS Taiwan Ltd.



Dennis Yang, Chief Operating Officer

Taipei, Taiwan

28 October, 2014

WWW.SGS.COM