

2019

# CSR

Corporate Social Responsibility

# Report



# GUC

Global Unichip Corporation

# Contents

About this Report	2
GUC CSR Policy	4
About GUC	26
Corporate Governance	30
Economic Performance	42
Environmental Benchmarks	46
Employee Care	62
Social Participation	80
Appendix	84





This is the 9th time that GUC has prepared a Corporate Social Responsibility (CSR) Report. We will continue to publish these reports on a yearly basis. There is no major organization, structure, ownership, and supply chain changes during the report timeline. This report is not only in response to sustainability issues of concern of stakeholders, including shareholders, employees, customers, suppliers, government, and society, but also reveal our implementation of those major issues in our sustainable development process.

This report is prepared according to GRI guidelines specified by the TWSE. We have earned the Independent Third Party GRI Standards & AA1000 Double International Assurance Statement issued by British Standards Institution (BSI).

### Report Timeline

This report presents GUCs CSR progress for the period from Jan. 1st to Dec. 31st, 2019.

### Last Report Date

May 29, 2019.

### Report frequency

In annual basis.

### Report Scope and Boundaries

The report covers CSR-related data and activities of GUC's Hsinchu Headquarters and Taipei Office in Taiwan only, and does not include our overseas subsidiaries and liaison offices. The data is related to our performance in financial, environmental and social aspects. However, only financial information covers both GUC's Headquarters and its overseas subsidiaries and liaison offices.

### Reference

This report follows the Global Reporting Initiative, Sustainability Reporting Standards, (GRI) and in accordance with core option of General Standard Disclosures and Specific Standard Disclosures and a cross-reference table of GRI content index is attached at the end of the report.

### Third-Party Assurance

This report has received assurance from third parties. We have earned the Independent Third Party Assurance Statement issued by British Standards Institution (BSI). The criteria used for this assurance are as follows:

- AA1000 Assurance Standard (AA1000AS, 2008) with 2018 Addendum

### Contact Information

This report is available on GUC's company website. You are welcome to contact us if you have any suggestions or questions concerning this report:

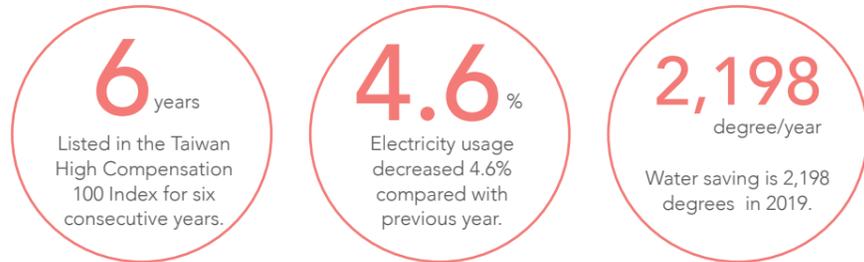
Address: No. 10, Li-Hsin 6th Rd., Hsinchu Science Park, Taiwan, R.O.C.

Contact : Asia Lin, Department Manager

Tel: 886-3-5646600#6868

Email: irinfo@guc-asic.com

Website: <http://www.guc-asic.com>



## 2.1 Our Vision \ Mission and Faith

### Our Vision

Become the world ASIC Supplier Leader

### Our Mission

To be an advanced ASIC Leader offers total services and implement customers' idea in a short period of time.

### Our Faith

Technological Innovation \ Quality Improvement \ Excellence Service

### Our Implementation Policy

To promote business behavior in keeping with integrity and morals, and to support compliance with legal order, we have established our internal Ethics Code of Conduct (the 'Code') which is called 'Procedures for Ethical Management, Ethics & Business Code of Conduct.' in accordance with 'Taiwan Corporate Conduct and Ethics Implementation'. Internally, we require all employees to comply with ethical values and business conduct, and report to the board on a regular basis if there is any violation of business ethics.

In environment protection, GUC is committed to environmental sustainability; adhere to the green design and green supply chain, and in pursuit of the best efficiency of resources to reach the goal of waste reduction and pollution prevention and control. In social care, GUC combined with the company's

resources and employee's spontaneous love, to help people or disadvantaged with money, materials and manpower, and to provide vulnerable groups life assistance and emergency donation and planned beach or mountain cleaning activities in family day.

## 2.2 Important Achievement in 2019

In this report, we will discuss the performance of corporate social responsibility in 2019 and how we focus on the issues that stakeholders are paying attention to. More importantly, we hope through the excellent corporate value show, play a friendly society of the positive cycle. Most importantly, through the demonstration of our excellent corporate value, we have exerted a positive society-friendly cycle. Here are some important features:

### Economy

01. Net sales reached NT\$10.71 billion in 2019, dropped by 20% on YoY basis. After-tax profit was NT\$633 million and EPS was NT\$4.73 in Y2019, both dropped by 36% on YoY basis.
02. GUC was listed in the Taiwan High Compensation 100 Index published by Taiwan Stock Exchange for six consecutive years.
03. GUC was awarded "the Top 5% companies" in the first to sixth Corporate Governance Evaluation of Listed Companies by Taiwan Stock Exchange.

### Environment

01. In response to the headcount increase in 2019, GUC set the annual electricity saving target for 2019: increase / year (3%), the actual execution: decrease / year (4.6%), which exceeded the target.
02. GUC set the annual water saving target for 2019 is an increase of 522 degrees / year. To support our headcount increase, which rate is 3% in 2019 but actual water saving is 2,198 degrees / year, which also exceeded the target.
03. 5nm/7nm HBM2E3.2Gbps PHY+Controller both are silicon-proven in TSMC and the efficiency can be improved by 30% compared with HBM2.0.

04. Completed development of low power consumption 7nm Pipeline TCAM IP. This IP can be widely used in networking equipment, like IP switch router and data center. And it will significantly increase the efficiency of advanced chips by more than 2GHz. The power consumption can be reduced by 10%~40% because of its flexible design, which is really helpful for environmental energy saving.

### Society

01. GUC Donated 114 computers to Triple E Institute and 44 notebooks to Engineers without Borders in 2019.

## 2.3 Letter from the CSR Committee Chairperson

Facing global climate change and an uncertain world, every enterprise in the global village should fulfill its social responsibilities and implement the ideal of developing a better society with common good.

GUC never forgot the responsibility as a corporate citizen. As a professional IC design service leader, we accelerates the flow of innovation in IC design and product applications with the partnership of TSMC and its advanced technology; using technology to serve people and improve the quality of human life, work and entertainment.

GUC works hand- in- hand with customers through its three missions of "Technological Innovation \ Quality Improvement \ Excellence Service" to usher all the necessities of human daily life towards an intelligent future and use innovation to bring prosperity and happiness. Nonetheless, technological progress and corporate growth are only meaningful in a sustainable society and environment. That is why GUC endeavors to be a force that uplifts society, and does its utmost to fulfill its responsibilities as a corporate citizen through Integrity and Caring for the Disadvantaged.

Integrity is not only GUC's foremost mission in corporate social responsibility, it

is a fundamental part of our core values and business philosophy, and most of all our highest principle for doing business, because we believe transparent business operations are keys to initiating change in society. So corporate governance is GUC's top priority, which must be guided by integrity, balance the interest of all stakeholders in order to continue creating value.

Corporate social responsibility requires a company to attend to corporate governance and pursue profitable growth, while also paying attention to environment, society, and other non-economic benchmarks. GUC already invested in research and development on 5nm design flow and key IPs, in order to meet customers' large designs needs of fast introduction, quick resolution of customer problems and successful signoff, and help raise prospective system and IC companies' market leading positions. In addition to pursuing the highest accomplishments in our core business, GUC uses its influence to fulfill its responsibilities in environmental protection and supply chain management.

In 2019, GUC invested nearly NT2, 060 thousand to replace energy-saving tubes, new equipment with high-efficiency and low-energy and operating time adjustment of high-energy equipment, saving 190,235 degrees and reducing CO2 emissions by 106 tons per year. Water conservation measures were implemented to save a total of 777 metric tons of water and a total of 31,334 kg of recycling for hazardous waste. In terms of sustainable supply chain, we established a certification system for suppliers. Based on this system, we set corresponding measurement benchmarks and management goals, implementing supplier qualification and elimination, and brought their upstream suppliers and contractors into the scope of our sustainable action.

We start to compile Corporate Social Responsibility Report since 2012 and this report has received assurance from third parties(British Standards Institution (BSI)) annually since 2015. Corporate Social Responsibility Report serves as a survey of the Company's sustainability status, and drives each organization to improve. This is because the process of preparing information for the CSR Report leads us to evaluate major issues of concern, set our execution strategy as well as mid- to long-term goals, and propose plans for improvement.

As a member of global village, GUC believes in and supports the United Nations Sustainable Development Goals (SDGs). Through the operations of the CSR Committee, we have made a thorough survey of the ways that the SDGs align with GUC's operations, and encourage employees to consider together how to take action on sustainability in their daily work (CIS). We hope that corporate social responsibility can help to drive our company's team spirit and then establish a culture of corporate social responsibility, so that all colleagues internalized into their core value, and build a challenging workplace which is valuable to society. If every one of our colleagues can take the initiative to care about the people around them, then I believe that the sustainable society we speak of will not just be a vision and an ideal, but a beautiful reality that you, I, and all future generations can enjoy.



Senior Vice President and Chairperson of  
the Corporate Social Responsibility Committee

## 2.4 CSR Management

In 2015, GUC established the "Corporate Social Responsibility Promotion Committee", and the Board of Directors appointed Chief Financial Officer as Chairman of the Committee. Representatives from various departments, including human resources, investor relations, legal, operations, environmental facility safety, finance, customer service, research and development, design services, etc., meet regularly every year to promote relevant activities and review the implementation for continuous improvement, the chairman of the committee regularly reports to the board of directors the Corporate Social Responsibility Report certified by "British Standards Association"

## 2.5 CSR Policy

GUC has been considering not only the economic value of corporate creates, but also balance the interests of stakeholders and implement our corporate social responsibilities without hesitation. It builds sustainable value for GUC and its stakeholders. Our management team is committed to establishing a management system to ensure that GUC and suppliers comply with our standard.

## 2.6 Stakeholder Communication Channels

According to 'GUC Social Responsibility Best Practice Principles', the commission is composed of cross-department representatives in order to implement corporate social responsibility initiatives. GUC sorts out the stakeholders into 6 categories: shareholders, employees, customers, suppliers, government, and society. GUC pursues the sustainable development in order to meet the stakeholders' demands and expectations. Through the establishment of long-term business development and integrity with a clear, effective, and real-time communication channels to the stakeholders. And representatives from each team continued to communicate with stakeholders and in the ordinary course of business collect questionnaires and comments to the interested parties to do all the management issues and achieve related issues of corporate social responsibility.

The basic objective of this report is as follows:

- Fully understand the major concerns of stakeholders and keep improving CSR performance.
- Meeting the expectations of different stakeholders is always our goal to become sustainable business

### 2.6.1 GUC stakeholders' management procedures

GUC's stakeholders' management procedure is divided into identification, analysis, planning, and management of four steps:

- Identification of stakeholders: Stakeholders are defined within GUC impact on GUC or affected by external groups or individuals. Therefore, we identified GUC's stakeholders including shareholders, employees, customers, suppliers, government agencies and community.
- Analysis of major stakeholders concerned issues: issues of concern after major stakeholders completed questionnaires were collected, according to their degree of concern about the influence and GUC establish communication platform GUC interested parties, and the establishment by the teams in charge of the unit Multiple communication channels, and interested parties aggregated issues of concern, considering the GUC concept of sustainable development, taking into consideration the surface GRI, 19 interested parties identified issues of concern, and the concern suffered by the subject assessment and analysis of significant degree.
- Stakeholders related programs: GUC basis of the preceding analysis of the relevant team result set management approach into their daily or annual work plan and regular review and assessment of the effectiveness of the management approach, as the company sustainable development strategy important reference.
- Interested party management: GUC based on the importance of the interested parties and have varying degrees of interaction with the effective use of company resources and create mutually beneficial win-win relationship.

### 2.6.2 Stakeholder Interaction

#### General Shareholders

- Annual General Shareholders Meeting is held in Q2
- CSR report & Annual Report are released annually
- Financial result is release quarterly
- Communicate with GUC by phone and e-mail
- Semi-annual Investor Conference
- Participation in Investor Forum or Investor Conference held by both domestic and foreign investment agent and securities companies
- Reception for investors, domestic and foreign investment agent and securities companies from time to time
- Public information release on MOPS and corporate website

#### GUC reply

- Financial performance/Based on International Financial Accounting Standards, Taiwan-IFRSs and the relevant laws and regulations complete various types of financial statements, and analyze and explain the financial differences of different periods.
- Business Strategy/Explanation of GUC's mid-to-long-term development direction and corresponding strategy.
- Dividend Policy/ Explanation of GUC's dividend policy and influencing factors.
- Corporate governance/ Communication between investors the corporate governance related information.

#### Employees

- Corporate general announcement
- Quarterly employees conference and other regular meetings
- Mailbox for appeals from employees
- Questionnaire surveys & HR service
- EFS service center
- Employee assistance program

**GUC reply**

- Work-Life Balance / EFS Service Center and External Consulting Assistance
- Labor Relations and organizational identification from employees/Staff Communication Conference Q&A
- Anti-discrimination and equality of work rights / through internal audit, RBA and other units to monitor
- Attract and retain talent / provide competitive compensation and benefits
- Human rights policy/compliance with the regulations of the location of the operation site, and treat all employees with dignity

**Customers**

- Customer audit
- Customer meeting
- Annual tech symposium
- Client satisfaction survey
- Complied with customer's requests of industry and social responsibility survey.
- Mailbox for appeals from customers
- Instant response to customer complaints (ACSS system)
- On-time delivery (KPI)

**GUC reply**

- Management of Hazardous Substance of our product /GUC complies with RBA regulations
- Environmental Management and Pollution Prevention / GUC complies with RBA regulations
- Customer Service and Handling complaints/ Feedback through questionnaires and surveys from sales team.
- Handling and checking of customer complaints by system.

**Suppliers**

- Supplier information platform
- Irregular supplier audit
- Irregular interviews and meetings
- Regular questionnaire surveys
- Propaganda of Code of Business Conduct

**GUC reply**

- Conflict Minerals /Request a supplier declaration or signing
- Code of Business Conduct& Supplier Code of Conduct/Suppliers are required to follow RBS regulations, by declaration or signing.

**Government**

- Official documents receiving and delivering.
- Corporate financial statement
- Offering relevant reports in response to the demands and regulations from government authorities
- Communication with government authorities via associations or unions
- Industry-Government-Academia seminar

**GUC reply**

- Water resource management/ Recycled water utilization and recycling
- Waste management/ Full-time department promote waste reduction, including source reduction, office recycling, etc.
- Energy management/promoting the replacement of energy-intensive equipment by Employee Facilities Services
- Regulations and system/pay attention to regulations and compliance, and suggestions and responses are timely given through communication channels

**Society**

- Irregular press release about new technologies and new products
- Monthly Revenue press release
- Quarterly operating results release
- Participation in support programs to media charity activities
- Publishing CSR Report
- Official Website and email
- Participation in activities to minimize the risk of damage from the disaster.
- Participation in the dream project of the disadvantaged families
- Questionnaire survey
- Company and school collaboration program
- Summer interim program
- Company visiting program

**GUC reply**

- Social benefit/ Actively participate in public welfare projects and make contribute to the society'
- Talent Recruitment / Talent training, development and providing career guidance.
- R&D innovation/encourage patent applications and provide bonuses
- Hire teachers from universities to make suggestions on the issues of business sustainability

**2.7 Identify Material Aspects and Boundaries**

We identify material aspects and boundaries through identification, prioritization, validation and review. After GUC's internal meeting, we sort out the 'Relevant Topics', which is a list of issues to be included in this CSR Report.

The issues are selected based on the 2 directions from "Global Reporting Initiative, Sustainability Reporting Standards" (GRI ) Topics and standard disclosures in the step 1.

Prioritize the referred issues based on the 3 principles for relevant topics in the step 2, which includes: Stakeholder Inclusiveness: The organization should identify its stakeholders, and explain how it has responded to their reasonable expectations and interests. Materiality:

Reflect the organization's significant economic, environmental and social impacts. Sustainability Context: Discrepancy of the corporation's contribution to the improvement or deterioration of economic, environmental and social conditions, developments, and trends. We use surveys to collect the main issues concerned by our stakeholders and 125 surveys were recovered.

In accordance with the Completeness Principle of GRI, we validate the dimensions of scope and aspect boundaries. The prioritized Material Aspects list has been verified by top decision makers. After the report has been published, a review of this report is prepared for the next reporting cycle. The result of the review would be helpful for the Identification Step for the next reporting cycle. There is not any restated compare to the previous year's report.

**Material Topics**

01. R&D Innovation
02. Customer Relations
03. Sustainable Development
04. Product Quality and Competiveness
05. Climate Change
06. Supply Chain Management
07. Corporate Governance

**Secondary topics**

01. Employee Relations and Compensation Packages
02. Ethical Practice
03. Occupational Safety and Health
04. Labors' Rights
05. Employee Development
06. Green Products and Productions

**General topics**

- 01. Social Participants
- 02. Environmental Policy
- 03. Risk Management
- 04. Greenhouse Gas Reduction
- 05. Environmental Protection Expenditure
- 06. Water resources management.

**▼ Analysis statistics of major considerable issues.(● Highly Valued )**

Material topics		Internal			External		
		Employees	Shareholders	Customers	Suppliers	Government,	Society
Economic Category	Corporate governance	●	●	●	○	●	●
	Ethical Practice: anticorruption, anti-monopoly	○	●	○	○	●	●
	Customers Relations	●	●	●	○	○	●
	Products quality and competitiveness	●	●	●	●	○	○
	R&D Innovation	●	●	●	●	○	○
	Risk Management	○	●	○		○	
	Sustainable Development	●	●	●	●	●	●
Environmental Indicators	Climate Change (greenhouse gas reduction)	●	○	●	●	●	○
	Environmental policy	○		○	○	○	
	Green Product and Operations	○	○			●	●
	Environmental energy saving expenditure	○		○		●	○
	Product Responsibility	○	●	○	○		
	Water Resources Management	○		○		○	○
Social Category	Social Participants	○				○	●
	Occupational safety and health	●	○	○	○	●	
	Employee Development	●	○	○			●
	Employee relations and Compensation Packages	●		○	○	○	●
	Labors' Rights	●	○			●	●
	Supply Chain Management	○	●	●	●	○	○

▼ Explanation of major considerable issues : Climate Change and Supply Chain Management are new items in 2019, which indicated that our stakeholders are paying more attention on those topics..

▼ Difference of major considerable issues correspond to GRI topics : GRI 102-2/ GRI 102-15/GRI 102-16/GRI 103-2/GRI 302-5/GRI 306-2/GRI 308-1 are new major considerable issues in 2019.

▼List of Material Topics and Management Policy

**R&D Innovation**

Strategies	Development of core products
Visions	Become the ASIC Supplier Leader
Resources	Invested NT2.22 billion in 2019.
Actions	<ul style="list-style-type: none"> <li>Completed 7nm, 6nm and 5nm design flow.</li> <li>7nm HBM2E-2.4G PHY was silicon verified.</li> <li>7nm HBM2E-3.2G PHY was silicon verified.</li> <li>5nm HBM2E-3.2G PHY was silicon verified.</li> <li>Completed design flow og 5nm HBM2E-3.2G IP (PHY &amp; Controller) total solution in combination of TSMC CoWoS packaging technology,</li> <li>7nm 16G SerDes was silicon proven.</li> <li>12nm 28G SerDes was silicon proven.</li> <li>12nm 7.2G high-speed ADC/DAC was silicon proven, which is a significant technical milestone through close collaboration with 5G wireless leading customer.</li> </ul>
GRI Standard Index	GRI 201
Effectiveness assessment	5nm/7nm HBM2E3.2Gbps PHY+Controller both are silicon-proven in TSMC and the efficiency can be improved by 30% compared with HBM2.0.
Targets	Continue to invest in development of HBM3.

**Customers Relations**

Strategies	QBR analysis of customer problems and continue to prevent and improve them. And conduct security control on customer' information, integrate the work processes of customers and GUC to ensure that customers' products are successfully released to the market.
Visions	Become a long-term and trusted partner of customers, and grow with them on the basis of mutual-benefits and win-win.
Resources	Provide customers with instant communication channels (reply within 24 hours)
Actions	<ul style="list-style-type: none"> <li>Established internal Standard operating procedures and norms, such as 'Confidential Information Protection Policy' and 'Confidential Information Control Protocol'.</li> <li>Every department director assigns representative to form 'Proprietary Information Protection' committee, which is responsible for the control of whole company's confidential information. The tasks for the committee include discussing, establishing, auditing and implementing of the privacy operation. The committee is held every two months and will discuss issues about confidential information control and making resolutions. The committee launches interim meetings under certain occasions.</li> <li>E-mail Monitoring</li> <li>USB Data Access Control</li> <li>Installation of surveillance camera.</li> <li>Regularly customer satisfaction survey, and set customer complaints handling approach to maintain customer relationship.</li> </ul>
GRI Standard Index	GRI 418
Effectiveness assessment	The average score of customer service satisfaction is 97 points in 2019.
Targets	No complaints in 2019 about Invasion of customer privacy or loss of customer data.

### Ethical Practice

Strategies	Use SDGs as a guide for sustainable development strategies, and always keeps the faith of "Technological Innovation \ Quality Improvement \ Excellence Service" to realize a better society with common good.
Visions	Continuously improve corporate performance through the PDCA spirit, and become ASIC leader in the world.
Resources	Through the efforts of the GUC's "Corporate Social Responsibility Committee" to integrate internal organizations, and they manage issues related to employees, shareholders/investors, customers, suppliers, government, society, etc., and establish work plans to implement GUC'S p social responsibility vision and mission.
Actions	<ul style="list-style-type: none"> <li>In February 2015, the Board approved the "Code of Practice for Corporate Social Responsibility" as the guiding principle for long-term promotion of CSR.</li> <li>Meeting regularly and report to the board very year.</li> <li>Education and training every year for employees to explain key strategies and implementation methods of CSR , and urge all employees to implement the sustainable business vision of the company.</li> </ul>
GRI Standard Index	GRI 201
Effectiveness assessment	Board of directors plays the role of supervisor. Every year, the executive performance shall be submitted to the Board of Directors by corporate social responsibility committee chairman.
Targets	Implement corporate governance and equal treatment of stakeholders, commit to environmental protection and public welfare activities, and fulfill social responsibilities.

### Product Quality and Competiveness

Strategies	<ul style="list-style-type: none"> <li>Set the company's technological development plan and complete the reliability verification during the design phase.</li> <li>Implement continuous improvement to internalize quality culture</li> </ul>
Visions	The competitiveness of customers is the competitiveness of GUC, and GUC is committed to becoming a long-term important partner that customers can trust and depend on for success.
Resources	Expect to encourage employees to strive for excellence through incentives such as award for CIS proposals and public praise.
Actions	<p>With quality policy, two principles are ensured by high-level management:</p> <ul style="list-style-type: none"> <li>To ensure the effective implementation of quality management system, and to achieve quality objectives and quality management system requirements.</li> <li>To ensure that the integrity of the quality management system can be maintained when the quality management system changes its planning.</li> <li>Continuous CIS proposals to improve internal procedure.</li> </ul>
GRI Standard Index	GRI 201
Effectiveness assessment	Corporate image, service quality and satisfaction are important indicators that affect loyalty
Targets	We are committed to promoting "customized quality services" to help customers achieve market opportunities and strengthen their competitiveness with excellent and reliable product quality.

### Supply Chain Management

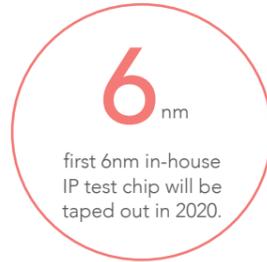
Strategies	Build a supply chain that meets RBA requirements
Visions	Committed to maintaining long-term cooperative relations with domestic and foreign suppliers, and establish a stable and sustainable supply chain together.
Resources	Establish an effective incentive mechanism, a good communication channel, and common values..
Actions	<ul style="list-style-type: none"> <li>• Supplier Information Platform</li> <li>• Irregular Supplier Audit</li> <li>• Irregular Interviews and Meetings</li> <li>• Regular questionnaire</li> <li>• Promote business behavior in keeping with Ethics Code of Conduct 'Procedures for Ethical Management, Ethics &amp; Business Code of Conduct.'</li> <li>• Conflict Minerals /Request a supplier declaration or signing</li> <li>• Code of Business Conduct&amp; Supplier Code of Conduct/Suppliers are required to follow RBS regulations, by declaration or signing.</li> </ul>
GRI Standard Index	GRI 204/GRI 308/GRI 414
Effectiveness assessment	Establish a supplier evaluation system through supplier selection procedures and supplier certification methods.
Targets	<ul style="list-style-type: none"> <li>• Obtain products or services that meet the quality and quantity requirements.</li> <li>• Get products or services at the lowest cost</li> <li>• Ensure suppliers provide the best quality service and timely delivery</li> <li>• Develop and maintain good supplier relations</li> <li>• Develop potential suppliers</li> </ul>

### Climate Change

Strategies	Prepare a supplier plan responder to abnormal climate to reduce greenhouse gas emissions from suppliers.
Visions	Mitigate the impact of sustainable business operations on climate change
Resources	Actively promote various environmental protection, energy saving and carbon reduction measures, reduce greenhouse gas emissions, increase the use of green energy, etc., in order to mitigate and adjust the operational impact of climate change
Actions	<ul style="list-style-type: none"> <li>• Green R&amp;D design and green production is required- no environment pollution, no harmful materials to environment, and improving resource utilization</li> <li>• GUC received ISO14001 certification. Environmental protection is one of the important standards for many International well-known enterprise to choose suppliers.</li> <li>• Establish a green image of the enterprise by marketing activities, guide consumers to re-identify the brand value, and promote the sales of green products, and develop green market capacity.</li> </ul>
GRI Standard Index	GRI 102-11/GRI102-15/GRI 305
Effectiveness assessment	<ul style="list-style-type: none"> <li>• Extreme climate causes drought or floods, which will cause water problems in production</li> <li>• If the carbon footprint of exported goods in Taiwan meet European and American regulations.</li> <li>• Carbon costs increase due to climate change</li> </ul>
Targets	Create a better and safer living environment for ourselves and the next generation.

**Corporate Governance**

Strategies	In accordance with laws and regulations, GUC establishes an effective corporate governance structure, strengthens the functions of the board of directors and audit committee.
Visions	Implement equal treatment of all stakeholders.
Resources	<ul style="list-style-type: none"> <li>Management team is committed to developing a management system and ensuring that the company continues to improve in compliance with the Corporate Governance Code of Practice.</li> </ul>
Actions	<ul style="list-style-type: none"> <li>GUC has audit committee and salary compensation committee under the board of directors.</li> <li>GUC plans to create a full-time position for corporate governance.</li> <li>There is no gender difference in basic salary and profession and experience are used as evaluation criteria.</li> <li>GUC already set up a full time corporate integrity management organization and reported the implementation results to the board of directors on a regular basis.</li> </ul>
GRI Standard Index	GRI 405
Effectiveness assessment	GUC was awarded "the Top 5% companies" for six consecutive sessions in Corporate Governance Evaluation of Listed Companies by Taiwan Stock Exchange.
Targets	Ensure the maximization of shareholders' interests and continue to be listed in the Taiwan Corporate Governance 100 Index.



Global Unichip Corporation (GUC) is the Advanced ASIC Leader™ founded in January, 1998 and headquartered in Hsinchu, Taiwan. We offer full-spectrum services to satisfy today's innovative technology companies unique provide comprehensive advanced customized IC service which is capable to satisfy the unique business and technical requirements of different innovative technology corporations. Harvard Business School published a case study about GUC in 2008, in recognition of our unique and visionary business model.

We aim for providing full-spectrum ASIC design services to assist fabless IC and system companies in secured their market leading position. It is also our goal to pursue excellence to offer the IC design capabilities with the optimize power consumption, the efficient processing speed, great quality and competitively yield rate, as well as the on-time delivery service. GUC's advanced ASIC Model™ offers full-spectrum services to satisfy today's innovative technology companies' unique operational and technological needs. GUC also committed to providing the most advanced solutions, and embedded CPU design capability through close partnership with TSMC and other key packaging and testing houses for customers target IC devices of leading edge computing, communications and consumer applications. Thanks to the semiconductor cluster in Taiwan with thorough supply chain of booming IC design houses, foundries, and packaging and testing support, design service providers have expanded significantly. Based in Hsinchu, Taiwan GUC has developed a global reputation with a presence in China, Europe, Japan, Korea, and North America. GUC is publicly traded on the Taiwan Stock Exchange under the symbol 3443. Moreover, we have established the 'Global Unichip Corporate Social Responsibility Best Practice Principles'.

This commission is composed of cross-department representatives in order to implement corporate social responsibility initiatives. The Chief Financial Officer is appointed as the Chairman in full charge and the executive performance shall be submitted to the Board of Directors.

### Products and Services

#### Wafer Products & ASIC Design services:

GUC provides complete services from design, wafer manufacturing to packaging and testing.

- Wafer Products & ASIC Design services: GUC provides complete services from design, wafer manufacturing to packaging and testing.
- NRE Non-recurring Engineering: We provide circuit design cell library and various IPs required in the process of product design; provide circuit layouts needed for mask making; subcontract mask making, wafer manufacturing, dicing and packaging to vendors; conduct final testing to get prototype samples for customers.
- MPW Multiple-Project Wafer: MPW integrates multiple design projects of different customers on one single mask and by one wafer engineer run. It is an effective and fast time-to-market chip verification service with cost-sharing in masking and wafer engineering run. Design engineers, before the phase of mass production, are able to timely verify their prototype designs with advanced process technologies and much lower costs.
- Intellectual Property (IP): These are silicon-verified reusable IC designs with specific functions. With the rapid advancement of semiconductor processing technologies, the design industry is trending toward multi-functional chips and SoC (System on a Chip). Reusable IP help customers avoid redundant designs and resources.
- With the support of emulator, GUC speeds up the development and verification of SOC hardware (speed would increase more than 700 times compared with workstation verification), and shorten the time to market.



### Development Programs for New Products

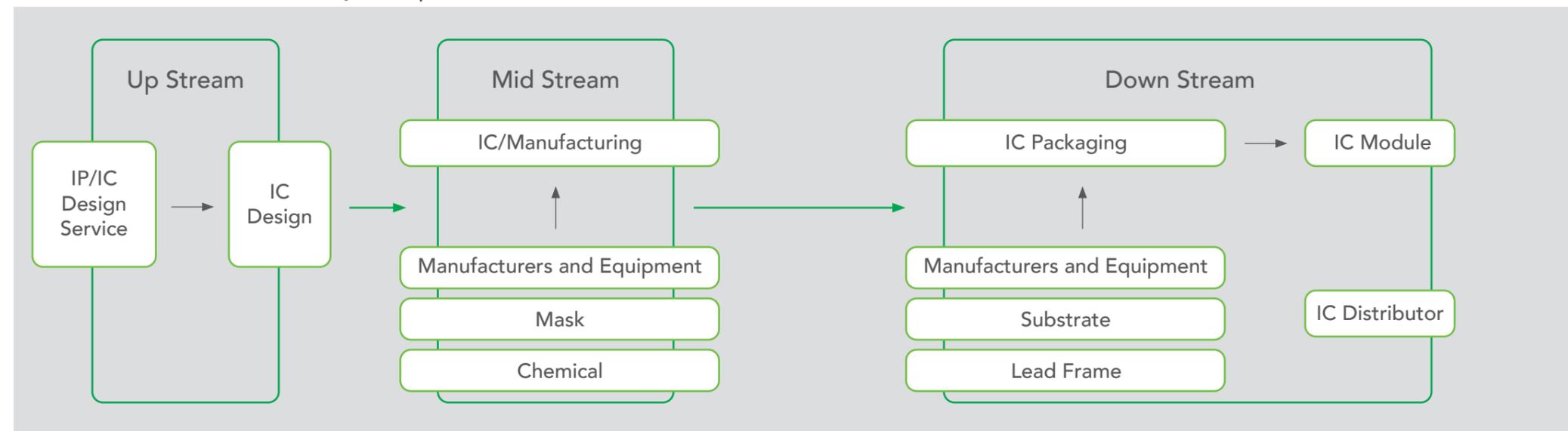
GUC is continuing the development of advanced IP including high-speed interface (16G//28G/32G SerDes, PCIe Gen3/4/5), HBM2/2E Controller/PHY, die-to-die interface, LVDS, DDR3/4 and LPDD3/4/4X Memory Controller/PHY in 16nm, 12nm, 7nm and 5nm processing technologies. The company is also migrating key components, such as Voltage Regulators, Power Management Solutions, ADC/DAC, and Clock Generators) to advanced processing technologies. GUC's R&D team is also developing in-house memory IP (TCAM, SRAM) and customized standard cell libraries that enrich our IP/Library portfolio of competitive IP and subsystem solutions. The company unveiled a 6nm design flow in the second half of 2019 and announced that the first 6nm in-house IP test chip taped out in March of 2020.

### Advanced ASIC Service

In semiconductor supply chain, GUC provides the IC design services is on the upstream position. IC manufacturing is on the midstream and IC packing and testing are on the downstream. Implementation the IC design flow is not only

considering the hardware spec, but also the software integration as the process technology approach nanometer scale which enable to produce the high efficiency and competitive power consumption IC chips. There are three core values of Advanced ASIC Services model: IP Solution, Chip Implementation, and ASIC Manufacturing. IP Solution will help customers to reduce chip design time and risk. As to Chip Implementation, GUC works closely with TSMC so that we can establish know-how of advanced technology in advance, to assist customers in getting familiar with most advanced technology more efficient, improving yield and strengthening market competitiveness. In order to reduce design complexity and time to market, GUC chose ANSYS RedHawk-SC in order to effectively sign off billion nodes designs. It takes RedHawk-SC less than two days to complete verification and produce reports. When it comes to ASIC Manufacturing, by cooperating with world-class fabs, packaging and testing companies, and other providers, GUC provide customers with professional and high-quality manufacturing services, minimizing barriers to entry and technical risks, and shortening time to market (Time-to-market) and time to volume(Time-to-volume), to ensure high quality, high yield, and on-time delivery, so that customers' valuable resources can be invested in their core capabilities.

▼ GUC provides ASIC design services , which is in the semiconductor industry chain upstream.



**5%**  
GUC was awarded "the Top 5% companies" for six years in a row.

**A++**  
Received A++ in the Information Disclosure Assessment and Evaluation for five years in a row.

#### 4.1 Policies and Guidelines

To ensure the equality of institutional and individual are alien, we deeply well understand the transparency of corporate governance and organization component are become more and more important. We implement corporate governance to maximize our shareholders' interests. This is the 6th year that we were awarded "the Top 5% companies" in the Information Disclosure Assessment and Evaluation of the Listed Companies by Taiwan Stock Exchange, which implies GUC is highly recognized by authorities in safeguard the shareholders' equity, treat the shareholders fairly, enhance the transparency of the information and implement the corporate social responsibility. We are the only IC design company earned this honor.

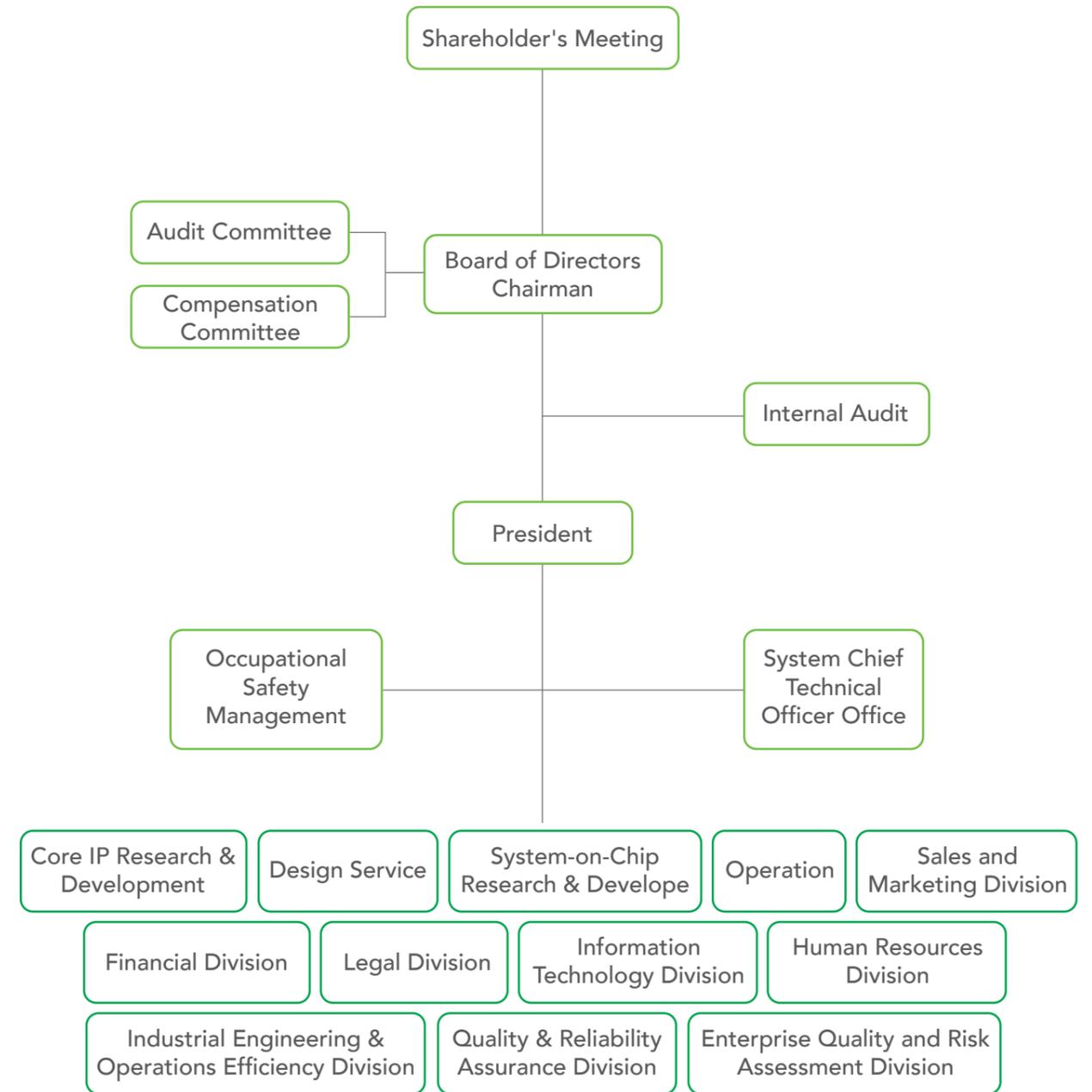
#### 4.2 Corporate Governance Structure

##### Our board members

Title	Name	Gender
Chairman	Dr. F.C. Tseng Representative of TSMC	Male
Director	Dr. Ken Chen Representative of TSMC	Male
Director	Wendell Huang Representative of TSMC	Male
Director	Dr. Cliff Hou Representative of TSMC	Male
Independent Director	Benson Liu	Male
Independent Director	Dr. Chien-Wei Jen	Male
Independent Director	Dr. Wen-Yeu Wang	Male
Independent Director	Dr. Chung-Yu Wu	Male
Independent Director	Dr. Kenneth Kin	Male

Board members are all over 50 years old

GUC Organization Chart



### Authorization

Based on 'Global Unichip Corporate Social Responsibility Best Practice Principles', the commission is composed of cross department representatives in order to implement corporate social responsibility initiatives. The Chief Financial Officer is appointed as the Chairman in full charge. The executive performance shall be submitted to the Board of Directors. For more information about our corporate governance structure, please see the '2019 GUC Annual Report'.

### Diversified and fully functional board of directors

Our Board of Directors is currently composed of 9 distinguished directors, one is female director, and one of them is manager of GUC. Six regular board meetings were convened in 2019. The Board of Directors is equipped with diverse knowledge and a great breadth of corporate governance experience. At the same time, independent directors were also appointed to the members of the Audit Committee and the Salary Remuneration Committee. The members of the Board of Directors are chosen by nomination system. We value not only their expertise, but also their integrity and moral reputation.

Candidates for independent directors shall meet the related professional qualification requirements, criteria for independency and restrictions on concurrent positions regulated by the 'Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies'. This aims to achieve a well-organized, innovative cooperate development strategy, attain efficient management, maintain stockholders' equity and enhance corporate governance.

### Code of Ethics and Business Conduct

To promote business behavior in keeping with integrity and morals, and to support compliance with legal order, we have established our internal Ethics Code of Conduct (the 'Code'), which is called 'Procedures for Ethical Management, Ethics & Business Code of Conduct.' in accordance with 'Taiwan Corporate Conduct and Ethics Implementation'. All employees, officers and Board members

must adhere to the Code and bear a heavy personal responsibility to preserve and to protect GUC's ethical values and reputation. GUC's 'Procedures for Ethical Management, Ethics & Business Code of Conduct.' is implemented by the Human Resources (HR) Department which is also responsible for the training and management of other departments. Board members supervise related operations through accusation mail box. Also, GUC has established a 'violation of ethical conduct accusation system' section in both Chinese and English. It is also under the HR Department's responsibility to collect and disclose information. Besides, all commercial contracts are clearly written with 'Integrity Conduct Term'.

Internally, we require all employees to comply with ethical values and business conduct; externally, suppliers need to follow the referred regulations as well. Suppliers shall sign a 'GUC Ethics and Business Code of Conduct. Besides, all GUC's subsidiaries are subject to supervise of human rights and regulation impact analysis as well as corruption risks analysis. Our violation of ethical behavior practitioners reporting system: <http://www1.guc-asic.com:8000/guc/>

### Participation of Union Organizations

GUC participates in industrial union and association proactively. By committing to the associations and unions, GUC expects to devote and contribute to the semiconductor industry.

- Taiwan Semiconductor Industry Association › TSIA
- The Allied Association for Science Park Industries
- Taiwan Corporate Governance Association
- Chinese Professional Management Association of Hsinchu
- Chinese Human Resource Management Association
- Chinese Association of Business and Intangible Assets Valuation
- Accounting Research and Development Foundation
- Hsinchu City Nurses Association

### 4.3 Risk Management

Through the Audit Committee and the Compensation Committee, GUC formulates risk management measures, in order to prevent and to control latent risks and to define orientation and treatment. The following are the enforcement rules for the management principles:

#### Establishment of the Audit Committee

GUC established the Audit Committee for the implementation for internal control of corporate risk. Four independent directors of the Audit Committee are elected at the Annual General Shareholders' Meeting.

The Audit Committee meeting is convened every quarter to oversee the financial reporting processes, selection of the independent auditors, independence and performance of selected auditors, internal control system and performance, regulatory compliance and the control system in relation to present or latent risk.

#### Establishment of the Compensation Committee

For the senior management's compensation risk control, we developed a table of "The ratio of the total compensation for Board of Directors, President & Vice Presidents over the net income on the standalone basis financial report". The operation performance has a positive correlation with the personal capabilities, contribution, and performance of the senior management team.

#### Establishment of Operating Management Committee

GUC established the Operating Management Committee for the implementation to the corporate operating risk management. The Operating Management Committee meeting is convened twice of every month. The significant risk may affected the operating will be reported to Board of Directors by the Chairman of Operating Management Committee.

#### Establishment of Risk Management Principles

GUC has established the 'Subsidiaries Management Principles', 'Internal Control System Statement', 'Operational Regulations for Transactions between Groups, Corporations and Related Parties' and so forth to set up risk control system and firewall mechanisms between affiliated companies. Furthermore, we also have established the 'Norms of Ethics and Business Code of Conduct' to strictly forbid trading securities with undisclosed information.

#### Emergency response and continuous operation plan

Because Taiwan is located in the seismic belt, the post-earthquake assessment exercise is required to be familiar with the post-earthquake building inspection, and risk is transferred through insurance plan. The company conducts regular firefighting / fire extinguisher training every year to teach all employees to use hand-held fire extinguishers and fire hydrants / fire extinguishers (water cutters), as well as regular fire drills. In addition, through the risk assessment to determine the improvement strategy, and by regular exercise, the impact of the operation of the factory is assessed and preventive measures will be taken to establish a crisis communication mechanism and manpower recovery plan. Through a sound risk management and crisis handling, GUC expects to reduce the uncertainty of business.

#### Information protection

- Information Protection Management Performance

#### 1. New hires: education and training about information protection is required.

In 2019, training for 89 new hires and a total of 47 study hours is completed. The training material is available on the internal training platform, for all the employees' reference.

**2. All employees (Including new hires): education and training about information protection is required at least once per year.**

In 2019, training for 665 employees and a total of 284 study hours is completed. The training material is available on the internal training platform, for all the employees' reference.

- Information Protection Policy

Ensure that proprietary information \ trade secrets and personal information of its employees are properly protected and also continuously enhances its proprietary information protection capability. In addition to complying with international standards, the cybersecurity operations should be able to comply with national laws and regulations.

- Information Protection Management

**Committee of Proprietary Information Protection :**

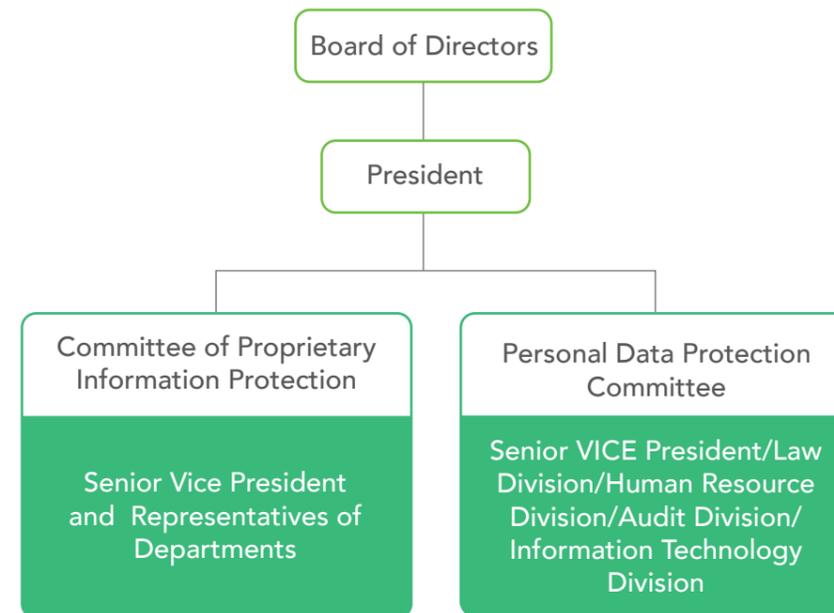
It is composed of representatives of various departments, responsible for the research, establishment, audit and promotion of proprietary information control. Regular meetings are held on a quarterly basis to discuss related issues, and promote protection of proprietary information.

- \* Regular quarterly inspection to ensure the implementation of proprietary information protection.
- \* Through daily work, GUC promote the concept and compliance of proprietary information protection.
- \* Through continuous education on a regular basis to strengthen the concept of all employees on confidential information protection. As a mandatory course for new personnel, every year all employees must be re-trained, in order to continue to strengthen and enhance the awareness of proprietary information protection.

**Committee of Personal Information Protection :**

In order to ensure that GUC complies with the protection and management of personal data, reduces operational risks and complies with international standards, we establish this Committee to implement data protection and actively promote the protection of personal data, including:

- \* Development of personal data protection measures and implementation of actions
- \* Assessment of personal data risks and creation of management mechanisms.
- \* Measures creation of accident prevention, notification and contingency.
- \* Continuous promotion and education to strengthen the concept of all employees on personal data protection.
- \* Creation of audit mechanisms to monitor ongoing improvements in personal data protection.



### Anti-corruption Initiative

To promote business behavior in keeping with integrity and morals, and to support compliance with legal order, we have established our internal Ethics Code of Conduct('Procedures for Ethical Management, Ethics & Business Code of Conduct), reporting system and implementation measures to follow, in accordance with 'Taiwan Corporate Conduct and Ethics Implementation'. All reported incidents collected from reporting channels inside or outside of GUC are properly recorded and traced. GUC also prevents any form of retaliation by providing proper protection for any individual who in good faith reports a suspected violation or participates in an investigation.

GUC provides training courses on Ethics Code to new employees upon hire. For current employees, GUC also provides regulatory compliance training courses.

### 4.4 Customer Oriented Services

With regards to customer relations and communications planning, GUC utilizes both regular and unscheduled meetings and visits, quarterly and monthly performance reviews, audits to establish a seamless partnership with our clients. We pursue effectiveness in the services and cooperation with our clients and make further improvements accordingly.

GUC sets up a position in charge of the response and investigation of the interrogation in relation to the environmental protection, social responsibilities, restriction of hazardous substances and conflict minerals from our clients, and received ISO9001 certification. We also promptly satisfy the requests from downstream and end clients or public sectors by providing adequate information. We carry out customer satisfaction surveys in the first quarter and at the completion of a project as well. In addition, all the precious suggestions from our clients are submitted to the units concerned for further improvement and response to the expectation of our clients. GUC set customer complaints handling approach to achieve good customer relationship maintenance, and request reply to the customer within 24 hours after receiving the customer complaint. In 2019, 90% of the customer complaint was replied in time.

We carry out a customer satisfaction survey on important clients in the first quarter of every year. From 2017~2019, customer satisfaction survey accomplished a feedback percentage of 80%; among over 95% of our clients are satisfied with our services.

#### ▼ Customer Satisfaction Survey

Year	customer satisfaction
2017	>95%
2018	>95%
2019	>95%

- When the project is completed: Within 1 month after the completion of the project, the customer satisfaction survey will be carried out immediately to get the customer feedback in time.
- A customer satisfaction survey on important clients will be carried out in the first quarter of every year.

Region	Total score Item	>4 Item
<b>Customer</b>		
<b>CPRD</b>		
GUC IP Solution readiness & competitiveness		
Issue resolution& support efficiency	95	94
Customer requiremen fulfillment & flexibility		
Willingness to use GUC in-house P		
<b>SOCR D</b>		
SoC Platform Service schedule		
SoC Platform Service capability and quality	76	71
Systemand SW Schedule		
Systemand SW Capability and Quality		
<b>3rd IP</b>		
TSMC IP solutions		
3rd party IP Service schedule	61	61
3rd party IP solutions capability and quality		

Region	Total score	Item	>4 Item
<b>Customer</b>			
<b>DS</b>			
Design Service Cycle Time			
APR CycleTime			
APR Capability			
DFT schedule	177		168
DFT Capability			
Low Power Design Capability			
High Speed Design Capability			
CPU/GPU hardening service			
1st cut silicon work rate			
<b>OP</b>			
On-time Delivery			
Fulfill Demand Capacity			
Qualification Solution			
RoHS Service			
RMA/FA Capability	208		207
Package Design Competence			
Package Design Schedule			
ATE Debug Capability			
ATE Debug Response Cycle Time			
<b>NPI</b>			
2019 [•](>4[•]): 601/617=97%	617		601

#### 4.5 Regulatory Compliance

To enable all our employees to understand various legal compliance issues, we provide relevant in-house education, training courses and advocacy resources. For example, the 'Personal Information Protection Act' and the 'Trade Secrets Act'; all of the management team and the related colleagues are required to attend these courses. GUC's management team closely monitors both domestic and foreign government policies and regulatory developments that could have any impact on GUC's business and financial operations. In 2019, GUC

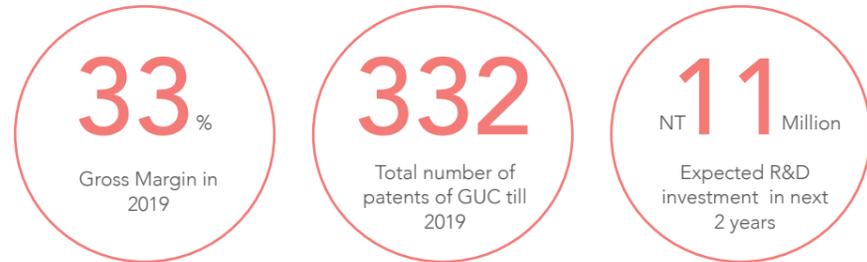
was not been subjected to any monetary fines and nonmonetary sanctions for noncompliance with any statutory laws and regulations. Each of our operating activities is subject to domestic and international laws and regulations. Finally, we inspected all of our operations according to the 3 compliance indices disclosed in GRI Standard.

Environmental compliance: no significant amount of fines levied due to non-compliance with laws and regulations concerning environmental laws. Zero non-monetary sanctions.

Social compliance: no significant amount of fines levied due to non-compliance with laws and regulations concerning topics like financial reporting, workplace discrimination, corruption, etc. Zero nonmonetary sanctions.

Sales compliance: no significant amount of fines levied due to non-compliance with laws and regulations concerning the provision and use of products and services during sales process.

- No incidents of corruption reported in 2019.
- No complaints lodged regarding violation of customer privacy or loss of customer data in 2019.
- No incidents reported regarding noncompliance of laws and regulations on marketing communication. These include advertising, promotion and sponsorship in 2019.
- No sales of disputed products reported in 2019.
- No incidents reported regarding non-compliance of laws and regulations on labeling information of goods and services in 2019.
- No incidents reported regarding non-compliance of laws and regulations on safety of products and services during their life cycle in 2019.



### 5.1 Revenue and profitability continue to grow

Total revenues for 2019 was NT\$10,710 million, down by 20% compared to NT\$13,460 million in 2018. Net income was NT\$633 million, down by 36% compared to the previous year. 2019 EPS was NT\$4.73, down by 36% compared to 2018 EPS of NT\$7.37, mainly due to a diminishing of bitcoin and a general industry DoI correction. Gross margin for 2019 was 33%, operating margin was 6.5%, and net profit margin was 5.9%.

#### ▼ Operating performance statistic table

(NT: Million)

	Y2015	Y2016	Y2017	Y2018	Y2019	Subtotal
Consolidated Revenue	7,762	9,290	12,161	13,460	10,710	53,383-
Tax	69	81	129	159	150	588
Net Profit	494	551	855	988	633	3,521
Directors' remuneration	4	4	12	14	5	39
Employees' cash bonus	55	60	134	153	75	477
Employees' compensation	55	60	134	153	75	477
Cash dividend	402	469	670	670	670	2,881

#### ▼ Sales breakdown

(NT : Million)

Sales breakdown	Y2018		Y2019	
	Amount	%	Amount	%
ASIC& Wafers	9,168	68%	7,189	67%
NRE	4,079	30%	3,206	30%
Others	213	2%	315	3%
Total	13,460	100%	10,710	100%

### 5.2 Research, Development and Innovation

Design capability for the most advanced process nodes is the key factor in ensuring revenue and profit growth for ASIC design service companies. In 2019, about 20% revenue of GUC is for 7nm & 16/12nm process nodes. In order to maintain our technology leading position, GUC continued investment in research and development. In addition, our patent portfolio consists of 332 patents at the end of 2019 to demonstrate GUC's continued ability to innovate.

#### Latest technologies and new products

GUC's remarkable technology breakthrough and innovative achievement in 2019 are as follows:

- GUC 5nm design flow is in place, and the 1st GUC 5nm test chip was successfully taped out in 1Q19, with silicon verified at the end of 2019.
- GUC has successfully developed 6nm design flow, and the first 6nm test chip in 2020 will be taped out in March, launching 6nm production plan for leading customers.
- HPC ASIC chips using TSMC advanced process together with 2.5D packaging technology tailored for hyperscale data centers enter production in 2020.
- 5G ASIC chip developed in 2018 has been into mass production since 1Q19, succeeding on time to market.
- The total system solution of chiplet interconnect over TSMC InFO or CoWoS interposer by GUC 6nm/7nm D2D (Die to Die) IP will be silicon proven in 4Q20.
- GUC 16nm HBM2 IP successfully enables data-center AI training chip into production in 2020.
- In combination of TSMC CoWoS packaging technology, GUC provides world-1st, silicon-proven 7nm HBM2E-3.2G IP (PHY & Controller) total solution, with a live demo at TSMC 2019 North America OIP.
- In combination of TSMC CoWoS packaging technology, GUC provides world-1st 5nm HBM2E-3.2G IP (PHY & Controller) total solution, with silicon verified in 1Q20.

- GUC 12nm sub-6G high-speed ADC is silicon-proven, a significant technical milestone through close collaboration with 5G wireless leading customer.
- GUC 7nm 16G SerDes targeting AI/HPC/Networking applications is silicon proven.
- GUC 7nm 32G SerDes that was taped out in Oct'19 will be silicon verified in 2Q20.
- GUC 12nm 32G SerDes that was taped out in Aug'19 is silicon verified.
- GUC 7nm Pipeline TCAM with Redundancy was taped out in 1Q20.

### Future R&D plans and projected R&D expenses

To meet the growing ASIC demand for high performance computing (e.g. 5G/Networking, AI/Machine Learning, Server), GUC will continue to develop leading-edge system design solution and invest in 5nm, 6nm, and 7nm R&D, with emphasis on high-speed interface and memory IP development, such as SerDes, PCIe, LPDDR/DDR Controller & PHY, HBM Controller & PHY, Die-to-Die interface, TCAM, and High speed ADC technologies. And related plans are as follows :

Item	Test Chip Tape Out Schedule or Development Status	System Validation Schedule
12nm 16G/12b ADC	2020/Q1	2020/Q3
12nm GDDR6 PHY	2020/Q2	2020/Q4
12nm PCIe5 PHY	2019/Q3	2020/Q1
7nm 32G SerDes	2019/Q3	2020/Q2
7nm Pipelined TCAM	2020/Q2	2021/Q1
7nm HBM3 Controller & PHY	2020/Q4	2021/Q4
6nm Design Flow	Done	2020/Q1
7nm & 6nm Die-to-Die Interface	2020/Q1	2020/Q4
5nm Design Flow	Done	2019/Q4
5nm Die-to-Die Interface	2020/Q3	2021/Q2
5nm HBM2E-3.2G Controller & PHY	Done	2020/Q2
5nm PCIe-5 PHY	2020/Q4	2021/Q3
5nm Generic TCAM	2020/Q4	2021/Q3
5nm Pipelined TCAM	2020/Q4	2021/Q3



### 6.1 Policies and Guidelines

GUC RBA Committee is committed to reducing the impact on natural resources and reducing environmental pollution. Long-term usage records and disclosures of electric energy, renewable energy, water resources and raw materials will help us review environmental measures every year, and whether we have gradually reached our established goals. For our performance in relation to our energy saving and efficiency management, please refer to the section on Energy Efficiency in this report.

Also, in response to climate change, GUC take measures to reduce the consumption of natural resources, including improvement of product energy efficiency, green supply chain management, raw materials and waste management, product packaging reduction and recycling, cloud office, carbon dioxide concentration in the operational headquarters reduction and to enhance energy efficiency.

In addition, through our well-organized management system, GUC is able to implement our environmentally friendly principles for sustainable operations. We not only established our Code of Conduct - Responsible Business Alliance, RBA, and also formed an RBA Committee that is reported directly to the Operational Management Committee.

RBA Committee conducts regular meetings to review and implement RBA.

### Third-party Award and Recognition

Awards and recognitions from third parties are valuable feedback and highlight our projects and activities in environmental protection. They also motivate us to improving ourselves constantly. The following is award and recognition that we received.

- GUC received IECQ EV080000 Restriction of Hazardous Substances certifications.
- GUC received ISO9001 certifications
- Guaranteed conflict free minerals
- EU RoHS compliance
- EU PFOS Directive
- (Registration, Evaluation, Authorisation & Restriction of Chemical substances, REACH)

### Responding to Climate Change

Climate Change and greenhouse gas are global issues and have an impact on human beings, ecology and the global environment. In dealing with and managing climate change and reducing carbon emissions, GUC took actions on energy saving, reducing greenhouse gas emissions, and waste management. To fulfill its corporate social responsibility, improve company's image, reduce operating costs and secure development GUC's sustainable business.

### 6.2 Power, water resources management

In 2019, power consumption decreased compared with the previous year, which shows the effectiveness of energy management. Through our long-term record of energy waste statistics, we are able to calculate the CO2 equivalent that we produced. In regard to this issue, GUC expects to lower the energy consumption gradually. For more details about GUC's energy conservation and management, please refer to the Energy Efficiency section of the report.



▼ 2015~2019 Statistic for Energy Consumption and CO2 Emission

Year		
2015	Electricity Consumption (Degree)	6,113,000
	CO2 Emission (tCO2e )	6,113,000
	Joules/106	22,007
2016	Electricity Consumption (Degree)	6,281,600
	CO2 Emission (tCO2e )	3,329
	Joules/106	22,614
2017	Electricity Consumption (Degree)	6,416,900
	CO2 Emission (tCO2e )	3,555
	Joules/106	23,100
2018	Electricity Consumption (Degree)	7,035,400
	CO2 Emission (tCO2e )	3,898
	Joules/106	25,327
2019	Electricity Consumption (Degree)	6,714,000
	CO2 Emission (tCO2e )	3,579
	Joules/106	24,170

Note 1: According to the announcement of Energy bureau that 1 kWh emits 0.533 kg of CO2 equivalent

Note 2: According to GRI Standards , unit of CO2 Emission is tCO2e.

Statistic for Water Consumption and CO2 Emission

Our CO2 calculation is based on our long term record of water resource consumption statistics with the detailed of our local water resources usage. Through our long-term record of water waste statistics, we are able to calculate the CO2 equivalent that we produced. Through various water saving measures, water saving was 2,198 degrees in 2019 compared with the previous year. In regard to this issue, GUC has initiated our green living project, expecting to reduce our water resource consumption gradually. For more details about GUC's energy conservation and management, please refer to Energy Efficiency section of the report.

▼ 2015~2019 Statistic for Water Consumption and CO2 Emission

Year		
2015	Consumption (Degree)	16,558
	Emission (tCO2e )	2.55
2016	Consumption (Degree)	16,763
	Emission (tCO2e )	2.55
2017	Consumption (Degree)	18,663
	Emission (tCO2e )	3.02
2018	Consumption (Degree)	17,406
	Emission (tCO2e )	2.82
2019	Consumption (Degree)	15,208
	Emission (tCO2e )	2.43

Note 1. According to the Taiwan water corporation that 1 kWh emits 0.160 kg of CO2 equivalent

Note 2. According to GRI Standards , unit of CO2 Emission is tCO2e.

Energy Intensity Rate

Our electricity intensity rate in 2019 is 0.0627%, and energy intensity rate for water resources is 0.142%, both are higher than the previous year. But power consumption (decreased by 4.5% 321,400 degree) and water resource consumption(decreased by 12.6%; 2,198 degree) both decreased, which still demonstrates perfectly that our energy saving policies has taken effect. Moreover, we use the annual revenue data as the measurement standard for electricity and water resource energy intensity rate.

▼ Statistic of Energy Intensity Rate, 2015~2019

Measurement Units	2015	2016	2017	2018	2019
Yearly Revenue Unit: NTD	7,762,000	9,290,000	12,160,610	13,459,804	10,710,086
Electricity Consumption					
Unit: kilowatt	6,113,000	6,281,600	6,416,900	7,035,400	6,714,000
Electricity Intensity Rate	0.0788	0.0676	0.0528	0.0522	0.0627
Water Resource					
Consumption annually	16558	16763	18,663	17406	15,208
Resources Intensity Rate	0.213	0.180	0.153	0.129	0.142

Note1. Energy Intensity Rate : Electricity Consumption/ Yearly revenue

Note2. Water Intensity Rate : Water Consumption/ Yearly revenue

### 6.3 Management of Waste

GUC made zero violations of environmental law. We have strictly complied with our corporations Environmental Friendly Principle for Sustainable Operations, and will keep on reducing the environmental impacts brought by employee commuting, as well as delivering products, other products and raw materials during operations. In addition to that, GUC does not have any appeals of environmental impacts filed by our stakeholders.

In the long term, in order to protect stakeholder interests and to be responsible to the environment, GUC will implement regular inspection of its raw material supply process and improve its internal control mechanisms, to ensure that raw materials from conflict regions do not enter into the production process. Our supply chain of electronic raw materials and system for waste management is in accordance with International Environmental Law and our customers' criteria. We recognize the following environmental policies and regulations set by external agencies.

- Guaranteed conflict free minerals
- EU RoHS compliance (Restriction of the use of Hazardous Substance EU PFOS Directive)
- EU PFOS Directive
- REACH (Registration, Evaluation, Authorization and Restriction of Chemical substances)
- WEEE (Waste Electrical and Electronic Equipment directive)
- China RoHS compliance (Administration on the Control of Pollution Caused by Electronic Information Products)
- JIS C 0950:2008
- Korea RoHS compliance (Act for Resource Recycling of Electrical and Electronic Equipment and Vehicles)

▼The hazardous industrial waste, IC waste and raw material waste total 4,805 KGs from 2015 to 2019.

Category	Hazardous industrial waste	General industrial waste			
	IC Waste (Unit: KGS)	Paper (Unit: KGS)	Iron (Unit: KGS)	Plastic (Unit: KGS)	Discarded Computer (Unit: set)
2015	1,520.13	2,795	423	359	8
2016	1,579.2	3,209	548	552	2
2017	501.66	4,239	414	412	2
2018	975.71	4,570	456	411	0
2019	227.95	1,473	74	109	0
Total	4,805	26,529	1,915	1,843	12
Scrap method	Outsourcing	Outsourcing	Outsourcing	Outsourcing	Outsourcing

Note: the outsourcing contractors are licensed by the competent authority clearance and disposal of public or private institutions. In 2015~2019, there is not any violation of the related laws and regulations.

#### Reduction and recycling of product packaging

GUC provides environmentally friendly chopstick sets to employees to reduce the amount of disposable bamboo chopsticks, thereby reducing the amount of waste generated.

Life-cycle thinking approach to management is used from the initial product design phase. By investing heavily in R&D and adopting new energy saving technologies, GUC is able to reduce all potential environmental impact factors in a product's life cycle - from its initial production to the final disposal stage. The 3R green design philosophy (Reduce, Reuse and Recycle) are taken into the consideration at the initial product design phase.

Our services include tangible non-end products and intangible intellectual property (IP). The tangible products we sell are non-end products which are mostly packaged in paper boxes, package foams, wafer cassette and plastic IC trays. At the same time, all of our products are contract manufactured and our suppliers are also required to use certified recycling packaging materials. Packaging for shipment is also 100% recycling packaging materials and our customers can use these for other packaging usages.

## 6.4 Energy saving/Carbon reduction

### Power energy savings specific measure

In 2019, GUC invested NT2.06 million for power energy savings. The implementation measures are as follows :

- 280 LED energy-saving tubes are replaced in the office and aisle area, saving about 58,029 degrees annually and reducing CO2 emissions by 32.1 tons per year.
- Replacement with high efficiency energy-saving uninterrupted power system and air conditioner , saving about 31,838 degrees annually and reducing CO2 emissions by 17.6 tons per year.
- Replacement and adjustment of air conditioner components to improve efficiency and reduce energy consumption, saving about 4,427 degrees annually and reducing CO2 emissions by 2.9 tons per year.
- Operating setting and adjustment of high-power equipment, saving about 95,941 degrees annually and reducing CO2 emissions by 53.2 tons per year.
- Replacement of sensor light in some office common area, saving about 52.56 degrees and reducing CO2 emissions by 28kg per room annually.

### Cloud Office

In order to promote the paperless office, GUC has established a cloud operating system to reduce use of paper-based documents. Electronic documentation and file system are used for leave requests, purchase requisitions, document verifications, asset transactions, dormitory applications, expense requests, various general affairs applications, sales and services, design and R&D, reimbursement requests, and for other suchlike operations.

In 2019, 241,532 documents were approved through the electronic system, and more than 531,000 sheets of paper and toner cartridges are estimated to be saved.

In addition, we also add video equipment to make good use of remote meetings. 21 sets of video equipment were purchased at important overseas locations for communication between interested parties and employees, and to reduce the amount of carbon emissions from travel. 50% reduction travel frequency In response to business growth is estimated.

Y2019 :	System	Numbers
	Notes + AgentFlow	132,752
	ERP	87,340
	PLM	21,440
	sun-total (A)	241,532
	Average Paper Consumption/Per Document (B)	2.2
	Total Paper Saving Numbers. (A+B)	531,370

### ▼ Telecommunication Charges for Multiparty Conferencing (NT\$)

	2013	2014	2015	2016	2017	2018	2019
Telecommunication Charges	122,934	302,136	975,405	1,756,836	2,031,680	2,349,521	2,584,473

GUC pays attention to environment through environmental protection slogans, advocacy and activities of mountain and beach cleaning.

- 04/13 beach cleaning in Linshanbi : Number of participants : 84
- 10/19 Buddha mountain cleaning : Number of participants : 34
- 12/01 Caoling Historic Trail mountain cleaning : Number of participants : 63



### Water Resources Policy

The implementation measures in 2019 are as follows and a total of 777 tons / kWh of water in 2019 were saved:

- The repair of cracks and leaks of two 60-ton water towers on the top floor of the headquarter was completed.
- We set up a raindrop recycling system to water the plants and flowers used for landscaping.
- By reducing the water outflow of faucets and using automatic faucets, we have been able to save water resources.
- We also installed dual-flush toilets.
- Strengthen the regular inspection of water equipment, improve the availability of facilities, and repair in time.
- Cooperate with the policy in the science park to strengthen water-saving measures during the water-saving period, and record the water consumption daily to achieve the goal of saving 10% of water in a single month.
- Continue to promote water conservation measures, and posted a water-saving slogan to remind employees to form water-saving habits.

### Energy Saving Plan will continue in 2020

- Continuous conversion to LED energy-saving lights in office, which help save around 33,851 degree per year and CO2 Emission (tCO2e ) will be reduced 18 tons/year.
- Replacement of old dryer with new one, which help save around 1,219.6 degree per year and CO2 Emission (tCO2e ) will be reduced 0.7tons/year.
- Replacement of old UPS fan with new one, which help save around 8,956.9 degree per year and CO2 Emission (tCO2e ) will be reduced 4.8 tons/year.

### Other Energy-saving Measures

- We encourage our employees to reduce the energy consumption of taking elevators by using stairs.
- We turn off the lights and projectors inside the conference room after having conferences.
- Computers and monitors are turned off during the off hours.
- Water dispensers are monitored by electronic timing controllers. In order to reduce energy consumption during rush hours, machines are set to sterilize water at off-peak hours.
- GUC only purchases air conditioners, refrigerators and other electronic products that are certificated with energy labeling.
- Air conditioners receive periodic maintenance to maintain their high operational efficiency.
- Lights in the office are turned off during lunch break.
- Central monitoring system stops at specific times to reduce energy consumption.
- We have shortened the working hours of ventilation systems in parking lots. The system runs only during the hours of going to and getting off work.
- Water chillers are set at 8 ° C or above.
- We set the AC at 26 ° C, which is the most suitable indoor temperature. Considering the differences between sunlight exposure and heating load, window curtains and sheathing paper are installed.
- Fresh-air intake, ventilation in bathrooms, open space office and office compartments are managed by electronic controllers, to avoid the loss of air-conditioning and unnecessary electricity waste.
- The on and off hours for fire extinguishing blowers at the fire-fighting stairway are monitored by electronic controllers.
- Cooling fans for water cooling towers are turned on/ off according to the returned water temperature.
- Every alternate light tube in the parking-lots is switched off during non-office hours
- The use of energy-efficient lamps and natural light lighting to reduce energy consumption.

- We installed high efficiency electronic lighting facilities and light tubes in the offices.
- Hallways by windows are lit up with natural lights. Some areas are built with light-pervious roofing.
- We Provide lamps and other auxiliary lighting equipment.
- Emergency stairways are lit up by natural light and equipped with lighting system monitored by electronic controller.

### 6.5 Improve product energy efficiency

GUC provides energy consumption models so IC design engineers are able to optimize energy consumption in the SOC design flow. GUC's 7nm/5nm HBM3.2Gbps PHY+Controllerare (HBM2E) were already silicon-proven in TSMC. The efficiency will be increased by up to 30% compared with HBM2.0, depends on the characteristics of patent architecture and advanced processes.

In addition, further energy savings optimization can be achieved through a comprehensive consideration of the chip/CoWoS/verification board design, and GUC can provide the best efficient high-bandwidth memory and intellectual property products by performing complex wafer/CoWoS/verification board PI/SI collaborative simulation operations. Most of customers, including high-performance computing, deep learning and data center, can benefit from those low-power solutions.

#### 7nm/16nm low power consumption TCAM IP has been validated.

In 2019, GUC completed development of low power consumption 7nm Pipeline TCAM IP. In Dec, 2018, 7nm/16nm low power consumption TCAM IP has been validated successfully. This IP can be widely used in networking equipment, like IP switch router and data center, and it will significantly increase the efficiency of advanced chips. This IP will significantly increase the efficiency of advanced chips by more than 2GHz. The power consumption can be reduced by 10%~40% because of its flexible design, which is really helpful for environmental energy saving. We keep on providing more advanced and energy saving green products to enhance the power consumption of end customers. As we keep on defining the top of the industry's specifications standards, our customers are able to reduce their carbon footprint.

## 6.6 Green Supply Chain

As a global leading IC Original Design Manufacturer, we have introduced a series of environmentally friendly, energy saving and carbon reduction activities to our suppliers. Through our close cooperation with our upstream and downstream suppliers, we have improved the industry's corporate responsibility and global citizenship awareness. GUC has taken a variety of measures to be environmentally friendly and extended the environmental concepts to our manufacturing and quality management system.

We use only green materials from product design and manufacturing through to packaging.

GUC has expanded these green environmental policies and concepts to the whole supply chain; and in order to be considered as qualified suppliers, all the suppliers for our new products have to meet GUC's RBA requirements. In 2019, all of our product suppliers passed verification to become qualified suppliers.

At the same time, we also require our suppliers, both during on-site operations and transportation, use recycled materials and reduce the amount of expendables being used. For example, reuse the plastic trays used for IC products or using anti electric damage black boxes and other non-expandable materials to reduce the use of paper boxes while delivering products. Wafers are GUC's main products. In addition to that, Taiwan Semiconductor Manufacturing Co., Ltd. is our main supplier and as well as our major shareholder. Since GUC and TSMC have formed a long-term cooperative relationship, the raw material supply chain is considerably stable. To those vendors who haven't received ISO14001 certification, GUC would suggest QC080000 instead.

GUC conducts regular inspection on our suppliers. Warning will be made when an action that violates environmental law is found; improvements should be made within a limited period. Repeat of such circumstances will result in termination of business relationship. At the same time, suppliers are also required to use recycled materials whether in the factory or in transit.



The Ratio of Total Vendors Passed the Certification Requirements

	2017	2018	2019
Number of Total vendors	49	51	51
Number of vendors who received ISO14001 certification	46	48	48
%	94%	94%	94%

	The Total Amount of Local Purchases for 2019	The Total Amount of Purchases for 2019	The Ratio of Local Purchases for 2019
2017	NT\$ 7,313,676,480	NT\$ 7,324,256,645	99.9%
2018	NT\$ 8,959,188,142	NT\$ 8,965,853,551	99.9%
2019	NT\$ 7,496,360,398	NT\$ 7,531,316,983	99.5%



### 7.1 Policies and guidelines

We continue to invest huge heavily in our employees in 2019. Through our well-organized training and cultivation, we have improved with our employees. GUC highly value equal opportunities and the diverse background of our employees; regardless of their race, gender, age, religion, nationality, or political affiliation. With our well-managed recruiting program, we hire talent through open and fair channels. At the same time, we are also devoted in inspiring innovators inside the corporate and concentrating on building up an outstanding and energetic work environment. And we believe that every employee should be treated fairly and respected, committed to maintaining and respecting internationally recognized human rights ° GUC is dedicated to establishing a business culture that encourages creativity and diversity; we also provide our employees a working environment with challenges and reasonable compensation. We value each of the different personal talent and unique point of view, and because of those diversified ideas, we can become the most innovative company in IC industry.

#### Employee Assistance Program

The following describes the program content:

GUC is committed to shaping an enterprise culture that encourages creativity and diversity, and providing employees a challenging working environment with reasonable compensation.

Our major employee care policies are as follows:

Value benefits of employees without gender discrimination. Employees' salaries are based on their academic background, professional experience and personal performance, and compliance with legal requirements. Salary adjustments are conducted annually and bonus is distributed based on the company's annual operations and employee performance.

A certain percentage of the wage is allocated monthly to the trusting fund to purchase the company shares. GUC also allocates a certain amount of money to our employees' trust accounts.

According to law, the employee's retirement plan is established and monthly pension is accrued every month. Also, comprehensive insurance plan In accordance with the law, GUC provides Statutory Labor Insurance and National Health Insurance and group insurance.

Diversified communication channels to strengthen interaction with employees, including periodical management meetings, quarterly employee communication meetings, and e-mail mailbox for direct communication between independent directors, so every employees can express opinions through this channel.

When there are major operational changes that affect employee rights, we will describe in detail short notice period in collective negotiation. At the same time, we strictly abide by the labor laws to complete the notification process if any labor conditions changes. No major operational changes occurred in 2019 and no labor practice complaints occurred.

In the formal labor health and safety management committee, labor representatives are invited to participate to assist in the supervision and recommendation of occupational health and safety-related planning.

Value the health and safety of employees. In the employee organizations, employees' health and safety related issues are incorporated into the regulations. We believe that every employee deserves fair treatment and respect. With regard to the international human right, we have taken the UN Universal Declaration of Human Rights and ILO Conventions into account and expected GUC to become an international citizen that protects human right. Furthermore, we communicate with customers, suppliers, investors, employees, and communities about corporate ethics and social values.

Employees are the most valuable assets of GUC, and we highly values employee opinions, so we conducts quarterly annual employee satisfaction survey to develop solid feedback system with continuous improvement. GUC provide employees diverse mechanisms to express their opinions, improve employee satisfaction and well-being, and drive our company's team spirit through continuous communication and improvement, so that we and employees can make progress and grow up together!

#### 2019 Annual Employee Satisfaction Survey

		Nº	%	Score
GUC-TW		520	100%	5.12
Gender	Male	407	78.3%	5.19
	Female	113	21.7%	4.97
Age	20-29	99	19.0%	5.24
	30-39	210	40.4%	5.12
	40-54	203	39.0%	5.12
	≥ 55	8	1.5%	5.05
	0-1	83	16.0%	5.33
Years of Experience	1-3	173	33.3%	5.20
	3-5	60	11.5%	5.19
	5-10	109	21.0%	5.01
	10+	95	18.3%	5.01

#### Comparison of satisfaction surveys in 2019 and 2018

1. Response rate =82.9% in 2019; Response rate = 61.4% in 2018.
2. Average score of Employee Satisfaction Survey in 2019 is 5.12; Average score of Employee Satisfaction Survey in 2018 is 5.05 °

Employee Satisfaction Survey	2018	2019
Participation Rate	61.4%	82.9%
Score	5.05	5.12

## 7.2 Human resource structure

At the end of 2019, the total number of employees was 637, including 5 managers and 632 general staff. Male comprised 75.2% and female comprised 24.8% of all employees in 2019. Employees under the age of 30 accounted for 17.3%, 31-50 year-old employees accounted for 75.5%, above the age of 51 accounted for 7.2%. With master's degree or higher accounted for 70.4%.

In 2019, we totally recruited 89 new employees which include 69 persons of male and 20 persons of female. We are dedicated to providing job opportunities for the disabled. We hired 3 disabled persons and continued recruitment to meet the requirement of regulation by law. We highly value equal opportunities and the diverse background of our employees; regardless of their race, gender, age, religion, nationality, or political affiliation. With our well-managed recruiting program, we hire talent through open and fair channels. Moreover, in accordance to the Labor Standard Law of the Republic of China, GUC does not hire workers less than sixteen years of age.

Regarding the retention of employees, 68 employees left in 2019 with male employees accounted for 52 people (76.5%) and female employees accounted for 16 people (23.5%). For GUC, how to increase employees' retention is to ensure work-life balance, enhance the ability of managers and enforce employees' career.

▼ The employees' basic statistic table in 2019

Main category	Secondary category	Male		Female		Total	
		Nº	%	Nº	%	Nº	%
Nationality	Domestic	473	74.3%	157	24.6%	630	98.9%
	Foreigner	6	0.9%	1	0.2%	7	1.1%
Total		479	75.2%	158	24.8%	637	100.0%
Hiring Type	Permanent	476	74.7%	157	24.6%	633	99.4%
	Contractor	3	0.5%	1	0.2%	4	0.6%
Total		479	75.2%	158	24.8%	637	100.0%
Function	Manager	4	0.6%	1	0.2%	5	0.8%
	Professional	475	74.6%	157	24.6%	632	99.2%
Total		479	75.2%	158	24.8%	637	100.0%
Age	Below 30	81	12.7%	29	4.6%	110	17.3%
	31~50	355	55.7%	126	19.8%	481	75.5%
	Above 50	43	6.8%	3	0.5%	46	7.2%
Total			75.2%	158	24.8%	637	100.0%
Degree	Ph.d	13	2.0%	0	0.0%	13	2.0%
	Master	375	58.9%	61	9.6%	436	68.4%
	College	90	14.1%	95	14.9%	185	29.0%
	Below college	1	0.2%	2	0.3%	3	0.5%
Total		479	75.2%	158	24.8%	637	100.0%

Note: % of Master's degree or above is 70.4%

▼ The new employees and labor turnover statistic table

Main category	Secondary category	Male		Female		Total	
		Nº	%	Nº	%	Nº	%
New Employees	Below 30	25	28.1%	12	13.5%	37	41.6%
	31~50	42	47.2%	8	9.0%	50	56.2%
	Above 51	2	2.2%	0	0.0%	2	2.2%
	Total	69	77.5%	20	22.5%	89	100.0%
Labor Turnover	Below 30	12	17.6%	3	4.4%	15	22.1%
	31~50	36	52.9%	13	19.1%	49	72.1%
	Above 51	4	5.9%	0	0.0%	4	5.9%
	Total	52	76.5%	16	23.5%	68	100.0%

▼ Attendance and Hours of Training per Employee per Year by Gender and Employment Position

Main category	Secondary category	Male		Female	
		Nº	%	Nº	%
Disabled Hiring		3	100%	0	0%
Salary Difference		No difference			
Absence rate statistics	<b>[A]</b> Work days in 2017 are 241 days per person. 242 days * total male employees (459) 242 days * total female employees (156)	115,918 days		38,236 days	
	<b>[B]</b> Actual Absence	1,227 days		885 days	
	<b>[C]</b> Absence Rate = B/A	0.79%		0.57%	
	Total hours of Training per Employee per Year by function	7 managers (hours)	6 hours	15.4%	33 hours
	517 professional (hours)	3,858 hours	74.4%	1,330 hours	25.6%
Average hours of Training per Employee per Year by function	Average Hours of Training (hours)	8.1 hours		8.6 hours	

### 7.3 Establish Physical and Mental Health Environment

We expect to receive ISO45001 certification in 2020, and also ask vendors to receive ISO45001 certification

GUC is devoted to achieving 'zero accident' and 'sustainable environmental development' and to becoming a world-class benchmarking company of environmental protection, health and safety. We established our Health, Safety and Environment Committee to carry out the formulation and execution of the environmental safety policies. Proportion of Labor Representatives in the Safety and Health Committee in 2019 is over 1/3. Regular meetings were convened by The Health, Safety and Environment Committee and perform the following policies continuously. GUC is a professional design service company, and employees of GUC are not engaged in positions with high risks or high incidence of specific diseases. In order to ensure the health and safety of each employee, to avoid health hazards due to workload, operating environment, mental stress, etc., Health, Safety and Environment Committee held regular meetings periodically and formulates and implement following policies following the announcement of Occupational Safety and Health Act, including "Prevention of diseases caused by abnormal workload", "Protection of maternity health", "prevention of occupational diseases caused by human", "Prevention of Workplace Violence"

- **Prevention of diseases caused by abnormal workload**

To follow Occupational Safety and Health Act, GUC keeps screening high-risk groups through assessment data. GUC arranges doctor interviews for employees who work long hours and display abnormalities on health check results. Working hours will be adjusted or shorten, or even job adjustment is necessary to remove the risk factor after counseling with psychologists, and health education with nurses. In 2019, GUC assisted 15 high-risk employees with health management activities such as doctor consultations and autonomic nerve detection.

- **Protection of maternity health**

GUC offers lactation rooms that provide comprehensive care and assistance for our employees. We keep track of employees who are pregnant and returning to work after parental leave, including individual hazard assessments, graded management, and health protection and other fitness assessments with a doctor before and after childbirth, and provide job adjustment if necessary. In 2019, a total of 8 employees (1 pregnant, 2 within one year after parental leave, and 5 nursing mothers) were assisted.

- **Prevention of Occupational Diseases Caused by Human**

In order to prevent work-related musculoskeletal hazards and injuries due to long-term exposure to poorly designed working environment, repetitive work, and bad working posture. GUC's operating environment is mainly administrative operations, which may result in occupational diseases caused by human due to prolonged sitting posture, excessive use of eyes, incorrect posture, etc. In 2019, "Musculoskeletal Health Questionnaire" is used to investigate employees' physical conditions to screen target cases suspected of having musculoskeletal hazards. We arranged professionals to give health or medical advice, and develop improvement plans according to the evaluation results of doctors. In 2019, a total of 7 employees were arranged for one-to-one physical therapy consultation and working environment adjustment.

- **Prevention of Workplace Violence**

This plan is initiated to protect employees from physical or mental harm when workplace violence existing after assessment to ensure the safety and physical and mental health of employees.

- **Offering educational training programs to improve employees' awareness of safety, health and environmental protection issues.**

- **Mapping out various health improvement plans to ensure employees' physical and psychological wellness. Healthy, hygienic, and low-calorie meal choices are available for employees.**

In 2019, 17 activities for health promotion for a total of 520 participants are hosted

Health management risk is classified based on the annual employee health check results and employees are encouraged to consult doctors the result of health check. GUC provides professional one-on-one consultation services to our employees, through which employees receive individualized health education by nurse and professional advice. In 2019, a total of 40 employees participate in the activity. In addition, individualized nutrition consultation was designed according to the different physiological data and needs and a total of 26 employees participated in the activity in 2019. Besides assisting employees to change their eating behaviors, 189 employees participated in sports and health seminars to learn how to exercise and lose weight correctly to achieve healthy weight loss.

- Regular health and safety propaganda to develop and strengthen staff safety and health concepts
- Ensuring our operations and services meet or exceed applicable regulations and standards for environment protection, health and safety and safety.
- Staying abreast of global issues of environment protection, health and safety evaluate risks and take effective risk management measures.
- Strengthen the awareness and responsibility of all employees for environmental safety and health, and establish friendly environmental health and safety culture.
- Enhancing performance of environment protection, health and safety with suppliers through experience sharing and collaboration.
- Setting 2019 goal : 'zero accident' in 2019
- Laying out environmental inspection procedures and regulations, such as: Management procedures for examining, measuring and testing facilities , Management plans for plant patrolling, maintenance and auto-checking., Common regulations for hazardous products and labeling of hazardous substances, Operating procedures for electrical equipment, Operating standards for warehouses, Operating standards for handling materials, Standard safeguards for physical health and safety, Operating procedures of health and safety in special areas

▼ The 7th Health, Safety and Environment Committee members.

Member representative	Department and in-charge
Committee Representative	General Manager's Office, General Manager
RD waste and lab representative	8F Lab, Grace Liu
OP&QRA waste and lab representative	Warehouse, C.J. Liao
Quality assurance staff	Quality & Reliability Assurance Joe Chuang
Safety and health staff	HR, Ian Lin
Safety and health staff	HR, Cherie Lin
Welfare Committee representative	General Accounting, Joanne Chi
Welfare Committee representative	Audit, Shirley Chen
Welfare Committee representative	Design Service, Charming Liu
Medical staff	HR, Effy Wu

## 7.4 Employee Development

### Employee training system

The average training hours for our employees in 2019 were about 8.2 hours. The average number of hours of training for male employees was 8.1 hours, and the average number of hours of female employees was 8.6 hours.

To provide the best learning environment and the most effective training, GUC offers various learning platforms, including physical classrooms, virtual e-classrooms and knowledge management system and learning feedback survey. GUC employees can access to proper training courses via the following approaches:

- New Employee Orientation: In order to let our new employees to get to know the history and development of our company, we ask our managers to share their experiences and introduce the responsibilities and rights for the employees. Hoping to help the new employees to fir into this big family promptly.
- Training Roadmap: According to different job, seniority, and level to provide tailor-made learning blue print and to provide diversified professional training.

- Personal Efficiency Training: Assisting and promoting the class efficiency organized by our staffs. These courses can be taken by all our employees: for example: enhancing communication skills, time management and etc.
- Management Development Program: Improving the management ability of our managers, and formed a variety of classes for our middle-level managers and employees. For example: work efficiency management and leadership.
- Executive Level Forum: We offer learning forum to our executive level staffs to improve their leading abilities.
- Self-Development: Provide scholarship to support our colleges to attain a higher degree. We also provide language-learning subsidy to encourage language learning. These subsidies include: certain amount of subsidy for taking English, Japanese and other related language lessons. Beside, we also set up on work learning scholarship that includes 'advanced studies', 'scholarship for credits' and 'scholarship for obtaining degree'. 近五年累計補助 481,000 元

## 7.5 Performance Management Development

GUC established Performance Management Development System (PMD) to develop our employees' potential and enable them to grow continuously under the fast changes of the environment. Different from the traditional way of evaluation, PMD focuses on the discovery and development of employee's potential, rather than only on past performance. This system can enhance the interaction and communication between the managers and staffs. At the same time, this system also integrated and elevated individual and the organization's performance. The system includes:

- Continued interaction and communication
- Close cooperation of employees and managers
- Performance and Development are equally important
- Performance differentiation identification

## 7.6 Compensation Program

### Competitive salary

GUC was listed in the Taiwan High Compensation 100 Index published by Taiwan Stock Exchange since 2014. We adhere to the principle of profits and interest with

our employees, attracting, cultivating and encouraging all varieties of talent. GUC employees' total remuneration does not differ by gender or other reasons. We not only proactively obey the local labor regulations, but also actively participate in salary-survey related associations to ensure GUC's total compensation is competitive. The average salary of a full-time and non-supervised position in 2019 is NT\$2,125.

### Our compensation policies are

year	The total salary of a full-time and non-supervised position (Thousand Dollars)	The employee numbers of a full-time and non-supervised position (Per Person)	The average salary of a full-time and non-supervised position (Thousand Dollars/Per Person)	The median salary of a full-time and non-supervised position (Thousand Dollars/Per Person)
2018	1,129,362	513	2,201	1,792
2019	1,200,507	565	2,125	1,756

The median salary of a full-time and non-supervised position in 2018 didn't certified by accountant

- We raised the employees' salary in every year.
- Base salary: 12-month base salary and year-end bonus.
- Employee profit sharing: Bonus which is given based on employees' performances and corporate operation.
- Encouraging savings: we implement the employees stock ownership trust.
- Bonus: business bonus, intellectual property bonus, referral bonus and excellent performance bonus.
- Welfare Association of GUC and Bonus: birthday allowance or coupons, holiday vouchers, wedding subsidy and death subsidy.
- Insurance Coverage/ Pension Plan,: In addition to the Labor Insurance, National Health Insurance and pension allocation, we provide comprehensive group insurance plans to employees.

### Benefits

- Comprehensive Insurance Plan : In accordance with the law, GUC provides Statutory Labor Insurance and National Health Insurance and group insurance. The groups insurance that we provided includes life insurance, accident insurance, hospital and surgical insurance, accident and medical insurance and cancer insurance. The above mentioned insurance are covered by the company, our employees can enjoy the most favorable rate. Relatives of our employees can join the company's comprehensive insurance plan to enjoy the same care as our employees.
- GUC employees' total remuneration does not differ by gender or other reasons. Total remuneration is based on employee's qualifications to the requirements of the positions, degrees and personal performance; rather than on race or gender. Wages are given according to degree, professional experience and personal performances, and are compliant with law. We adjust wages given to our employees annually and year-end bonuses are given according to performance and the company's operations.
- A certain percentage of the wage is allocated monthly to the trusting fund to purchase the company shares. GUC also allocates a certain amount of money to our employees' trust accounts.

### Rewards

Through employee incentive programs, employees are encouraged to actively pursue sustainable growth. GUC offers a wide range of employee incentive programs including:

- Patent Award : Encourage employees to create more patents for the company.
- STAR Award (individual): Reward employees with work outstanding work performance.
- CTA Award(team) : Encourage employees to complete teamwork goals at work.
- CIS Award: Reward employees to propose suggestions for improvement.
- Seniority Award: Reward employees with long-term contribution to the service and commitment.

### Number of people awarded

2019	Patent Award	STAR Award	CTA Award	CIS Award:	Seniority Award:
Q1	28	6	80	26	
Q2	30	2	17	58	88
Q3	24	0	109	40	
Q4	46	3	28	33	
Total	128	11	235	157	88

### Personal Leave

GUC provides comprehensive and high quality welfare to take care our employees. Beside the requirements of Taiwan Labor Standards Act, our employees can also enjoy 30 days of sick leave with payment, which includes 15 days of full payment and 15 days of half payment. Employees can apply for leave of absence for reasons such as childcare, military service and medical treatment for serious illness or injury, and then apply for reinstatement.

### Standard Pension Fund

Those who qualify for the Labor Standards Act shall receive the pension fund every month. The contribution is supervised by and made in the name of our pension fund committee through the Bank of Taiwan. Those who qualify for the Labor Pension Act shall receive the pension fund in their Bureau of Labor Insurance accounts every month. The contribution is based on an earnings scale approved by the Executive Yuan and has a rate of no less than 6%.

### Establishment of healthy workplace

- Health Checks  
All new employees receive health examinations before their first work day. GUC offers health examinations for employees every year. If health management is needed after consulting with the doctor, our professional personnel will follow up the case to ensure the health of our employees. In 2019's annual health examination results, there are no occupational factors associated with abnormal cases.

- Activities for health promotion : To take care physical and mental health of employees and develop a concept of "Prevention is better than cure",GUC hosted 16 sessions for a total of 478 participants in 2019, including occupational health and safety training \ Training of Prevention of Occupational Diseases Caused by Human \ fat-reduction and muscle-gaining activities, and health promotion activities.
- Wonderful Club Time  
We organized 11 clubs and held extremely outstanding club activities; such as table tennis matches, badminton matches, board games, dancing classes, yoga classes, marathon and etc.
- Central Kitchen is required to provide low-oil and low-salt diets
- Assistance Plan  
We care about the life of our employees. We have entrusted the Hsinchu Lifeline Association's Employees Assistance Center to provide Employee Counseling Plan. This provides free counseling services twice a year. The counseling services can be related with career, family and parenting, interpersonal relationship, relationship and personal pressure.
- Art Activities  
We organized workshops and provide newspaper, books, movies, stories and news that are helpful for our employees' mental health.
- Family activities : Activities such as Family Day \ movies and one-day trip will get GUC closer to family of employees and keep the work-life balance.
- Social Welfare Activities : In 2019. GUC host activities such as beach cleaning in Linshanbi, Buddha mountain cleaning and Caoling Historic Trail mountain cleaning, not only fulfill the our social responsibilities, but also encourage employees and their family to pay more attention to the maintenance of the natural environment and environmental.

- Sponsored Group Travel: We spend significant amounts of money on sponsoring the traveling of our employees. The highest subsidy can reach NT\$12,000.
- Convenience store: GUC provides 0.5% off price for employees.
- Promotions and benefits from contracted stores : The store list is recommended by employees and free movie tickets are provided if their recommendation is listed as contracted stores.
- Year-end Party: The Year-end Party is held to reward the hard-work of our staff.
- Other Benefit : Bonuses for three major festivals and employee birthdays, movie tickets and gift certificate with discount price, and massage from blind masseuses for stress relief.
- Discount price for movie ticket. : Employees only pay NT\$100 for original price of \$260.
- Family Movie Day : GUC host this activity 1 or 2 times per year in the movie theater for employees and their family.

### Comprehensive Facilities

- Cafeteria  
We provide the free meals whole day including noodle, vegetarian meal, buffet, and set meal.
- An Outdoor Basketball Court  
We offer an outdoor basketball court.
- A Gym  
We have a well-equipped gym with basketball machine, a Wii game console and table tennis table.

- Free Parking lots  
We offer our employees their own spacious parking lots. All of our employees can enjoy this service for free, whether for scooters or car parking. We also set up parking spaces for pregnant women, so that they can enjoy a parking space which is the closest to the exit. We also paved non-slip floor at the turning areas to avoid skidding while turning at the downhill. Through our well-organized plans, we provide our staffs a safe and convenient parking space.

### **7.7 Following Human Rights**

With regard to the international human right, we have taken the UN Universal Declaration of Human Rights into account and expected GUC to become an international citizen that protects human right. A labor union has not been established for our corporation, but communication and collective bargaining are available through regular labor-management conferences based on the labor act. Additional conferences are also held periodically in compliance with article 83 of the Labor Standards Act. Issues like labor-management cooperation, labor relations, working conditions and employee welfare are discussed through further consultation when necessary. And we also require suppliers to comply with the same human rights policy, to build the best practices of human rights in the semiconductor industry.



By sharing love and participating in charity activities, we have deepened our ties with local governments, NGOs, charity associations and communities establishing trust and reputation. This friendship can help GUC to develop a positive corporate environment.

- **Donation of 114 note books to "Triple E Institute":** Triple-E Institute has been organized by several scholars from universities since September 2008 as a non-profit social group, concerned for "Energy", "Environment" and "Economy".
- **Donation of 44 note books to "Engineers Without Borders":** Engineers without borders is a non-profit volunteer organization. The purpose of the establishment is to integrate the power of Taiwanese engineers to engage in social charity, and to give back to the society with professionalism. This organization encourages engineers and students with expertise to achieve the goal of making good use of resources and caring for the planet. Through the practice of the Association's plans, Taiwan will be further illuminated on the stage of the world.
- **Charitable Donations Launched by Employees:**
  - Regularly small charitable donations. Total donation amount in 2019 is NT\$153,045.
  - Charity donation is made for every group purchase since June, 2016. Total donation amount in 2019 is NT\$60,000.
  - Donation of NT\$312,000 from 153 employees to help kids with Down Syndrome to grow lychee so they can raise fund for people with severe disability.

- **Giving Blood to Save Lives:** We encourage our employees to give blood and 109 people have responded to our call in 2019.
- GUC opens staff restaurant for non-employees, and to provide convenience to the community. Employees can enjoy cheap and good food and beverages and make the restaurant profitable and continue to operate, furthermore, GUC achieves a win-win situation for the community and the public.
- Group meals are provided by GUC's staff restaurant and are also sent to factories nearby to achieves a win-win situation for the community and the public.
- **HsinChu Blind Welfare Association:** We worked with the non-profit HsinChu Blind Welfare Association by purchasing massage services from them. In 2019, 402 employees experienced this service, which in total amounted to 190 hours contributed the amount of NT\$170,000.
- **Sponsorship for Seminars**
  - The 30th The VLSI Design/CAD Symposium is an extremely significant and well-organized annual event in Taiwan's IC designing industry.
  - The purpose of this symposium is from the perspective of edge computing, information security, and hardware & software design to explore how AI will realize human smart life, as well as the changes that will bring to the industry in the field of IC technology. Moreover, in order to promote communication between government, producers, universities and researchers and increase Taiwan's competitiveness with respect to System-on-Chip (SoC).
  - The Industry Technology Research Institute held the 2019 VLSI Symposium and we sponsored NT\$ 50,000 to assist this event. This is a symposium which focusses on AI, 5G, and the applications and challenges of the future development of semiconductor on Foundry functional diversification.
  - Sponsored TSIA NT\$ 395,000 in 2019



### COVID-19 Special Report

Since the Spring Festival of 2020, the COVID-19 has been raging on a large-scale and global epidemic, the financial market has reacted violently, and the impact on the world economy has also begun to emerge. In order to strengthen the responsiveness of employees to COVID-19, GUC Pandemic Prevention Decision Team plans protective measures for CoVID-19 outbreak, and determines the correct handling procedures to ensure the safety of personnel and equipment and to minimize the loss.

Stage	countermeasures	organization
Epidemic Prevention	<ul style="list-style-type: none"> <li>Implement personal and office health management .</li> <li>Provides forehead guns every floor.</li> <li>Employees are encouraged to record their temperature on-line every day.</li> <li>Health of employees are monitored every day.</li> </ul>	Pandemic Prevention Decision Team
Response to outbreak	<ul style="list-style-type: none"> <li>Travel bans policy advocacy.</li> <li>Visitors are required to fill in health and travel declaration forms.</li> <li>Disinfect the environment regularly.</li> <li>Periodical communication the prevention plan with employees.</li> <li>Epidemic prevention concepts advocacy.</li> <li>Provide employees anti-epidemic items, like masks and dry cleaners.</li> </ul>	Serious/Emergency Pandemic Response Organization



## INDEPENDENT ASSURANCE OPINION STATEMENT

### GLOBAL UNICHIP CORPORATION 2019 Corporate Social Responsibility Report

The British Standards Institution is independent to GLOBAL UNICHIP CORPORATION (hereafter referred to as GUC in this statement) and has no financial interest in the operation of GUC other than for the assessment and verification of the sustainability statements contained in this report.

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

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

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

#### Scope

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

1. The assurance scope is consistent with the description of GLOBAL UNICHIP CORPORATION 2019 Corporate Social Responsibility Report.
2. The evaluation of the nature and extent of the GUC's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted in accordance with type 1 of AA1000 Assurance Standard (2008) with 2018 Addendum assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

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

#### Opinion Statement

We conclude that the GUC 2019 Corporate Social Responsibility Report provides a fair view of the GUC CSR programmes and performances during 2019. The CSR report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the GUC and the sample taken. We believe that the 2019 economic, social and environmental performance information are fairly represented. The CSR performance information disclosed in the report demonstrate GUC's efforts recognized by its stakeholders.

Our work was carried out by a team of CSR report assurers in accordance with the AA1000AS (2008) with 2018 Addendum. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that GUC's description of their approach to AA1000AS (2008) with 2018 Addendum and their self-declaration in accordance with GRI Standards: Core option were fairly stated.

#### Methodology

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

- a review of issues raised by external parties that could be relevant to GUC's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 7 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000AP (2018).

#### Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness and Impact of AA1000AP (2018) and GRI Standards is set out below:

#### Inclusivity

This report has reflected a fact that GUC has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for economic, social and environmental information in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the GUC's inclusivity issues.

#### Materiality

GUC publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of GUC and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the GUC's management and performance. In our professional opinion the report covers the GUC's material issues.

#### Responsiveness

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

#### Impact

GUC has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. GUC has established processes to monitor, measure, evaluate and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the GUC's impact issues.

#### GRI Sustainability Reporting Standards (GRI Standards)

GUC provided us with their self-declaration of in accordance with GRI Standards: Core option (For each material topic covered by a topic-specific GRI Standard, comply with all reporting requirements for at least one topic-specific disclosure). Based on our review, we confirm that social responsibility and sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported or omitted. In our professional opinion the self-declaration covers the GUC's social responsibility and sustainability topics.

#### Assurance level

The moderate level assurance provided is in accordance with AA1000AS (2008) with 2018 Addendum in our review, as defined by the scope and methodology described in this statement.

#### Responsibility

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

#### Competency and Independence

The assurance team was composed of Lead auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan



Statement No: SRA-TW-2019045  
2020-05-22

...making excellence a habit.™

Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.

BSI Taiwan is a subsidiary of British Standards Institution.

Appendix B : GRI Standards

Indicator numbers	Material Topics	Disclosure Item numbers	Disclosure Item	Page(s)
<b>GRI 102 2016</b>				
GRI 102	Organizational Profile	102-1	Name of the organization	P26~29
GRI 102	Organizational Profile	102-2	Activities, brands, products, and services	P26~29
GRI 102	Organizational Profile	102-3	Location of headquarters	P26~29
GRI 102	Organizational Profile	102-4	Location of operations	P26~29
GRI 102	Organizational Profile	102-5	Ownership and legal form	P26~29
GRI 102	Organizational Profile	102-6	Markets served	P26~29
GRI 102	Organizational Profile	102-7	Scale of the organization	P65 P2~3 P31
GRI 102	Organizational Profile	102-8	Information on employees and other workers	P65~67
GRI 102	Organizational Profile	102-9	Supply chain	P28~29
GRI 102	Organizational Profile	102-10	Significant changes to the organization and its supply chain	P2~3
GRI 102	Organizational Profile	102-11	Precautionary Principle or approach	P34~38
GRI 102	Organizational Profile	102-12	External initiatives	P2~3
GRI 102	Organizational Profile	102-13	Membership of associations	P33
GRI 102	Strategy	102-14	Statement from senior decision-maker	P6~8
GRI 102	Strategy	102-15	Key impacts, risks, and opportunities	P34~38 P35~37 P42
GRI 102	Ethics and Integrity	102-16	Values, principles, standards, and norms of behavior	P30~33
GRI 102	Governance	102-18	Governance structure	P30~33
GRI 102	Governance	102-27	Collective knowledge of highest governance body	P6~8 P9~10

Indicator numbers	Material Topics	Disclosure Item numbers	Disclosure Item	Page(s)
GRI 102	Stakeholder Engagement	102-40	List of stakeholder groups	P9~14
GRI 102	Stakeholder Engagement	102-41	Collective bargaining agreements	P9~14
GRI 102	Stakeholder Engagement	102-42	Identifying and selecting stakeholders	P9~14
GRI 102	Stakeholder Engagement	102-43	Approach to stakeholder engagement	P9~14
GRI 102	Stakeholder Engagement	102-44	Key topics and concerns raised	P9~14
GRI 102	Reporting Practice	102-45	Entities included in the consolidated financial statements	P2~3
GRI 102	Reporting Practice	102-46	Defining report content and topic Boundaries	P2~3
GRI 102	Reporting Practice	102-47	List of material topics	P14~24
GRI 102	Reporting Practice	102-48	Restatements of information	P2~3
GRI 102	Reporting Practice	102-49	Changes in reporting	P2~3
GRI 102	Reporting Practice	102-50	Reporting period	P2~3
GRI 102	Reporting Practice	102-51	Date of most recent report	P2~3
GRI 102	Reporting Practice	102-52	Reporting cycle	P2~3
GRI 102	Reporting Practice	102-53	Contact point for questions regarding the report	P2~3
GRI 102	Reporting Practice	102-54	Claims of reporting in accordance with the GRI Standards	P2~3
GRI 102	Reporting Practice	102-55	GRI content index	P86~90
GRI 102	Reporting Practice	102-56	External assurance	P2~3

Indicator numbers	Material Topics	Disclosure Item numbers	Disclosure Item	Page(s)
<b>GRI 103 2016</b>				
GRI 103	Management Approach	103-1	Explanation of the material topic and its Boundary	P14~24
GRI 103	Management Approach	103-2	The management approach and its components	P5~6 P30~33
GRI 103	Management Approach	103-3	Evaluation of the management approach	P5~6 P30~33
<b>GRI 200 2016</b>				
GRI 201	Economic Performance	201-1	Direct economic value generated and distributed	P42
GRI 201	Economic Performance	201-3	Defined benefit plan obligations and other retirement plans	P72~78
GRI 203	Indirect Economic Impacts	203-1	Infrastructure investments and services supported	P80~82 P52~57 P81
GRI 204	Procurement Practices	204-1	Proportion of spending on local suppliers	P58~60
GRI 205	Anti-corruption	205-1	Operations assessed for risks related to corruption	P32

Indicator numbers	Material Topics	Disclosure Item numbers	Disclosure Item	Page(s)
<b>GRI 300 2016</b>				
GRI 302	Energy	302-1	Energy consumption within the organization	P47~49
GRI 302	Energy	302-3	Energy intensity	P47~49
GRI 302	Energy	302-5	Reductions in energy requirements of products and services	P52~57
GRI 305	Emissions	305-2	Energy indirect (Scope 2) GHG emissions	P47~49
GRI 305	Emissions	305-5	Reduction of GHG emissions	P47~49
GRI 306	Effluents and Waste	306-1	Water discharge by quality and destination	P48~49
GRI 306	Effluents and Waste	306-2	Waste by type and disposal method	P50~52
GRI 307	Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	P40~41
GRI 308	Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	P58~60

Indicator numbers	Material Topics	Disclosure		
		Item numbers	Disclosure Item	Page(s)
<b>GRI 400 2016</b>				
GRI 401	Employment	401-1	New employee hires and employee turnover	P65~67
GRI 401	Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	P72~78
GRI 403	Occupational Health and Safety	403-1	Workers representation in formal joint management-worker health and safety committees	P68~71
GRI 404	Training and Education	404-1	Average hours of training per year per employee	P71~72
GRI 405	Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	P30~33
GRI 414	Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	P68~71
GRI 416	Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	P40~41
GRI 418	Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	P19



## Global Unichip Corporation

No. 10, Li-Hsin 6th Road, Hsinchu Science Park, Hsinchu City 30078, Taiwan

TEL +886-3-5646600

FAX +886-3-5646600

