

CH5

Partnership and Mutual Prosperity

- 5.1 Green Supply Chain
- 5.2 Supply Chain and Environment
- 5.3 Supplier Management Principles
- 5.4 Supplier Risk Assessment
- 5.5 Key Management Strategies for Global Geopolitical Risks
- 5.6 Green Procurement



Annual Targets and Performance

Resilient value chain relationships are a source of corporate resilience and competitiveness. Through local procurement, supplier sustainability management, and risk assessment, GUC works alongside its partners to address environmental and industry challenges. Together, we build a sustainable ecosystem grounded in mutual trust and shared growth.

United Nations Sustainable Development Goals (SDGs)



Corresponding Material Topics

Supply Chain Management

Item	2025 Annual Target	2025 Annual Performance	Achieved
Local Procurement Ratio	>80%	83%	✓
Supplier Code of Conduct Signing Ratio	100%	100%	✓
Supplier Sustainability Management and Risk Survey Completion Ratio	100%	100%	✓
Supply Chain Net-Zero Learning Network	Public launch	Officially launched on the corporate website in October 2025	✓

5.1 Green Supply Chain

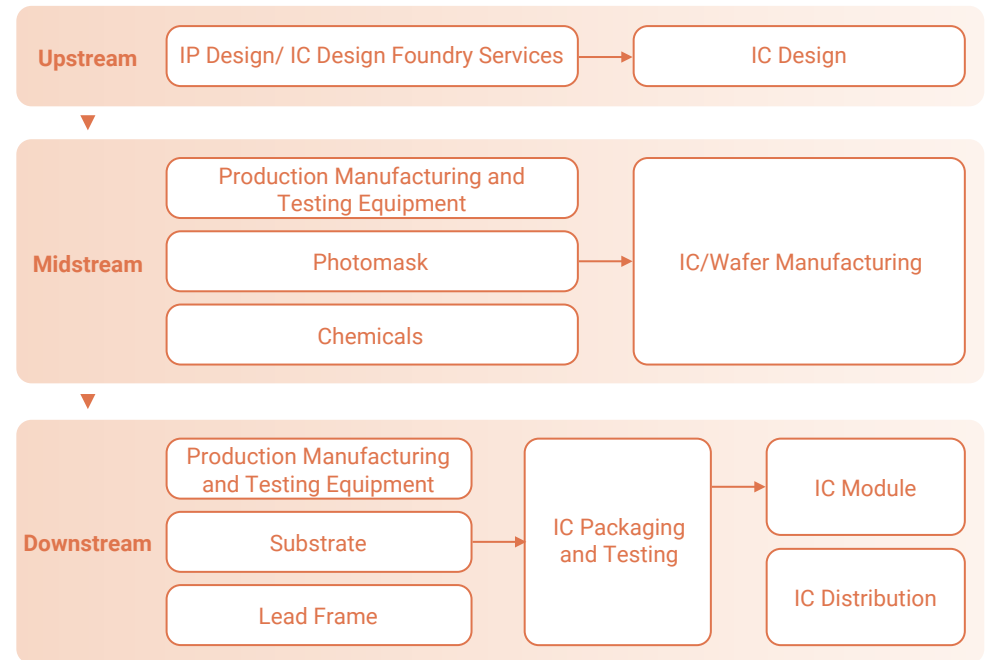
As process nodes continue to advance, chip design costs and mask expenses have risen steadily. While the trend toward integrating multiple functions into a single chip remains intact, the overall volume of chip design engagements has shown a slight decline as a result. Growth across artificial intelligence (AI / Machine Learning), data centers, 5G networking, the Internet of Things (IoT), advanced driver-assistance systems (ADAS), and augmented / virtual reality (AR/VR) has nonetheless moderated the pace of decline in ASIC and ASSP design engagement volumes.

The global semiconductor industry has experienced a wave of mergers and acquisitions in recent years. Taiwan simultaneously faces intensifying pressure from mainland China's aggressive support of its domestic semiconductor industry, including targeted recruitment of senior semiconductor talent from Taiwan-based firms. Global IC design companies have continued to pursue acquisitions to strengthen product portfolios, reduce costs, and expand economies of scale, seeking to sustain market share by meeting evolving customer demands with advanced semiconductor technologies. The pool of available design service providers from which customers may choose will continue to narrow. Customer demand for product differentiation, however, remains as strong as ever — standardized solutions are no longer sufficient to meet customer requirements, and leading global technology companies are increasingly designing their own chips to demonstrate distinct product features and performance. For GUC, this represents a growing opportunity.

In response to the evolving semiconductor landscape and rapidly shifting customer requirements, GUC's Advanced ASIC Services framework encompasses a comprehensive IP ecosystem — including proprietary IP, customized IP, and system design services — enabling customers to engage GUC's services at any stage of the semiconductor design chain, from initial product concept through specification, development, verification, manufacturing, production, and final delivery. Advanced ASIC Services is built on three core pillars: silicon IP solutions, chip design and advanced packaging, and ASIC manufacturing. Targeted silicon IP solutions help customers reduce design time and cost, enabling customized ICs tailored to specific requirements. In chip design and advanced packaging, we work in close collaboration with TSMC to support customers in accelerating volume production, improving yield, and strengthening market competitiveness. GUC's ASIC manufacturing services further position the Company as the optimal bridge between wafer fabs and assembly and test houses.

Industry Upstream, Midstream, and Downstream Relationships

Taiwan's semiconductor industry supply chain is organized into four principal segments along the upstream-to-downstream value chain: design, manufacturing, packaging, and testing. The industry segmentation is set out in the table below:



GUC provides comprehensive advanced IC customization services spanning the full semiconductor value chain — from upstream design, midstream manufacturing, and downstream packaging and testing through to back-end sales — delivering customized technical services to fulfill customers' design requirements. There were no material changes to the Company's supply chain or its commercial relationships with upstream and downstream suppliers and customers in 2025.

To reinforce supply chain management, GUC maintains a continuous commitment to advancing its capabilities in advanced process services and technology, while strengthening collaboration across upstream, midstream, and downstream supply chain partners. GUC also works to promote ESG improvement across its supplier and contractor base. Through regular management-level engagement, self-assessments, management audits, and knowledge sharing, the Company seeks to deepen partnerships with key suppliers and contractors, jointly deliver higher-quality products and services, and create greater sustainable value together.

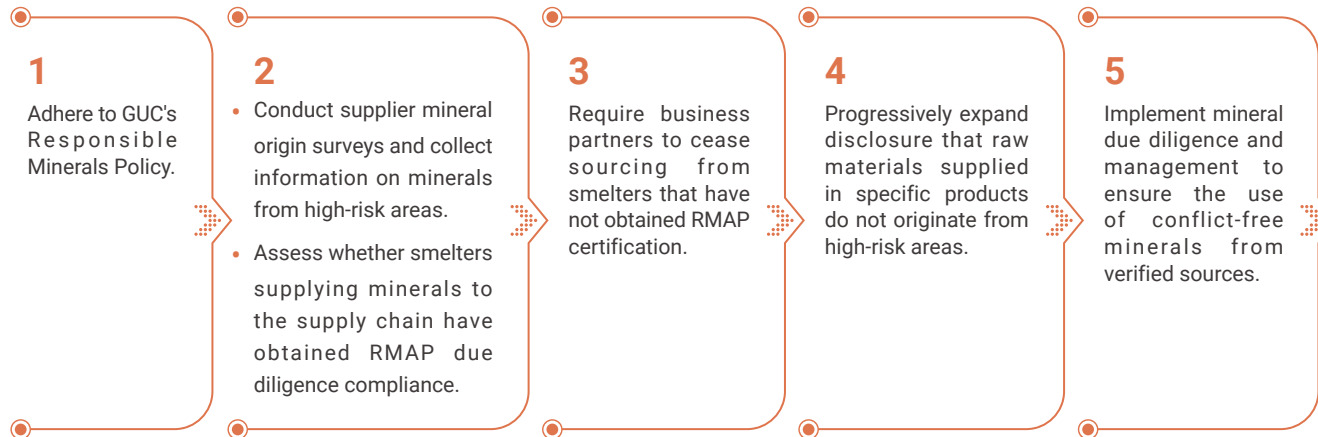
5.2 Supply Chain and Environment

5.2.1 Raw Material Management - Responsible Mineral Management Process

In line with global trends in human rights protection, GUC sources conflict-free raw materials from verified suppliers and requires suppliers to conduct reasonable due diligence across their supply chains. This ensures that materials supplied to us are free from conflict minerals originating from conflict-affected regions and countries, safeguarding the human rights, health, and environment of mineral-producing communities.

As the Responsible Minerals Initiative (RMI) continues to update its survey instruments — including revisions to the Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT) — GUC maintains active management of supplier conflict minerals due diligence. Through structured surveys, GUC identifies the sourcing information of minerals and smelters within its supply chain and confirms the origin of 3TG minerals used in its IC products. In 2025, survey results identified 179 qualified smelters, all of which — 100% — are compliant with the RMI's Smelter/Refiner list. Based on analysis of mineral country-of-origin survey data, the majority of qualified smelters are located in Asia, with the remainder distributed across the Americas, Europe, and Africa.

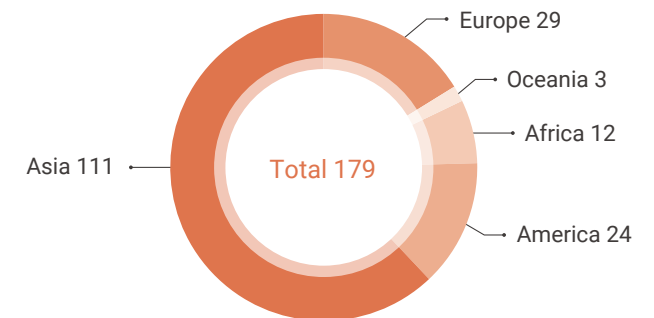
Responsible Minerals Management Process



Distribution of Minerals Used by GUC and Number of Qualified Smelters

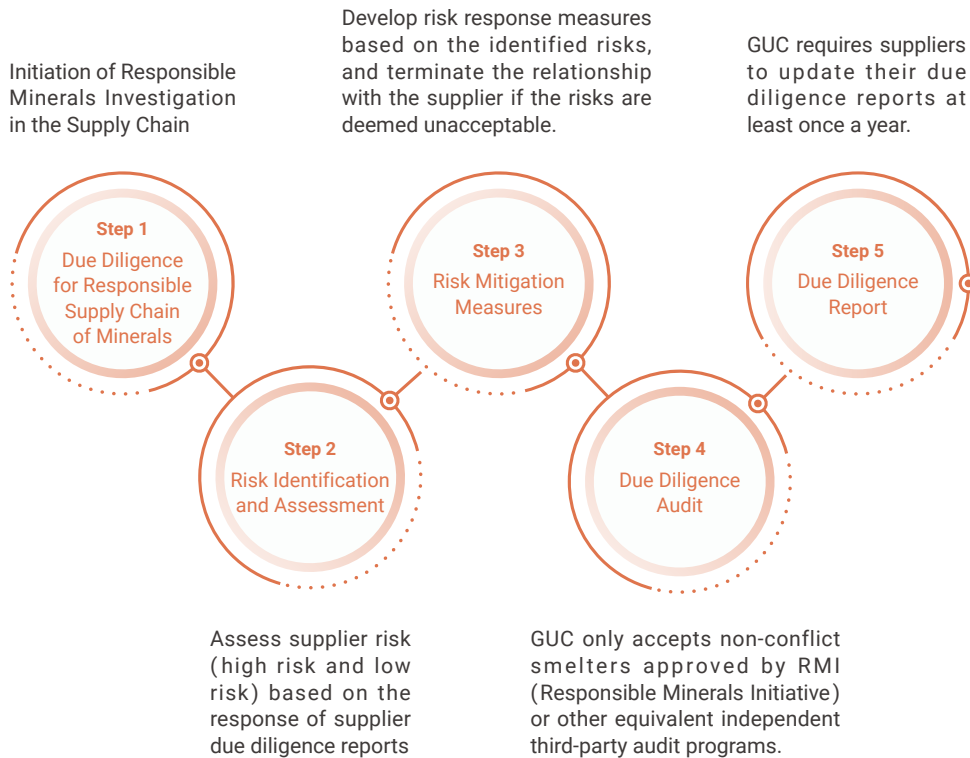


Regional Distribution of GUC's Qualified Smelters



Risk Identification and Response Measures

In accordance with its responsible minerals risk identification process, GUC has established a responsible minerals risk management framework in compliance with the due diligence principles of the Organization for Economic Co-operation and Development (OECD). Raw materials supplied in GUC products do not originate from conflict-affected regions. GUC is also actively conducting surveys and progressively expanding disclosure to confirm that specific raw materials do not originate from high-risk and conflict-affected areas (CAHRAs).



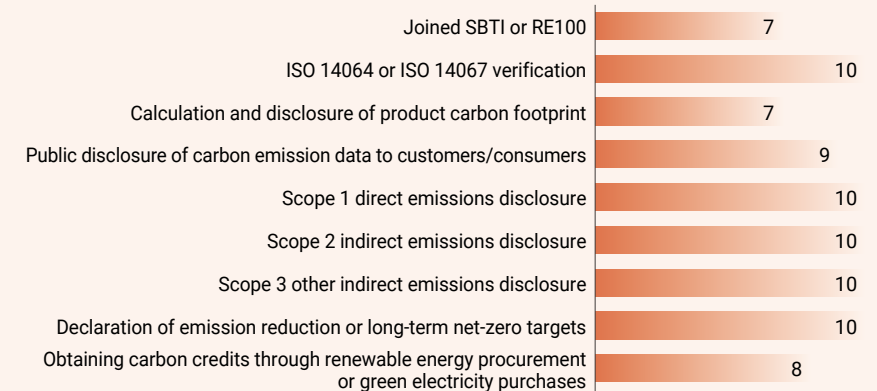
Highlight

Supply Chain Process GHG Online Survey 1.0

In the global transition toward net zero, GUC and its supply chain partners are advancing together toward a low-carbon future.

We have developed an intelligent carbon management platform — the Supply Chain Process GHG Online Survey 1.0 — to make supply chain emissions reduction actions more transparent and strategically grounded. Based on the latest survey analysis, the following results are highlighted:

- ✔ Four suppliers have received SBTi science-based carbon reduction target approval, one has signed a commitment, and two have additionally joined RE100, collectively accounting for **87%** of total procurement spend — a clear demonstration of supply chain partners' commitment to sustainability.
- ✔ **Ten** suppliers have fully disclosed Scope 1 and Scope 2 greenhouse gas emissions, with several extending coverage to Scope 3, providing robust data support for supply chain decarbonization strategy.
- ✔ Ten suppliers have obtained **ISO 14064-1:2018** verification and four have obtained **ISO 14067** verification, all subject to rigorous third-party review, ensuring the credibility and accuracy of carbon data.
- ✔ Ten suppliers have established both near-term emissions reduction and long-term **net zero** targets.
- ✔ Eight suppliers are actively adopting **renewable energy** and **purchasing green electricity**, jointly building a more resilient low-carbon production model.



5.2.2 Critical Raw Material Risk Assessment and Management

Risk	Supply Chain Material Shortage and Disruption Risk
Description	Political instability, pandemics, geopolitical conflicts, and other unforeseen events may restrict or interrupt the supply of critical raw materials, adversely affecting product delivery timelines and operational continuity.
Potential impact	Without robust supply chain risk management and contingency mechanisms, the risk of raw material shortages and supply disruptions may increase, with adverse consequences for the Company's operations, customer service, and financial performance.
Response Strategies and Management Practices	<ul style="list-style-type: none"> Diversified Alternative Supply Chain Deployment A multi-source supply strategy is adopted to reduce dependence on any single supplier. Rigorous assessment, screening, and qualification procedures are conducted annually for new suppliers, with the approved vendor list continuously expanded to diversify supply risk. Long-term supply security for critical raw materials Long-term capacity reservation agreements are established with designated suppliers for critical raw materials to ensure mid- to long-term supply stability and mitigate the impact of external environmental disruptions on the supply chain. Real-Time Raw Material Tracking and Early Warning Mechanism A tracking mechanism is maintained for raw material lead times and supply conditions, enabling real-time visibility into delivery progress and potential anomalies. Production capacity allocation and procurement strategies are adjusted on a flexible basis as circumstances warrant, enhancing overall responsiveness. Safety Stock and Second-Source Mechanism Safety stock planning and second-source arrangements are initiated for critical raw materials to ensure alternative supply capacity remains available in the event of unforeseen disruptions, thereby maintaining supply chain continuity and stability.

5.2.3 Supply Chain Sustainability Ecosystem and Diversity, Equity, and Inclusion Initiatives

As part of its commitment to ecological resource stewardship, GUC has established a Biodiversity Commitment and Zero-Deforestation Declaration, which is incorporated as a performance indicator and target for both the Company and its Tier 1 critical suppliers. This initiative aims to strengthen the positive impact of the overall value chain on biodiversity conservation, encourage suppliers to assess biodiversity risks at their operating sites to minimize adverse environmental impacts, and collectively pursue best practices for reducing biodiversity harm and achieving zero deforestation. Through the Biodiversity Commitment Survey, Tier 1 critical suppliers are required to fulfill the following ecological resource protection commitments:

- Commit to refraining from conducting operational activities at or in proximity to key biodiversity areas in the future
- Where existing operations or products and services involve deforestation, commit to implementing compensatory reforestation measures and discontinuing any form of future development activities
- Commit to ensuring that operational activities and products and services meet zero-deforestation standards, with regulatory compliance monitored through the operation of internal environmental management systems
- Where areas surrounding existing operational sites are identified as biodiversity zones, commit to implementing impact mitigation measures, including avoidance, impact reduction, restoration, and compensation
- Conduct regular ecological surveys and impact assessments in the vicinity of operational sites
- Collaborate with external partners in fulfilling this commitment

Supplier DEI (Diversity, Equity, and Inclusion) Joint Initiative and Promotion

Building on its existing supplier ESG management framework, GUC further strengthened its social responsibility practices during the reporting year by formally launching the Supplier DEI Joint Initiative. The initiative focuses on diversity, equity, and inclusion, and Tier 1 Significant Suppliers were invited to participate and respond as a key action in deepening supply chain social responsibility. A 100% signature rate has been achieved.

Through this initiative, GUC encourages suppliers to embed DEI principles within their organizations and operations, including respect for diverse backgrounds and cultures, provision of equitable development and advancement opportunities, and cultivation of an inclusive and respectful working environment. By fostering cross-enterprise collaboration and experience sharing, GUC aims to elevate the overall social sustainability performance of the supply chain and achieve a 100% response rate among Tier 1 Significant Suppliers, demonstrating an unambiguous commitment to DEI across the supply chain.

5.3 Supplier Management Principles

The primary raw material for GUC's principal products is wafers, with TSMC serving as the primary supplier. As TSMC is simultaneously our largest shareholder and a long-established strategic partner, raw material supply conditions remain stable. GUC also works with other suppliers. Wafers and packaging materials supplied by these suppliers must comply with the EU RoHS Directive 2011/65/EU and 2015/863 — which added four additional restricted substances (DEHP, BBP, DBP, and DIBP) — as well as the EU's chemicals regulatory framework under REACH (Registration, Evaluation, Authorization and Restriction of Chemicals). GUC extends its green and environmental policies throughout the entire supply chain. All new product manufacturing suppliers are required to comply with GUC's RBA Code of Conduct, execute the relevant declaration of compliance, and complete the qualification review process before being approved as qualified suppliers.

GUC additionally requires suppliers to utilize recycled materials and minimize consumable usage, both at the manufacturing facility and during transit. Examples include the reuse of plastic IC carrier trays and the company-wide adoption of reusable antistatic packaging — such as "black box" carriers — during product transportation, reducing reliance on cardboard cartons. Through close collaboration across upstream and downstream supply chain partners, GUC works collectively to advance industry-wide social responsibility and global corporate citizenship. GUC implements a broad range of environmentally responsible practices and applies green materials across the full product lifecycle — from design and manufacturing through to packaging — comprehensively integrating environmental awareness into its production and quality management systems.

5.3.1 New Supplier Management

As a significant participant in the global semiconductor and electronics industry supply chain, GUC upholds its responsibilities as a global corporate citizen and continues to strengthen responsible procurement and supply chain sustainability management. The Company has systematically advanced its corporate culture and management framework, establishing an ESG Committee as the highest supervisory and decision-making body for the Company's responsible supply chain policy.

The ESG Committee is responsible for formulating, implementing, and overseeing policies, procedures, and action plans consistent with the Responsible Business Alliance (RBA), ensuring that the Company's operations and supply chain management practices comply with international requirements covering human rights, labor conditions, environmental protection, business ethics, and management systems. Responsible business principles are comprehensively integrated into corporate governance and operational decision-making processes.

With respect to supply chain management, GUC has established a robust responsible supply chain management mechanism with explicit requirements for suppliers to adhere to the Responsible Business Alliance (RBA) and to comply fully with applicable regulations and internationally recognized standards in their jurisdictions of operation. A uniform management standard is applied regardless of geography, nationality, or industry sector, ensuring consistent compliance and sustainability performance across the supply chain in the areas of labor rights, environmental health and safety, and business ethics.

GUC's Implementation of the Responsible Business Alliance Code of Conduct is modeled on the Responsible Business Alliance (RBA) and references multiple international frameworks, including: the OECD Guidelines for Multinational Enterprises; the UN Guiding Principles on Business and Human Rights; the ILO Declaration on Fundamental Principles and Rights at Work; the ILO Core Conventions; and the UN Universal Declaration of Human Rights. For suppliers transacting directly with GUC, we expect and require adherence to the Responsible Business Alliance (RBA). New suppliers must first obtain valid ISO 9001 or IATF 16949 certification and any other certifications required for their specific supply category, and must execute GUC's Supplier Code of Conduct Letter upon onboarding. GUC seeks to leverage the collective strength of the entire supply chain to jointly advance industry social responsibility and global corporate citizenship. In 2025, a total of 9 new suppliers executed the GUC Supplier Code of Conduct, representing 100% of all new suppliers onboarded during the year. No significant actual or potential adverse environmental impacts arising from the supply chain were recorded during the reporting period.

Supplier ESG Promotion and Sustainability Management

To build a resilient and sustainable supply chain, we actively promote adherence to environmental, social, and governance (ESG) principles among its suppliers and encourages partners to integrate sustainability into their business operations. The promotion framework encompasses six core dimensions: regulatory compliance and ethical corporate management; information security and confidentiality; environmental protection and climate action; labor rights and human rights protection; ESG management systems and international certification; and cooperation with audits and investigations. Through institutionalized management, education, and guidance, GUC supports suppliers in progressively implementing these principles, with the objectives of enhancing supply chain transparency, reducing ESG-related risks, and fostering the long-term sustainable development of supply chain partners.

With respect to the ESG management systems and international certification dimension, suppliers are encouraged to establish or adopt ESG-related management systems and to prioritize obtaining internationally recognized certifications — including ISO 14001, ISO 45001, ISO 50001, and ISO 26000 — to elevate their sustainability management standards. Suppliers that have obtained relevant certifications are requested to submit certificate copies for reference, which are recorded and tracked as part of the annual evaluation process.

Number of New Suppliers Executing the Supplier Code of Conduct

	2023	2024	2025
New Suppliers Executing the Commitment Letter	3	4	9
Proportion of Suppliers Executing	100%	100%	100%

Note: Proportion of suppliers executing the GUC Supplier Code of Conduct = Number of suppliers executing the Supplier Code of Conduct ÷ Total number of suppliers × 100%

5.3.2 Supplier Identification

To effectively manage supplier sustainability risks, GUC has classified suppliers into three tiers, taking into account differences in procurement value, volume, and category. Tier 1 Significant Suppliers are defined as those whose processing payment amounts account for the top 80% of total spend, or whose quarterly shipment volume reaches one million units. For Tier 1 critical suppliers, we establish standards and requirements commensurate with the responsibilities of their respective processing categories or service scope. In 2025, a total of 6 critical suppliers were included in and completed the supply chain sustainability risk survey and assessment, achieving a 100% response rate.

In consideration of the varied risks facing the supply chain, GUC will continue to strengthen sustainability risk management for non-Tier 1 suppliers. Tracking of non-Tier 1 supplier information has commenced, and non-Tier 1 Significant Suppliers have been identified. Monitoring of risk conditions among non-Tier 1 Significant Suppliers will continue, and comprehensive risk management and control measures will be established.

Supplier Identification, Supplier Count, and Procurement Value Proportion

	2023		2024		2025	
	Supplier Count	Procurement Value Proportion	Supplier Count	Procurement Value Proportion	Supplier Count	Procurement Value Proportion
Tier 1 Suppliers	40	25.9%	44	10.3%	51	5.9%
Tier 1 Significant Supplier	6	74.1%	6	89.7%	6	94.1%
Non Tier 1 Significant Supplier	12	No direct procurement activity	13	No direct procurement activity	15	No direct procurement activity

Note: "Non-Tier 1 Significant Suppliers" refers to suppliers that supply more than two Tier 1 Significant Suppliers or transact through agents.

Supplier Identification and Supplier Sustainability Risk Assessment Process

Management Procedure	Risk Level and Sustainability Risk Assessment Scope	Risk Assessment Mechanism	Implementation Content
1 Supplier Onboarding	New Suppliers	Proactive assessment with preliminary risk identification based on supplier geography and procurement value	<ul style="list-style-type: none"> Ensure supplier operations comply with the Responsible Business Alliance (RBA) Supplier operations management Technical capability
2 Risk Assessment	Supplier Risk Assessment	Risk matrix and tiered management measures defined based on Tier 1 supplier SAQ results, supply chain resilience, and transaction value	<ul style="list-style-type: none"> Execution of GUC Supplier Code of Conduct Responsible Business Alliance (RBA)
	Tier 1 Significant Supplier Risk Assessment	Suppliers whose processing payment amounts account for the top 80% of total spend or whose quarterly shipment volume reaches one million units are classified as Tier 1 significant suppliers	<ul style="list-style-type: none"> Periodic QBR evaluation Execution of GUC Supplier Code of Conduct Responsible Business Alliance (RBA) Supplier ESG Sustainability Management Risk Assessment Questionnaire
3 On-Site Audit and Periodic Review Meetings	Continuous Supplier Improvement	On-site or documentary audits are conducted to verify supplier implementation outcomes; certification validity is cross-checked; self-assessment reports and corrective action closure are tracked to ensure operational compliance with sustainability management requirements	<ul style="list-style-type: none"> Review covering quality, delivery, service, technical support, and information exchange ESG sustainability management assessment Suppliers passing risk assessment (score ≥ 70) designated as preferred procurement sources Selection of outstanding suppliers and presentation of the Annual Excellence in ESG Supplier Award
4 Implementation of Evaluation Management and Exit Mechanism	High-Risk Suppliers	Failure to pass on-site audit on two consecutive occasions	<ul style="list-style-type: none"> Suppliers failing on-site audit remediation review or committing material violations will be subject to reduced transaction volume or termination of business relationship

5.3.3 Supplier Audits

Established a systematic and recurring supplier risk assessment and audit mechanism. Each year, the Company conducts comprehensive on-site audits of its Tier 1 significant suppliers to effectively manage supply chain risks in the areas of quality management and environmental compliance.

Audit coverage encompasses multiple key management dimensions, including product manufacturing quality, nonconformance reporting and corrective action processes, compliance of environmentally restricted substances with applicable regulations and customer requirements, and the planning and execution of suppliers' internal audit programs. All audit items are documented, evaluated, and tracked in accordance with standardized procedures, and the results serve as a critical basis for supplier tiering, risk remediation, and subsequent management actions. Through the foregoing audit and management mechanisms, the Company continuously strengthens supply chain quality stability and environmental compliance, ensuring that manufacturing processes and products meet high-quality and sustainability requirements.

To further enhance the efficiency and accuracy of sustainability risk investigation, assessment, and audit processes, GUC has independently developed the Supplier ESG Sustainability Management Data Platform, an online audit system. The platform not only improves the precision and integrity of data management, but also significantly increases operational efficiency and the responsiveness of supplier handling workflows. It effectively assists suppliers in improving their audit response processes and audit management procedures, ensuring continuous production within the Company's foundational sustainability strategy and driving both GUC and its suppliers toward the shared goal of sustainable development. Going forward, GUC will continue to refine its audit mechanisms, deepen supplier partnerships, and realize green, efficient, and transparent supply chain management, supporting the supply chain's competitive advantage in the global market.

In 2025, in accordance with its established supply chain sustainability management system, GUC conducted a comprehensive sustainability risk assessment of six Tier 1 significant suppliers. The assessment covered environmental, social, and corporate governance risk topics, and integrated the results of the supply chain sustainability risk survey with the Company's internal risk tiering mechanism for a holistic evaluation.

Assessment results indicate that all evaluated suppliers performed in a manner consistent with the Company's supply chain sustainability management requirements, with no supplier rated as a Grade D high-risk entity. Through its systematic supplier tiering, risk identification, and periodic assessment mechanisms, the Company maintains real-time visibility into potential supply chain risks, which serve as the basis for subsequent management and remediation actions.

In the areas of supplier management and risk control, GUC continues to implement a range of management strategies, including priority management of critical suppliers, risk early-warning and tracking mechanisms, and supplier communication and improvement requirements, with the aim of strengthening supply chain resilience, ensuring operational stability, and advancing the long-term sustainable development of the supply chain as a whole.

5.3.4 Supplier Evaluation

In 2025, GUC planned to conduct on-site audits of 7 Tier 1 Significant Suppliers and desk audits of 6 suppliers. All planned audits were completed as scheduled - 7 on-site audits and 6 desk audits - achieving a completion rate of 100%. The primary audit nonconformances identified and key corrective outcomes are summarized in the table below. Suppliers have completed explanations and nonconformance remediation at a rate of 100%.

■ Tier 1 Significant Supplier Audit Status and Evaluation Results

		Grade / Level / Score											
		A-Excellent ≥ 90			B-Good 80~89			C-Normal 70~79			D Bad <70		
		2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
On-site audit	Number of on-site audits planned	0	2	2	6	4	5	0	0	0	0	0	0
	Number of on-site audits completed	0	2	2	6	4	5	0	0	0	0	0	0
	Completion Rate	-	100%	100%	100%	100%	100%	-	-	-	-	-	-
Desk Audit	Number of on-site audits planned	5	5	6	0	0	0	0	0	0	0	0	0
	Number of on-site audits completed	5	5	6	0	0	0	0	0	0	0	0	0
	Completion Rate	100%	100%	100%	-	-	-	-	-	-	-	-	-
RBA SAQ	Number of on-site audits planned	10	7	10	1	4	9	2	4	5	1	0	0
	Number of on-site audits completed	10	7	10	1	4	9	2	4	5	1	0	0
	Completion Rate	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	-	-

Note: In supplier evaluations

1. Tier 1 Significant Suppliers receiving a Grade A rating will have their audit frequency adjusted to once every two years.
2. Tier 1 Significant Suppliers receiving a Grade B rating will be subject to annual scheduled audits and guidance.
3. Tier 1 Significant Suppliers receiving a Grade C rating will be subject to annual scheduled audits, with suppliers required to implement corrective actions within a specified timeframe.
4. Tier 1 Significant Suppliers receiving a Grade D rating will be reviewed by the Company's quality management unit and relevant departments to determine whether to continue engagement with the supplier. If continued engagement is determined necessary, the Company will actively provide guidance and assistance and require the supplier to implement immediate corrective actions; if continued engagement is not necessary, the supplier's qualified supplier status will be revoked.

■ 2025 Supplier Audits — Periodic Evaluation

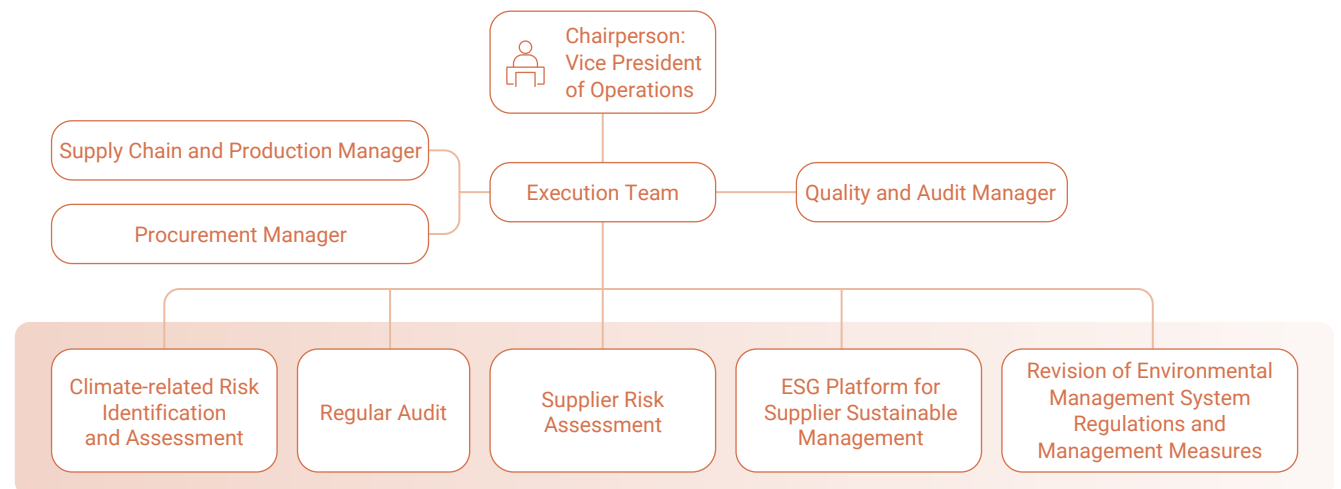
Supplier Audit

Primary Audit Nonconformances	Key Corrective Outcomes
<p>Quality Audit:</p> <ul style="list-style-type: none"> Condition of correlation samples was not fully and properly documented upon filing Tray warpage specification is 0.76 mm; existing measurement instruments (feeler gauges) are incapable of measuring at the 0.76 mm tolerance <p>Sustainability Management Risk Assessment:</p> <p>Supplier labor violation record: overtime compensation not paid for overtime hours worked</p> <p>Supplier labor violation records: extended working hours in excess of statutory limits</p>	<p>Quality Audit:</p> <ul style="list-style-type: none"> Procedures were revised to require personnel to perform visual inspection upon filing of correlation samples, ensuring proper documentation of sample condition Compliant measurement instruments (feeler gauges) were procured to ensure the accuracy and validity of measurement results <p>Sustainability Management Risk Assessment:</p> <p>Suppliers provided relevant corrective measures and closure reports within the required timeframe</p>

5.4 Supplier Risk Assessment

To further strengthen ESG risk management across the supply chain, the operations division has established a Supply Chain ESG Risk Management Committee, led by the senior operations executive, with a dedicated execution task force responsible for driving and coordinating risk management programs across all operational units. The Committee requires the execution task force to convene regular risk management meetings to conduct comprehensive planning for supply chain sustainability, and to formulate medium- and long-term management objectives and concrete action plans. In addition, the Risk Management Committee regularly reports on the implementation status of each risk management measure, ensuring effective execution and progress monitoring of every risk program, and further enhancing the supply chain's risk prevention capabilities and level of sustainable operations.

■ Supply Chain ESG Risk Management Committee Organizational Chart



5.4.1 External Supply Chain Certification

In conducting ESG risk assessments, we have adopted an integrated management system to comprehensively address risks across the three key dimensions of economic, environmental, and social factors, applying these three dimensions as the primary criteria for risk evaluation. The system facilitates in-depth analysis of risk factors within each dimension, enables effective identification of potential challenges and opportunities, and provides a scientific basis for the Company's sustainable development. Based on the assessment results, detailed risk analyses are conducted for each dimension with respect to Tier 1 significant suppliers, and corresponding response strategies and management measures are determined. The following presents risk assessment results across the economic, environmental, and social dimensions.

2025 External Supply Chain Assessment Results

	Economic Aspect		Environmental Aspect				Social Aspect		
Assessment Indicator	ISO 9001 Quality Management System	IATF 16949 ISO 9001 Quality Management System — Automotive Industry Quality Management	ISO 14064-1:2018 Greenhouse Gas Verification Standard	ISO 50001 Energy Management System	ISO 14001 Environmental Management System	IECQ QC 080000 Hazardous Substance Process Management System	ISO 22301 Business Continuity Management System	RBA Code of Conduct	ISO 45001 Occupational Health and Safety Management System
Dimension Weighting	34%		33%				33%		
Assessment Completion Rate	100%		100%				100%		
Supplier Achievement Rate	100%	100%	100%	100%	100%	100%	83%	100%	100%
Overall Achievement Rate	100%		100%				94.3%		

5.4.2 Potential Risk Identification — RBA SAQ Assessment

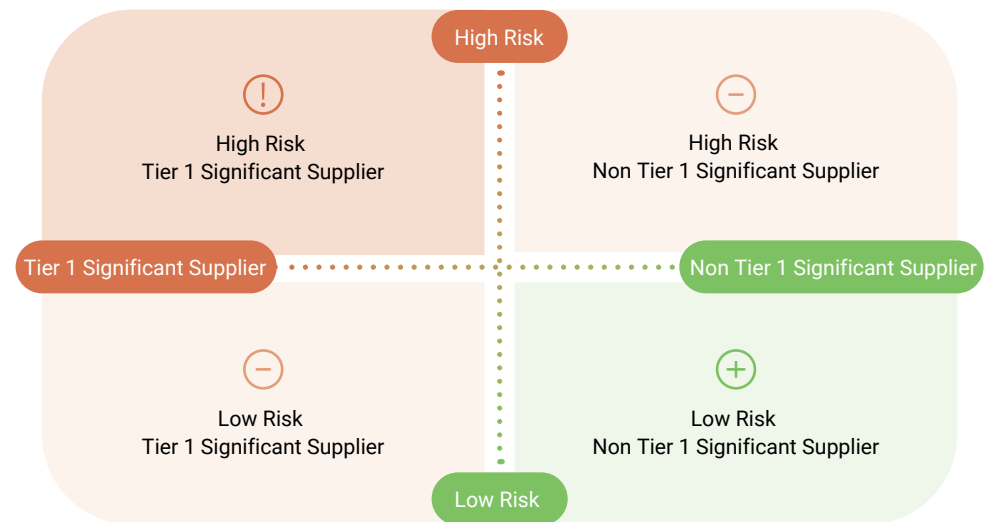
To effectively mitigate potential supply chain risks, GUC fully adheres to the Responsible Business Alliance (RBA) Code of Conduct and continuously assesses the risk status of the Company and its suppliers through the RBA platform. In 2025, GUC and its suppliers completed the Self-Assessment Questionnaire (SAQ). Assessment results indicate that the Company's overall risk profile is classified as low risk. Through annual review of supplier risk ratings and integration of assessment results into the overall supply chain risk management framework, the Company ensures the operational resilience and sustainability of the supply chain.

Supplier Risk Matrix and Tiering

GUC has established a supplier risk matrix that quantifies and tiers risks according to their likelihood of occurrence and degree of impact, serving as the basis for supplier management and decision-making. The matrix covers six core areas:



For high-risk suppliers, GUC identifies potential risks through on-site audits or remote assessments and requires submission of corrective action plans with associated timelines. Through ongoing monitoring and guidance, the Company enhances suppliers' capacity for autonomous management, forming a comprehensive risk management strategy that prioritizes prevention with remediation as a supplementary measure, ensuring that supply chain sustainability performance meets evaluation requirements.





	High Risk Tier 1 Significant Supplier	Low Risk Tier 1 Significant Supplier	High Risk Non Tier 1 Significant Supplier	Low Risk Non Tier 1 Significant Supplier
Signing of the GUC Supplier Code of Conduct	●	●	●	●
Supplier SAQ (Self-Assessment Questionnaire) Assessment	●	●	●	●
BCP (Business Continuity Plan) Annual Survey	●	●	●	●
Periodic Supplier Audits	●	●		
Supplier ESG Sustainability Management & Risk Assessment Questionnaire	●	●		



5.4.3 Supply Chain Monitoring and Responsible Assessment Survey

The Supply Chain Monitoring and Responsible Assessment Survey is a key mechanism within GUC's sustainable supply chain risk management framework. The sustainability team continuously monitors global sustainability trends and has identified 12 core topics, which are incorporated into the Supplier ESG Sustainability Management and Risk Assessment Questionnaire. The questionnaire is structured around the three dimensions of economic, social, and environmental factors, serving as an institutionalized tool for evaluating supplier sustainability performance and risk, and assisting the Company in establishing a robust supplier management system capable of timely identification and response to potential risks.

Assessment results are integrated into the supply chain audit, corrective action, and tracking management processes to ensure risks are effectively controlled and the supplier management system is continuously improved. Through management processes encompassing audits, surveys, and corrective actions, the Company builds supply chain resilience and maintains close collaboration with suppliers to achieve mutual benefit and advance the shared goal of sustainable development.

■ 12-Topic Sustainable Supply Chain Risk Management Framework

Evaluation Weighting	Supplier Management Dimension	Control Topics	Annual Audit Items
34%	 Economic Aspect	1. Sustainable Management	<ul style="list-style-type: none"> Dedicated unit or organization responsible for corporate sustainability management Publication of corporate social responsibility or ESG report Response to the Carbon Disclosure Project (CDP)
		2. Business Continuity	<ul style="list-style-type: none"> ISO 22301 or equivalent business continuity management system certification Identification of business continuity risks and formulation of emergency response measures Reporting of incidents posing threats to business operations
		3. Business Continuity Risk Management	<ul style="list-style-type: none"> Policies related to risk management Anti-corruption policies, annual internal awareness programs, and establishment of self-inspection and prevention mechanisms Policies related to information security management Confirmation that the supplier has not incurred regulatory penalties within the past three years for violations of applicable laws (e.g., Company Act, Securities and Exchange Act, excluding environmental, health and safety, and labor rights incidents)
		4. Supply Chain Sustainability Management	<ul style="list-style-type: none"> Inclusion of sustainability (ESG) criteria in supplier selection Supplier code of conduct or equivalent policy framework Procedures for identifying supplier sustainability risks Management performance audits of supplier sustainability risks Requirements for suppliers to implement corrective actions addressing identified nonconformances Reporting of supplier or supply chain disruption incidents
33%	 Environmental Aspect	5. Conflict minerals	<ul style="list-style-type: none"> Commitment to not use conflict minerals, including completion of the Conflict Minerals Reporting Template (CMRT) and Cobalt Reporting Template (CRT)
		6. Environmental management	<ul style="list-style-type: none"> ISO 14001 or equivalent environmental management system certification Disclosure of any incidents of non-compliance with environmental protection laws and regulations

Evaluation Weighting	Supplier Management Dimension	Control Topics	Annual Audit Items
33%	 Environmental Aspect	7. Carbon/energy management	<ul style="list-style-type: none"> ISO 14064-1:2018 Greenhouse Gas Verification Standard Certification Scope 2 GHG emissions for the most recent fiscal year Scope 3 emissions for the preceding fiscal year Current-year carbon reduction targets and related carbon reduction measures ISO 50001 energy management system certification Proportion of green electricity or renewable energy used at manufacturing facilities or R&D centers associated with products
		8. Water management	<ul style="list-style-type: none"> Whether operating locations are situated in areas with moderate or higher overall water risk Implementation outcomes of water recycling and reuse Current-year water reduction targets Whether wastewater discharge or disposal is subject to relevant control measures (e.g., classification, monitoring, control, and treatment)
		9. Hazardous Substances and Waste Management	<ul style="list-style-type: none"> IECQ QC 080000:2017 Hazardous Substance Process Management System Certification Implementation of hazardous substance process management training Implementation Outcomes of Waste Recycling Current-year waste reduction outcomes Whether waste treatment contractors are duly approved and legally registered with the competent authorities
33%	 Social Aspect	10. Human rights standards	<ul style="list-style-type: none"> Human rights risk assessment / due diligence procedures to identify labor-related impacts / risks Policies and regulations prohibiting discrimination (including on the basis of gender, race, religion, and other grounds) and inhumane treatment (including harassment, assault, corporal punishment, and similar conduct) Policy / regulation prohibiting child labor Policies and regulations protecting young workers Policies and regulations prohibiting forced labor Policies and regulations permitting workers to freely associate Identification of material human rights issues Identification of groups vulnerable to human rights impacts (e.g., women, ethnic minorities, persons with disabilities, indigenous peoples) Whether human rights education and training is conducted annually
		11. Labor protection	<ul style="list-style-type: none"> Whether compensation paid meets the statutory minimum wage established by local government regulations Establishment of communication or anonymous grievance channels for workers, such as suggestion boxes and grievance hotlines Adequate communication to employees regarding labor rights, entitlements, and applicable regulations Whether any incidents of non-compliance with labor or human rights laws and regulations have resulted in penalties
		12. Occupational Health and Safety Management	<ul style="list-style-type: none"> ISO 45001 or equivalent occupational safety and health management system certification Reporting of workplace injury and occupational disease incidents Disclosure of any incidents of non-compliance with occupational health and safety laws and regulations

5.4.4 Tiered Supplier Risk Assessment Performance

GUC invites its tier-1 key supplier partners to collaborate toward a shared sustainability vision. With respect to material matters including the [GUC Supplier Code of Conduct](#), [the Commitment to Non-Use of Conflict Minerals](#), and the Supplier ESG Sustainability Management & Risk Assessment Questionnaire, 100% of tier-1 key suppliers completed the survey and executed the relevant documents in 2025. The Company fully supports all RBA requirements and is committed to ensuring that suppliers fulfill their pledges and targets regarding the non-use of conflict minerals and related matters.



Environmental Risk

- 100% of suppliers returned signed copies of the Declaration of Non-Use of Hazardous Substances
- GUC requires suppliers to execute the Declaration of Non-Use of Hazardous Substances, committing that products or components supplied — including product accessories, packaging materials, and other items delivered with the product — are free of prohibited substances. Non-compliance entitles the Company to terminate or rescind the contract in order to prevent adverse impacts on human health and environmental safety. The response rate in 2025 was 100% (including 9 new suppliers).



Social Risk

- 100% of suppliers returned signed copies of the Commitment to Non-Use of Conflict Minerals
- GUC requires suppliers to refrain from using conflict minerals to ensure that minerals used in the Company's products — including tantalum (Ta), tin (Sn), tungsten (W), gold (Au), and cobalt (Co) — do not generate revenue for armed conflict. Where suppliers use any of the foregoing minerals, disclosure of the mineral's source is required. Based on survey results, 100% of identified smelters were found to be compliant with the Responsible Minerals Initiative (RMI) approved smelter list.
- 100% of suppliers returned signed copies of the GUC Supplier Code of Conduct
- To mitigate social risks associated with human rights violations in the supply chain, GUC conducted social risk and human rights impact assessments on the primary material suppliers of [6] tier-1 key suppliers in 2025, ensuring that these entities meet the Company's baseline requirements with respect to labor rights, safety, and health, and that effective measures are in place to prevent adverse incidents.



Governance Risk

- 100% of new suppliers hold valid ISO 9001 or IATF 16949 international standard certification and any additional certifications required for the relevant supply category.
- 100% of tier-1 key suppliers responded to the Supplier ESG Sustainability Management & Risk Assessment Questionnaire.

Highlight

Excellence in ESG Supply Chain Innovation Award

To advance green supply chain development and accelerate the achievement of energy conservation and carbon reduction targets, GUC recognized outstanding ESG suppliers in December 2025, honoring those that have demonstrated excellence in environmental, social, and governance performance, and further strengthening supplier commitment to and alignment with the Company's sustainability strategy.

- Motivating suppliers to implement sustainability strategies: Suppliers are encouraged to develop and execute concrete energy conservation and carbon reduction plans and to share quantifiable environmental performance outcomes and innovative practices. The program also facilitates experience exchange among suppliers to elevate the ESG performance of the supply chain as a whole.
- Establishing green supply chain best practices: Through a demonstration effect, supply chain partners are guided toward the adoption of renewable energy, process optimization, and low-carbon product design, thereby enhancing the overall environmental performance and competitiveness of the supply chain and supporting the Company's net-zero carbon emissions target.
- Strengthening ESG risk management and transparency: Suppliers are encouraged to establish environmental, social, and governance risk management mechanisms to improve transparency across the sustainable supply chain.



Key contributions from award-winning supplier partners include:

- Implementation of intelligent energy management systems
- Promotion of low-carbon transportation and low-carbon product design solutions
- New Huawei Creek cleanup and riverbank conservation initiative
- Introduction of high-value catalytic material technology for TMAH removal from electroplating sludge
- Daxueshan reforestation carbon sink and biodiversity program

Highlight

ESG Net-Zero Sustainable Supply Chain Action Forum

To advance sustainable supply chain development, GUC hosts the "ESG Net-Zero Sustainable Supply Chain Action Forum" annually in conjunction with its supplier evaluation process. Through seminars, exchange activities, and on-site visits, the forum communicates the Company's sustainability goals and expectations to supplier partners and shares best practice cases. Senior operational management from GUC lead cross-functional teams to participate in the forum and conduct on-site visits to supplier headquarters:

- **Understanding supplier innovation outcomes:** Observing the practical results of energy conservation and carbon reduction measures, intelligent manufacturing processes, and low-carbon product design
- **Facilitating experience sharing and on-site exchange:** Engaging suppliers in face-to-face discussions on actionable approaches and jointly developing best practice cases
- **Strengthening policy communication and strategic implementation:** Directly conveying annual ESG policies, net-zero targets, and supplier code of conduct requirements

Core Topics

1. **GUC ESG Policy:** vision, mission, and annual implementation guidelines, reinforcing suppliers' understanding and adoption of the Company's sustainability strategy
2. **Sustainable Supply Chain Trends and Outlook:** sharing the latest industry sustainability trends, regulatory requirements, and technological innovations to enhance supply chain ESG capabilities
3. **GUC Net-Zero Carbon Emissions Target Roadmap:** concrete decarbonization strategies, target figures, and supplier alignment measures



Supply Chain Net Zero Learning Network

In response to global climate change and the net-zero transition, GUC is actively partnering with supply chain partners to jointly explore practical opportunities for low-carbon transition and sustainable development. Recognizing the critical role the supply chain plays in a company's overall carbon emissions, GUC officially launched [the Supply Chain Net-Zero Learning Network](#) in 2025 as a key platform for advancing climate action and capacity building across the supply chain.

The learning platform is centered on the core objectives of collaborative learning, trend sharing, and capability enhancement. Through systematic online courses and resource sharing, the platform helps supply chain partners gain an understanding of global net-zero policy trends, industry low-carbon transition directions, foundational carbon management concepts, and practical case studies, thereby strengthening suppliers' awareness of and ability to respond to climate-related issues. Through this platform, GUC aims to build closer collaborative relationships with suppliers and jointly develop a low-carbon, resilient, and sustainable supply chain ecosystem.

Regarding platform development and implementation progress, the Supply Chain Net-Zero Learning Network went live in the third quarter of 2025. Following launch, Tier 1 and key suppliers were proactively invited to participate, and a series of online learning courses was planned covering net-zero trend analysis, supply chain carbon emissions management, energy conservation and carbon reduction strategies, and sustainable transformation case studies. As of December 2025, more than 15 suppliers had participated in the relevant courses, reflecting strong engagement among supply chain partners on climate issues and the net-zero transition.

The establishment of the Supply Chain Net-Zero Learning Network not only helps suppliers strengthen their knowledge of climate and carbon management, but also progressively builds the supply chain's overall capacity to respond to regulatory, customer, and market sustainability requirements. This initiative demonstrates the Company's concrete actions in climate strategy, supply chain engagement, and capacity building, laying a solid foundation for the achievement of its long-term net-zero objectives.

5.5 Key Management Strategies for Global Geopolitical Risks

According to the 2025 Global Risks Perception Survey (GRPS), the most prominent risks of global concern include: armed conflict between states, extreme weather events, geoeconomic confrontation, misinformation and disinformation, and cybersecurity incidents. Geopolitical risks — such as the Russia-Ukraine war and great-power competition — are increasing global instability and exerting far-reaching impacts on supply chains, including raw material shortages, supply disruptions, and cost volatility. The World Economic Forum (WEF) has converged future global risks into five dimensions: economic, environmental, geopolitical, societal, and technological.

To respond effectively, GUC follows the TCFD framework, with the Supply Chain ESG Risk Management Committee continuously assessing political, economic, and social risks in emerging markets and evaluating the Company's operational vulnerability under different scenarios.

We work in close collaboration with suppliers and partners to enhance supply chain resilience and ensure sustainable development and long-term business continuity through risk identification, impact assessment, and improvement measures. The principal risk categories and corresponding management strategies are set out below:

Emerging Risks	Risk Description	Potential Impact	Response Measures
Armed Conflict Between States	<ul style="list-style-type: none"> Regional wars and armed conflicts (e.g., the Russia-Ukraine war, the Israel-Hamas conflict) undermining global stability Regional political tensions potentially triggering trade restrictions and supply chain disruptions 	<ul style="list-style-type: none"> Raw material supply disruptions affecting production and logistics Rising costs and financial performance volatility Increased complexity of cross-border operations 	<ul style="list-style-type: none"> Comprehensive geopolitical risk assessment encompassing political stability, trade policy, and regional conflicts Diversified supplier strategy to reduce dependence on specific regions Collaboration with suppliers and partners to enhance supply chain resilience
Extreme Weather Events	<ul style="list-style-type: none"> Natural disasters including earthquakes, hurricanes, and flooding Price volatility of natural resources driven by global warming 	<ul style="list-style-type: none"> Damage to production facilities and supply chain disruptions Rising production and transportation costs 	<ul style="list-style-type: none"> Climate risk assessment and scenario analysis to develop contingency plans Promotion of green infrastructure and energy management
Geoeconomic Confrontation	<ul style="list-style-type: none"> International trade friction, export control, and economic sanctions risks Increased policy and regulatory uncertainty 	<ul style="list-style-type: none"> Rising trade barriers increasing the cost and complexity of cross-border operations Constrained market opportunities affecting long-term strategy 	<ul style="list-style-type: none"> Diversified market and supplier strategy to distribute economic risk Policy monitoring and international cooperation to adjust operational strategies
Misinformation and Disinformation	<ul style="list-style-type: none"> Spread of false or misleading information across markets or social media 	<ul style="list-style-type: none"> Reputational damage to the Company Decision-making bias among customers or suppliers affecting business operations 	<ul style="list-style-type: none"> Strengthening information transparency and tracking mechanisms Internal and supplier education to enhance information literacy
Cybersecurity Incidents	<ul style="list-style-type: none"> Incidents including cyberattacks, data breaches, and system outages 	<ul style="list-style-type: none"> Operational disruptions and data exposure affecting Company operations and reputation Increased regulatory and compliance risks 	<ul style="list-style-type: none"> Establishment of cybersecurity protection systems Regular information security audits and monitoring Digital security requirements for suppliers

5.6 Green Procurement

Green procurement: refers to the principle of prioritizing the minimization of environmental impact in supplier selection and procurement processes, encompassing requirements related to energy conservation, carbon reduction, water conservation, waste reduction, and material safety.

Local procurement: refers to the practice of sourcing raw materials and components preferentially from suppliers within the region or country where the Company operates, reducing cross-border transportation distances to lower logistics-related carbon emissions and supply chain disruption risks, while simultaneously promoting local economic development.

GUC continues to advance its local raw material procurement strategy. As the Company's supply chain strategy is progressively optimized, backup suppliers are being established to mitigate geopolitical risks, international trade friction, and customer requirements, with certain raw materials and key components gradually transitioning toward diversified global sourcing. In addition, given the limited availability of advanced precision materials in the local market, combined with global logistics costs and raw material price volatility, GUC has made dynamic adjustments to its procurement strategy to balance cost efficiency with supply chain resilience.

Overall, the local procurement ratio remained broadly in line with 2024 levels. The Company continues to integrate local procurement with green procurement initiatives to reduce carbon emissions, lower logistics energy consumption, and advance sustainable supply chain development.

From an environmental sustainability perspective, local procurement contributes to:

- **Reducing Carbon Emissions:** Lowering energy consumption and carbon footprint associated with cross-border logistics and transportation.
- **Reducing Environmental Burden:** Minimizing the environmental impact of production processes through precise supply chain planning.
- **Enhancing Supply Chain Sustainability:** Jointly establishing water conservation, energy conservation, waste reduction, and carbon reduction targets with local suppliers to strengthen collaborative green development.

GUC will continue to integrate innovative technologies and green production practices to ensure that the supply chain meets sustainability objectives across environmental, social, and governance dimensions.

Local Procurement Value Ratio

(Unit: NT\$ millions)

	Local Procurement Value — Raw Materials	Total Procurement Value — Raw Materials	Local Procurement Ratio — Raw Materials
2023	15,673	17,681	88.6%
2024	11,584	13,950	83.0%
2025	23,197	27,947	83.0%

To implement its green local procurement policy and strengthen low-carbon supply chain resilience, GUC continues to integrate sustainability principles into its procurement decision-making processes, prioritizing the establishment of long-term partnerships with suppliers that possess environmental management capabilities and a local operational presence. This approach serves to reduce transportation-related carbon emissions, improve resource use efficiency, and advance the sustainable development of the local supply chain.

Based on the consolidated results of the annual sustainability performance survey, Tier 1 Significant Suppliers have demonstrated concrete outcomes in local operations and green procurement-related initiatives: the average annual electricity savings rate reached 5.5%, with cumulative annual electricity savings of approximately 219 million kWh; the average waste recycling ratio reached 83%, with cumulative annual recycled volume of approximately 41,606 metric tons; and the average water recycling ratio reached 100.03%, with cumulative annual recycled volume of approximately 20.55 million metric tons.

GUC has incorporated the foregoing results into its green local procurement performance management and supplier sustainability assessment mechanisms, serving as a key basis for prioritizing partnerships, promoting best practice cases, and managing supply chain sustainability risks. The Company continues to reduce environmental impacts across the value chain and create long-term sustainable value through localized and low-carbon procurement strategies.