



3.1 Stakeholders Communication Procedures

GUC is dedicated to achieving sustainable development while also honoring our stakeholders' requests and the expectations of the Company. The Company applies materiality assessment to identify key sustainability issues and types of stakeholders. The assessment helps us understand the sustainability issues that our stakeholders are concerned about, as well as review our implementation outcomes of corporate sustainability. The Committee of Sustainable Development has identified six groups of GUC stakeholders based on the GUC Sustainable Development Best Practice Principles: shareholders, employees, customers, suppliers, government agency, and society. With our long-standing commitment and efforts, we have built transparent, effective, and timely communication channels with our stakeholders to earn their trust and support. Furthermore, representatives from each group constantly communicate with stakeholders in their routine course of business operations, collect questionnaires and feedback, and identify stakeholders' concerns and other issues related to corporate social responsibility. We aim to achieve the following objectives with this report:

- Understanding our stakeholders' concerned topics and continuing to enhance our corporate sustainability performance.
- GUC's objective in pursuing corporate sustainability has always been to earn its stakeholders' trust and support and meet the expectations of various stakeholders.

GUC divides the management process of major issues into three steps: identification, analysis and confirmation:

1. Analysis of the significance of issues of concern: After the questionnaires on major concerns of stakeholders are collected, a communication platform for stakeholders of GUC will be established according to their influence and degree of concern on GUC, and a diverse network of stakeholders will be established through the responsible units of each team. The communication channel summarizes the issues of concern to various stakeholders, considers the concept of sustainable management of GUC, and refers to the theme of GRI 2021, identifies 19 sustainable issues of concern to stakeholders, and according to the issues received carry out a major assessment and analysis of the degree of concern.

2. Stakeholder-related plans: The relevant teams of GUC formulated management policies based on the aforementioned analysis results, incorporate them into their daily work or annual plans, and regularly review and evaluate the effectiveness of the management policies as a strategy for the company to promote sustainable development important basis.

3. Interaction management of stakeholders: GUC has different interaction according to the importance of stakeholders, so as to effectively use company resources and create a win-win relationship of mutual benefit.

After identifying the types of stakeholders, we then screened and consolidated them into 7 major themes from the issues of concern to each stakeholder. GUC collected the opinions of stakeholders through the heads of various departments in 2022, and then hold two supervisory meetings at the headquarters to discuss and integrate stakeholders' ideas and concerns about the company. Mr. Edison Wan, Leadership President and professional advisory group reviewed the GRI Standards indicators, and determined the topics of concern to stakeholders through departmental interviews. After another resolution within the company, the major themes for 2022 were determined, and GUC responded to the topics of concern to stakeholders in 2022 ESG report. Compared with the previous reporting period, major themes and theme boundaries have been slightly adjusted, but there are no major changes.

In addition to the above-mentioned standard procedures, we also set up a special zone for interested parties on the official website to provide contact methods for communication and contact with interested parties. For related issues, if you have any questions, suggestions or even complaints, you can according to the identity of different stakeholders, go to the corresponding "Business Service Zone", "Investor Relations and Shareholder Service Zone", and "Ethics Zone" to find suitable contact methods to maintain smooth and good interaction.



3.2 Stakeholder Interaction

▼ GUC Stakeholders' Concerned Topics, Communication Channels, Frequency, and Specific Procedures

Stakeholders	Shareholders	Employee	Customers	Supplier	Government Agency	Society
Concerned topics	R&D and innovation, Quality and competitiveness, Sustainable Operations, Corporate Governance, Risk management	Sustainable Operations, Labor relations & remuneration, Labor rights, Occupation safety and health	Climate Change, Environmental policy, Green products and operations, Energy saving expenditure, Responsibility for products, Water resource management	Quality and competitiveness, Suppliers Management, Sustainable Operations, Customers relations	Sustainable Operations, Corporate Governance, Suppliers Management, Code of Business Conduct: anti-corruption and anti-trust, Risk management, Responsibility for products, Labor rights, Occupation safety and health	Green products and operations, Customers relations, Responsibility for products, Water resource management, Social engagement, Labor relations, compensation and benefits
Communication Channel & Frequency	General conference of shareholders (Q2/ Annually), ESG Report (Annually), Annual Report (Annually), By phone and e-mail (Periodically), Investor conference (Semi-annually), Financial Report (Quarterly), Participating in investor forums or conferences held by domestic and foreign investment institutions and securities firms (Periodically), Receiving institutional shareholders, domestic and foreign investment institutions and securities firms (Periodically), Releasing information through the Market Operation Post System (MOPS) and the Company's website (Periodically)	Town Hall Meeting (Quarterly), Labor-management meeting (Quarterly), Regular department meeting (weekly/monthly), HR services and questionnaire surveys (Periodically), EFS Service Center (Periodically), Employee Assistance Program (EAP) (Periodically), Employee grievance & whistleblowing mailbox / Ethics / Performance Management Development System (PMD), Proprietary Information Protection (PIP), Unlawful infringement complaint / Major employee grievance and suggestion / employee service mailbox, etc. / Audit Committee mailbox (Periodically), Corporate general announcements (Periodically)	Customer audit (Periodically), Customer meetings (Periodically), Annual technology symposium (Annually), Customer Satisfaction Survey (Annually), Conducting surveys on the industrial environment and social responsibility and implementing improvements as requested by our customers (Periodically), Dedicated e-mail address (Periodically), Timely response to customer complaints (ACSS system) (Periodically)	Supplier information platform (Periodically), Periodic questionnaire surveys (Annually), Supplier Audit (Periodically), Interviews and meetings (Periodically), Public campaign on business integrity (GUC Procedures for Ethical Management and Ethics & Business Code of Conduct) (Periodically)	Financial Report (Annually), Communication with government authorities through associations or labor unions (Periodically), Receiving and submitting official documents (Periodically), Attending industry-government-academia seminar (Periodically), Providing relevant reports or responses as required by government authorities and regulations (Periodically)	Revenue press release (Monthly), Financial/ Business operation report (Quarterly), Releasing Sustainability Report (Annually), Other media and public welfare events (Periodically), Official website and e-mail (Periodically), Participation in disaster relief activities (Periodically), Press release about new technologies and new products (Periodically), Participation in charity activities (Periodically), Participation in questionnaires and surveys (Periodically), Industrial and academic collaboration program (Periodically), Summer Intern Program, Company Visiting Program (Periodically)
Communication Outcomes	<ol style="list-style-type: none"> 1. Financial performance: Completing financial statements based on International Financial Accounting Standards, Taiwan-IFRSs, and relevant laws and regulations. Conducted analysis and describing the financial differences of various periods. 2. Business strategy: Highlighting the direction of GUC's medium and long term developments and strategies. 3. Dividend policy: Describing GUC's dividend policy and factors affecting dividend. 4. Corporate governance: Disclosing corporate governance information and interacting with our investors. 	<ol style="list-style-type: none"> 1. EFS Service Center and external consultation requests 2. Labor relations, employees' perception on organization identity: Q&A at Town Hall Meeting 3. Anti-discrimination and equal employment: Enforcing supervision through joint efforts of internal audit mechanism and RBA verification unit 4. Attract and retain talent : Providing competitive compensation and benefits 5. Human rights policy: Complying with RBA regulations and the requirements of specific customers, and treating all employees with respect 	<ol style="list-style-type: none"> 1. Management of products with hazardous substances: GUC complies with RoHS & REACH regulations 2. Environmental management and pollution control: GUC complies with domestic and foreign environmental protection laws and regulations 3. Customer service and stratification: Collecting feedback from questionnaire surveys and the sales team 4. Handling and tracking status through our customer complaint system 	<ol style="list-style-type: none"> 1. Conflict Resources: requesting supplier to declare or sign declarations 2. Code of Business Conduct & Supplier Code of Conduct: Suppliers are required to comply with RBA regulations by declaring or signing declarations. 	<ol style="list-style-type: none"> 1. Legal system / pay attention to regulations and compliance, and give timely suggestions and responses through communication channels 	<ol style="list-style-type: none"> 1. Proactively participating in charity activities and contributing to the society 2. Talent recruitment: cultivating, training, and developing talents, as well as providing career guidance 3. R&D and innovation: encouraging patent applications with bonus awards 4. Inviting teachers from universities and colleges to provide advice on business sustainability issues.



▼ Statistics on the number of interactions with investors and the number of people over the years

Year	2018	2019	2020	2021	2022
Meetings	181	127	81	82	124
Attendance	1,158	860	749	971	1,647
Average attendance per meeting	6.40	6.77	9.25	11.84	13.28

Note: From 2020, meeting methods include physical and video conferences.

3.3 Materiality Analysis

Materiality analysis is an important policy for GUC in compiling sustainability reports, formulating long-term sustainability goals and communicating with stakeholders. Follow the GRI Universal Standards 2021 and the AA 1000 Accountability Principle (AA1000 Accountability Principle: 2018) to establish a methodology for materiality analysis, and refer to the concerns of stakeholders and the perspectives of GUC sustainable management to identify specific material ESG issues. From 2022, GUC observed the changing trend of ESG issues and track the progress of long-term sustainable goals, collected and responded to feedback and suggestions from stakeholders through multiple communication channels, and at the same time, the company's ESG committee will continue to promote ESG strategies and commitments.

Assessing Operational Impact

For the 19 sustainable issues that have been prioritized for the attention survey of stakeholders, and then through the "Majority Assessment Questionnaire for Sustainable Issues", 11 senior managers (position) of each department are invited to the severity topics (scale, scope), possibility of occurrence, risk of human rights violations and other aspects of each issue will be assessed in a more detailed and standardized manner (return rate of the questionnaire reaches 75%).

Identify Materiality

After performing equal weight analysis on the results of the "Questionnaire on Issues Concerned by Stakeholders" and "Materiality Assessment Questionnaire on Sustainable Issues", sort them according to their quantitative values, and set threshold standards for major themes; Seven overarching themes were identified.

Review Major Themes

Invite external consultants to jointly review the suitability of major themes and threshold standards, and confirm that there are no omissions or deficiencies in the major themes that should be reported first, so as to ensure their completeness, inclusiveness and macroscopicity, and the degree of consistency with the company's sustainable development strategy.

Validation Major Themes

The seven major themes identified by GUC in 2022, after being approved by the ESG Committee and reported to the Board of Directors, are disclosed in this report one by one. The impact of each major theme, as well as the company's corresponding policies, commitments, management actions, indicators and goals.



▼ List of major themes and the degree of value chain impact

Order	Major Themes	Meaning and Importance to GUC	Value Chain Shock			Addressing GRI major themes
			Upstream EDA&IP Vendor	GUC	Downstream Wafer Manufacturing & Package & Testing	
1	Climate Change	The intensification of global warming and the frequent occurrence of extreme climate disasters have caused significant economic losses to many countries and enterprises. In order to mitigate the risk impact of climate change, GUC in addition to internally promoting various environmental protection, energy saving and carbon reduction measures, increasing the proportion of green energy, etc., we also published green products to increase the adaptability and resilience to the impact of climate change.	Increased operating costs	Increased operating costs and supply chain breaking shock	Increased operating costs and supply chain breaking shock	5.2 Climate Change Response Strategies
2	Suppliers Management	In order to meet customer needs, reduce production costs, and improve operational efficiency, GUC has established a stable and sound supplier system through supplier selection and supplier certification, and provided incentive mechanisms and communication channels to achieve a common quality concept. Be able to maintain long-term good cooperative relations with supply chain partners and strive for a sustainable supply chain.	Product competition, quality improvement	Management efficiency and audit performance	Product competition, quality improvement	4.6 Responsible Procurement
3	Research & Development and Innovation	In order to meet the unique business and technical needs of today's innovative technology companies, GUC seeks innovation and changes to create new value for the industry or market. At the same time, shaping an innovative corporate culture can not only increase the added value of products, but also seek the greatest benefits for our stakeholders and become an upward force to improve society together.	Continue to increase R&D investment in technological innovation	Continue to increase R&D investment in technological innovation	Continue to increase R&D investment in technological innovation	4.4 Innovative management
4	Quality and Competitiveness	With the rapid advancement of science and technology and the shortening of product life cycle, the risk of industrial operation has also increased. In order to provide world-class advanced customized IC services, GUC actively pursues innovative and excellent R&D technology and excellent product quality. In addition to helping customers create higher added value for products, it can also reduce market risks and enhance industry Competitiveness.	Product competition, quality improvement	Management efficiency and incentives for R&D talents	Product competition, quality improvement	4.6.3 Quality management
5	Green Energy Policies and Achievements	GUC has built a safe, stable, efficient, and clean energy supply and demand system to create sustainable value under the balance of energy use, environmental sustainability, and green economic development. GUC has set up solar energy in 2022 to increase the proportion of energy independence, and expects to achieve Net Zero in 2050.	To do GHG inventory and verification	Continue to invest in green energy investment plans	To do GHG inventory and verification	5.1 Key Results and Strategies
6	Sustainable Operation	In order to meet the economic development elements required by the current market, GUC pursues sustainable energy development. We actively examine the impact of our products and services on society, the environment and the economy, and continue to improve and pursue sustainability.	Commitment to cooperate with GUC's ESG policy	Continuing to publish ESG reports to report the effectiveness	Commitment to cooperate with GUC's ESG policy	2. Sustainable Operations
7	Corporate Governance	In order to improve the company's performance, protect the rights and interests of shareholders, and take into account the interests of other stakeholders, GUC continues to devote itself to improving the powers and responsibilities of the board of directors, and implements financial disclosure and internal audits, and strengthens the integrity of the governance to ensure that the company will face any challenges in the future. It can effectively adjust to the impact of various forms of risk and operate sustainably.	Commitment to Cooperate with GUC's Code of Practice on Corporate Governance	Corporate Governance Evaluation Results, Corporate Governance Index Constituent Stocks	Commitment to Cooperate with GUC's Code of Practice on Corporate Governance	4. Corporate Governance



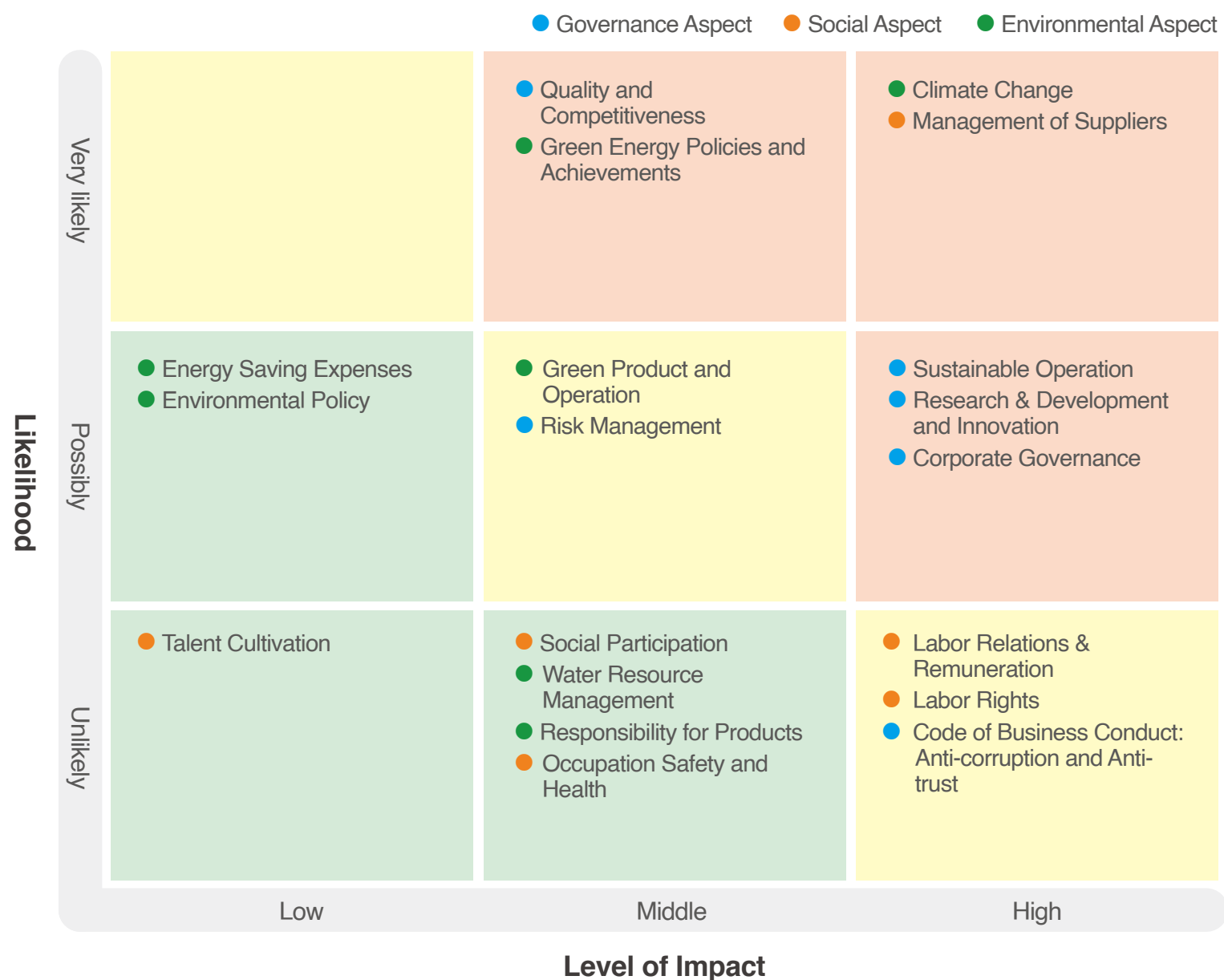
Material Issues, Impact Range, and Involvement Level

● Direct Impact ○ Impact Trigger ▲ Commercial Impact

Order	Material themes	Importance of Operation	Internal		External Stakeholders			
			Employees	Shareholders	Customers	Vendors	Authorities	Society
1	Climate Change.	The aggravation of global warming and frequent extreme natural disasters damage many countries and corporates economically. To ease the impacts from the climate change, GUC internally promotes environment protecting measures which save energy and reduce carbon emission. Moreover, we externally launch green products having adjustability and toughness against climate change.	○	○	▲	▲	●	●
2	Management of Suppliers	To meet the demand from customers, decrease manufacturing cost, and increase operating performance, GUC established a stable and thorough supplier system through methods like supplier selection and supplier verification. In addition, it provides an encouragement mechanism and communicating channels to share the same quality concept and expects to make long-term cooperation with suppliers to contribute to sustainable supply chain.		●	▲	●	○	○
3	Research & Development and Innovation	To meet the exclusive business and technical demand from innovative tech companies, GUC proactively implements innovation and transformation to create value for the industry and market. We also make our own innovative business culture. It not only increases the added value of products, but also seeks the greatest interest for our stakeholders. Thus, we can move forward to become a helping force for society.	●	○	▲	●	○	
4	Quality and Competitiveness	Technologies progress quickly while the life circle of products decreases, which increases the operation risks of the industry. In order to provide world-class advanced IC customization services, GUC actively pursues innovative R&D technologies and excellent quality of products. This can assist customers in making higher added value for products, decrease market risks, and increase industrial competitiveness.	○	●	▲	▲	○	
5	Green Energy Policies and Achievements	GUC has built a safe, stable, efficient, and clean energy supply and demand system to create sustainable value under the balance of energy use, environmental sustainability, and green economic development. GUC has also set up solar energy in 2022 to increase the proportion of energy independence, and expects to achieve Net Zero in 2050.	○	○	▲	●	●	○
6	Sustainable Operation	In order to meet the economic development elements required by the current market, GUC pursues sustainable energy development. We actively examine the impact of our products and services on society, the environment and the economy, and continue to improve and pursue sustainability.	●	●	▲	▲	○	○
7	Corporate Governance	To increase the performance and protect the rights and interest of shareholders and other stakeholders, GUC keeps balancing the power and responsibilities of the Board, implementing financial disclosure and internal audit, and strengthening the faith of corporate governance of management team to ensure that the Company will be able to efficiently adjust to any kind of impact in the future and retain sustainability.	●	●	▲	▲	○	○



Matrix Diagram of Material Themes



▼ GUC's Management of major themes in 2022

Major Themes	Climate Change
Addressing GRI major themes	GRI 201-2
Addressing SDGs	SDG 13
Policy or Commitment	In response to climate anomalies, formulate contingency plans to reduce the company's and suppliers' greenhouse gas emissions. Actively plan various environmental protection, energy saving and carbon reduction measures, reduce greenhouse gas emissions, increase the use of green energy, etc., to mitigate the operational impact of climate change and create a better and safer environment for the next generation.
Indicators and Targets	<p>Short-term Target: Formulate energy-saving and carbon-reduction policies to reduce carbon emissions by 6% per year</p> <p>Medium-term Target: To pay attention to domestic and foreign laws and regulations, and combine carbon inventory and SBTi to set a stable and feasible carbon reduction target</p> <p>Long-term Target: To respond to the global carbon reduction trend and gradually achieve Net Zero by 2050</p>
Effectiveness Tracking Mechanism	<ul style="list-style-type: none"> Based on 2021, the target is to reduce carbon emissions by 6% per year Establish and plan energy-saving strategies and actions step by step. At the same time, future target KPIs including the reduction of greenhouse gas, water, electricity and other energy resources were set for 2025. Whether the carbon footprint of goods exported from Taiwan complies with European and American standards. The amount invested in energy conservation investment projects in 2022 is NT\$4.03 million. Continue to develop the N5/3 (5/3nm) design process to guide customers to use the N5/3 process with better power efficiency in the future and contribute to the overall energy consumption.
Annual Actions and Measures	<ol style="list-style-type: none"> First of all, we must achieve green R&D design and green production, and all realize zero carbon production - no pollution to the environment, no use of harmful materials, and improved resource utilization. Build a solar photovoltaic system from 2022, and contribute to the reduction of global warming and environmental pollution through the planning and setting of green energy equipment. Through relevant marketing activities, establish a green image of the enterprise, guide consumers to re-identify brand value, promote the promotion and sales of green products, and expand the capacity of the green market.



Major Themes | **Research & Development and Innovation**

Addressing GRI major themes | GRI 201-1

Addressing SDGs | SDG 9

Policy or Commitment | Develop core IPs to become a leader in IC design service company

Indicators and Targets | Keep up with the latest IP specifications and correspond to the latest TSMC advanced manufacturing process and advance packaging and testing technology.

Effectiveness Tracking Mechanism |

- A new generation of 8.4~8.6G high-bandwidth memory (HBM3), GUC has completed the 5nm process silicon intellectual property (IP) verification in 2022. At a transfer rate of up to 8.4Gbps, the power consumption is only 3.96 watts. And in January 2023, the 3nm process design will be finalized. Based on the process evolution and the efforts of R&D personnel, it is expected to increase the speed to 8.6Gbps, and at the same time reduce the power consumption to 3.51 watts, a reduction of about 11.4%, assisting customers in developing functions more powerful and at the same time more energy-efficient products.

Annual Actions and Measures |

- The amount of investment related to research and development is NT\$3.29 billion in 2022.
- Combined with TSMC InFO/CoWoS packaging technology, GUC has proposed the 3rd-generation chip interconnection IP "GLink 2.3" in 5nm. The silicon has been verified in 4Q22 and is ready to provide customers with complete multi-chip interconnect solutions, and received 2022 ASPENCORE (EE Times) World Electronics Achievement Awards-EDA/IP/Software of the year.
- GUC completed the tape-out of 5nm and 6nm GLink-3D IP testchip for 3D SoIC in 2Q21, and received EE Awards Asia 2022 "Best IP/Processor."
- GUC has successfully enabled the mass production of HBM2/2E/3 with CoWoS for 6 different customers with their large SoC design. The configuration ranges from 2 to 8 HBM memory dies, and the main applications are AI and HPC.
- GUC's 5nm HBM3 8.4G (PHY & Controller) has been successfully taped out in 1Q22, silicon proven in 4Q22, and adopted by several customers.

Annual Actions and Measures

- In combination of TSMC latest CoWoS-S and CoWoS-R packaging technology, GUC taped out world's 1st 7nm HBM3 CoWoS platform in 2Q21, including HBM3 7.2G, GLink, and 112G SerDes IP. The solution was already silicon proven in 2Q22.
- GUC successfully developed customer optical ASIC chip for datacenter communication in 7nm and 16nm, which integrated 28G/56G SerDes, and have been validated by customer in 4Q22 and expected to enter production in 2023.
- GUC has successfully provided 6nm ASIC design service for a leading HPC customer in 2022, which will tape out in 2Q23 and enter production in 2024.
- Adopting TSMC advanced process solution, GUC has succeeded to integrate multiple customers' AI/HPC SoCs with 2.5D packaging technology for hyperscale data center applications, and had several customers successfully into mass production. Looking forward, 5nm HPC customer will tape out in 1Q23 and enter production in 2024.
- GUC has collaborated with a 5G leading company on analog front-end (AFE) IP in 12nm, which supports both mmWave and sub-6GHz bands. The design has been silicon proven and adopted by a leading customer. The SoC has been silicon proven and ready for mass production.
- GUC's industry-leading ultra-low-power design solution has been proven to significantly reduce AI SoC chip power consumption for edge computing, successfully enabling customers into mass production.
- Following a hyperscale data center AI chip customer and a renowned consumer electronics chip customer mass productions in 2020, GUC's industry-leading spec-in service has successfully assisted networking customer to complete SoC design and system bring up. The SoC went into production in early 2022.
- GUC early adopted TSMC 3nm technology, completed N3E design flow and verification in 4Q22, and expected to tape out HBM3 and GLink IP for meeting customer's product design need in 2023.



Major Themes	Management of Suppliers
Addressing GRI major themes	GRI 204/GRI 308/GRI 414
Addressing SDGs	SDG 17
Policy or Commitment	Construct a supply chain that meets RBA requirements Commit to maintaining long-term cooperative relationships with domestic and foreign suppliers to jointly establish a stable and sustainable supply chain. Establish an effective incentive mechanism, good communication channels and a common concept of quality.
Indicators and Targets	<p>Short-term Target: To obtain products or services that meet the quality and quantity requirements of the enterprise at the lowest cost.</p> <p>Medium-term Target: To ensure that suppliers provide the best quality service and timely delivery.</p> <p>Long-term Target: Develop and maintain good supplier relationship, develop potential suppliers.</p>
Effectiveness Tracking Mechanism	<ul style="list-style-type: none"> Establish a supplier evaluation system through supplier selection procedures and supplier certification methods.
Annual Actions and Measures	<ul style="list-style-type: none"> Supplier information platform. Irregular supplier audit. Unscheduled interviews and meetings. Regular questionnaire survey. Publicity of professional ethics (GUC integrity management operating procedures and professional ethics). Conflict Minerals / require suppliers to declare or sign. Professional Ethics and Supplier Code of Conduct / require suppliers to abide by the relevant regulations of RBA, and declare or sign.

Major Themes	Quality and Competitiveness
Addressing GRI major themes	Self-determined
Addressing SDGs	n/a
Policy or Commitment	<ul style="list-style-type: none"> Formulate the company's technology development plan, and complete the reliability verification work at the design stage. Carry out comprehensive continuous improvement activities and internalize quality culture.
Indicators and Targets	<p>Short-term Target: Continuously propose incentives such as bonuses and public praise for improvement activities.</p> <p>Medium-term Target: To promote "customized quality service" to help customers gain market opportunities and strengthen competitiveness with excellent and reliable product quality.</p> <p>Long-term Target: The competitiveness of customers is the driving force of GUC, and we are committed to becoming a long-term important partner that customers trust and rely on for success.</p>
Effectiveness Tracking Mechanism	<ul style="list-style-type: none"> Corporate image, service quality, and customer satisfaction are all important indicators that affect a company's competitiveness.
Annual Actions and Measures	<ul style="list-style-type: none"> GUC has a quality management policy. Ensure the effective implementation of the quality management system and achieve the quality objectives and requirements of the quality management system. Ensure that the integrity of the quality management system can still be maintained when the quality management system changes the plan. Continuously propose improvement activities.



Major Themes	Green Energy Policies and Achievements
Addressing GRI major themes	GRI 302/GRI 305
Addressing SDGs	SDG 13
Policy or Commitment	<ul style="list-style-type: none"> The energy used by GUC is mainly used for factory affairs and office equipment, and the energy is mainly purchased electricity. In order to reduce greenhouse gas emissions, GUC has set energy-saving and carbon-reduction targets, and has taken more actions to mitigate climate change. GUC focuses on green innovative design and green office promotion, continuously improves employees' green awareness and promotes specific planning.
Indicators and Targets	<p>Short-term Target: Self-built solar photovoltaic facilities to increase energy self-production rate</p> <p>Medium-term Target: To seize green energy industries such as solar energy and self-driving cars.</p> <p>Long-term Target: To increase the ratio of self-produced energy year by year and reduce operating costs.</p>
Effectiveness Tracking Mechanism	<ul style="list-style-type: none"> Promote energy-saving and carbon-reduction measures in the factory area and offices, and let employees spontaneously start energy-saving activities through education, policy and regulation, and contribute to the global environment together.
Annual Actions and Measures	<ul style="list-style-type: none"> After 2022, the annual solar power generation will generate 21,776 kWh (equal to 78.4GJ), reducing carbon dioxide emissions by 11.08 tCO₂e / year.

Major Themes	Sustainable Operation
Addressing GRI major themes	GRI 201
Addressing SDGs	SDG 12
Policy or Commitment	<p>With the intensification of climate change and changes in the global political and economic situation, only by incorporating ESG factors and risk scenarios into the assessment and constantly re-examining through the internal control process can the company be resilient to cope with unknown challenges. Continuously improve corporate performance through the spirit of circular quality management (PDCA), and become the world's leading IP and ASIC supplier.</p>
Indicators and Targets	<p>Short-term Target: To implement corporate governance and treat stakeholders equally, and fulfill social responsibilities.</p> <p>Medium-term Target: Committed to environmental protection and public welfare activities, and also combined with the 17 SDGs of the United Nations Sustainable Development Goals.</p> <p>Long-term Target: To formulate a work plan and effectively implement the vision and mission of sustainable development of GUC.</p>
Effectiveness Tracking Mechanism	<ul style="list-style-type: none"> The board of director plays the role of supervision and guidance. Every year, the executive secretary of ESG committee reports to the board of directors the current year's implementation results and future work plans.
Annual Actions and Measures	<ul style="list-style-type: none"> The board of director adopted the "Code of Practice for Sustainable Development" as the guiding principle for long-term promotion of ESG. Hold regular meetings every year and report to the board of director. Hold regular education and training every year, and explain key ESG strategies and implementation methods to colleagues, so as to encourage all employees to implement the vision of sustainable management of the enterprise.



Major Themes Corporate Governance

Addressing GRI major themes GRI 405-1

Addressing SDGs n/a

Policy or Commitment
According to the corporate governance roadmap schedule, establish an effective corporate governance structure, strengthen the functions of the board of directors, improve information transparency, strengthen communication with stakeholders, conform to international norms, guide due diligence, and effectively play the functions of various functional committees. Continue to implement the equal treatment of all stakeholders and become a gifted company of corporate governance in Taiwan stocks. Management is committed to establishing a management system and ensuring that the company follows the Code of Practice on Corporate Governance for continuous improvement.

Indicators and Targets
To ensure the maximization of shareholders' interests and continue to maintain the constituent stocks of the Taiwan Corporate Governance Index.

Effectiveness Tracking Mechanism
● Participate in corporate governance evaluation.

Annual Actions and Measures

- The Audit Committee, Compensation Committee and other functional committees are set up under the board of director.
- Establish a dedicated corporate governance office.
- There is no gender difference in basic salary, and professionalism and experience are used as evaluation criteria.
- Set up a full-function division for corporate integrity management and regularly report the implementation results to the board of director.

3.4 Major Theme Changes

In 2022, our assessment of major subject areas was not only refer to GRI' s sustainable issues, but also refer to the disclosure items required by the SASB guidelines for the company' s industry. And in line with GUC's net-zero goal, we have raised the priority of topics related to climate change. To enable stakeholders to better understand GUC's goals and practices.

▼ **Changes in major themes of GUC in 2022**

2021 major themes	2022 major themes	Change situation	Change Description
Research & Development and Innovation	Climate Change	↑	
Quality and Competitiveness	Management of Suppliers	↑	GUC attaches great importance to the impact of climate change on all human beings. Therefore, the company regards net zero as the primary goal to be achieved in 2050. This year, we added a major theme of "Green Energy Policy and Achievements" and improved the requirements of "Supplier Management". Cooperate with more suppliers to create a sustainable future together.
Climate Change	Research & Development and Innovation	↓	
Sustainable Operation	Quality and Competitiveness	↓	
Management of Suppliers	Green Energy Policies and Achievements	New	
Customer Relation Maintenance	Sustainable Operation	↓	
Corporate Governance	Corporate Governance	No change	