



Global Unichip Corporation

2015 Corporate Social Responsibility Report

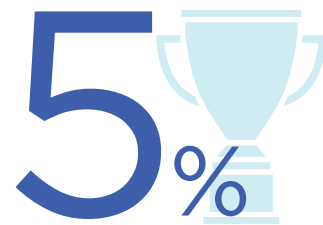


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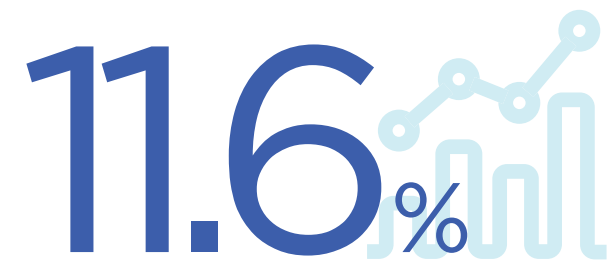
Major Performance Disclosures

Enriching the future lives of human beings by creating and promoting IC design is the vision of GUC. The performance of GUC's corporate responsibility in 2015 is discussed in this report. This report also outlines the actions that we have taken this year, as well as how we have responded to our stakeholders over the past year. Most importantly, through the demonstration of our excellent corporate value, we have exerted a positive society-friendly cycle. The following are some of the major aspects of our performance:



GUC was awarded "the Top 5% companies" in the 1st and 2nd Information Disclosure Assessment and Evaluation of Listed Companies by Taiwan Stock Exchange and GreTai Securities Market.

- GUC was listed in the Taiwan High Compensation 100 Index published by Taiwan Stock Exchange for the third year in a row. In 2015, we recruited 76 new employees, which indicate the outstanding result of our talent recruitment.
- GUC was awarded "the Top 5% companies" in the 2nd Information Disclosure Assessment and Evaluation of Listed Companies by Taiwan Stock Exchange and GreTai Securities Market.



Powerful revenue growth benefited from advanced technologies nodes. Our net sales reached to NT\$7.76 billion in 2015 with the year-over-year growth rate of 11.6%.

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- We formed an EICC Committee to draw up an Electronics Industry Code of Conduct.
- In order to improve the products energy effectiveness, the power consumption of our PCIe3 IPs reduced by 43%.
- We implemented the water saving management project. Our water consumption in 2015 was just increase 1% than 2014.
- Participates the social caring activities to share goodwill. We cooperated with local non-profit-organization -Hsinchu Blind Welfare Association to increase the blind men's job opportunities.

“ GUC pledges itself to not only become an indispensable influence in the semiconductor industry, but also to serve as a force for sustainability that pushes society forward, to become a corporate citizen with a positive influence to society, and to build a better future for the next generation. ”

Global Unichip Corporation
F. C. Tseng Chairman



Message from Chairman

We have been considering not only the economic value of corporate creates, but also balance the interests of stakeholders and implement our corporate social responsibilities without hesitation. This is a very natural behavior, with a long-term influence and creativity for both of internal and external organizations.

Since GUC's inception in 1998, our devoting is the pursuit of our business growth and sustainable operating goals. From the ethics perspective, we maintain a consistent business attitude is focusing on high level of integrity, curb corruption, no bribery, not pursuit of political and business relations, obey the law, and self-review with the highest standards of business ethics.

As a pioneer in ASIC design service industry, GUC is committed to the pursuit of keeping the technology leading and excellent services. We collaborate with Credo Semiconductor, a global innovation leader in Serialized-Deserializer(High-speed SerDes) technology to enable the development of high-performance networking solutions that will be manufactured using TSMC's 16-nanometer FinFET + process technology. Furthermore, in order to meet the trend of globalization and aggressively provide more regionalized professional support, GUC has established subsidiaries and branch offices in the China, South Korea, Japan, North America and Europe. Our branch offices and subsidiaries fully support the business opportunities in these areas. We also established a design center in Japan, to extend our

service territory. GUC continued to focus on leading technologies and innovative of strategies in order to deliver a long-term business growth. In 2015, our gross margin rate of 28.3% which is record high since our IPO. According to forecasts made by IEK in 2015, the total revenue generated by Taiwan's IC industry amounted to nearly NT\$2.2444 trillion, indicating a 1.9% growth compared to 2014. The IC design industry alone amounted to NT\$576.9 billion, showing a 0.1% growth rate compared to 2014. The drones, image processor, Solid State Driver (SSD), data center, IoT related applications are projected to be the major drivers of the future electronic and semiconductor industry. More importantly, we have kicked off some projects to the related application fields in order to grab the growth drivers. What sets GUC apart from other domestic service providers is not just that we work closely with upstream wafer foundries, but that we are also actively involved in the development of advanced processes and key silicon IPs. By doing so, GUC hopes to meet market demands as well as distancing itself from the rest of the competition.

GUC values corporate governance. This is the 2nd year that we awarded "the Top 5% companies" in the 2nd Information Disclosure Assessment and Evaluation of the Listed Companies by Taiwan Stock Exchange and GreTai Securities Market. We are the only IC design company bestowed with this honor.

We continue to invest huge heavily in our employees.

Through our well-organized training and cultivation, we are also devoted in inspiring innovators inside the corporate and concentrating on building up an outstanding and energetic work environment. GUC was awarded the "Amiable Workplace Prize" by the Council of Labor Affairs. We were recognized "Health Management Award" by the Bureau of Health Promotion, Department of Health, Taiwan, R.O.C.

Through our well-organized management system, GUC is able to implement our environmentally friendly principles for sustainable operations. We not only established our Electronic Industry Code of Conduct (EICC), and also formed an EICC Committee that is reported directly to the Operational Management Committee. In 2015, we implement the low power consumption in our IPs development. For example, the implementation in the 28-nanometer of PCIe Gen.3 reduced 43% of power consumption. We set up a raindrop recycling system to water the plants and flowers used for landscaping. By reducing the water outflow of faucets and using automatic faucets, we have been able to save water resources. We also installed dual-flush toilets which enable the water usage with a 1% annual growth rate.

By sharing love and participating in charity activities, we have deepened our ties with local governments, non-profit-organizations, charity associations and communities establishing trust and reputation. This friendship can help GUC to develop a positive corporate environment. In 2015, we worked with the non-profit HsinChu Blind Welfare Association by purchasing massage services from them. We participate the Accton Cultural & Educational Foundation founded the Christmas Dreams project. GUC employees purchased Christmas gifts to sponsor 35 children. This also inspires the industry to help children from disadvantaged families and bring them the opportunity to enjoy and experience the merry atmosphere of Christmas. We sponsored The VLSI Design/CAD Symposium is an extremely significant and well-organized annual event in Taiwan's IC designing industry. The purpose of this symposium is to discuss the new challenges and issues we face while advancing into the smart electronic era.

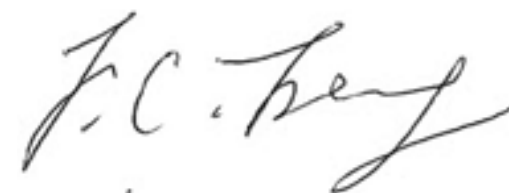
Moreover, in order to promote communication between government, producers, universities and researchers and increase Taiwan's competitiveness in the leading edge technologies in semiconductor.

It's never easy to reach the destination at a single leap whilst the implementation of corporate social responsibility. We would like to thank sincerely our industrious employees, as well as our supply chain partners, customers, and shareholder, your continuous support and trust are deeply appreciated. As a world-class design and turnkey services company and a good corporate citizen, GUC has always sought to fulfill its corporate social responsibility. In this period of volatility for the global economy and environment, fulfilling corporate social responsibility not only supports the fundamentals of our operations and reduces or eliminates risk; it also builds sustainable value for GUC and its stakeholders. This is the right thing to do

because we believe our success is deeply entwined with our stewardship of the natural environment, efficient use of resources and meeting the expectations of our shareholders. GUC pledges itself to not only become an indispensable influence in the semiconductor industry, but also to serve as a force for sustainability that pushes society forward, to become a corporate citizen with a positive influence to society, and to build a better future for the next generation.

Global Unichip Corporation

Chairman

A handwritten signature in black ink, appearing to read "J.C. Cheng", is positioned below the title "Chairman". The signature is fluid and cursive.

About this Report

Overview

This is the fifth time that GUC has prepared a Corporate Social Responsibility (CSR) Report. We will continue to publish these reports on a yearly basis. There is no major organization, structure, ownership, and supply chain changes during the report timeline.

Report Timeline

This report presents GUC's CSR progress for the period from Jan. 1st to Dec. 31st, 2015.

Last Report Date

November 30, 2014.

Report frequency

In annual basis.

Report Scope and Boundaries

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

Reference

This report follows the Global Reporting Initiative, Sustainability Reporting Guidelines Version 4, (GRI G4) and in accordance with core option of General Standard Disclosures and Specific Standard Disclosures and a cross-reference table of GRI G4 content index is attached at the end of the report.

Third-Party Assurance

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

- AA1000AS:2008: AA 1000 Assurance Standard.
- AA1000APS:2008: AA 1000 Account Ability Principles Standard
- GRI G4: In Accordance – Core.

Contact Information

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

We identify material aspects and boundaries through identification, prioritization, validation and review. After GUC's internal meeting, we sort out the 'Relevant Topics', which is a list of issues to be included in this CSR Report. The issues are selected based on the 2 directions from 'Global Reporting Initiative, Sustainability Reporting Guidelines Version 4" (GRI G4) aspects and standard disclosures in the step 1.

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

Context: Discrepancy of the corporation's contribution to the improvement or deterioration of economic, environmental and social conditions, developments, and trends. We use surveys to collect the main issues concerned by our stakeholders and 146 surveys were recovered.

In accordance with the Completeness Principle of GRI G4, we validate the dimensions of scope and aspect boundaries. The prioritized Material Aspects list has been verified by top decision makers. After the report has been published, a review of this report is prepared for the next reporting cycle. The result of the review would be helpful for the Identification Step for the next reporting cycle.

There is not any restated compare to the previous

year's report. And there is no significant changes to the aspects and boundaries compare to the previous report timeline.

▼ Major considerable aspects and boundaries statistics table

			Internal		External					
Material topics		GRI G4 materials\ boundaries	Employees	Shareholders	Customers	Suppliers	Communities	Media	Academic Institutions	Government
Economic Category	Corporate governance	Anti-corruption, Anti-competitive behavior , labor compliance , environmental compliance , Conflict Minerals	●	●	●	●	●	●	●	●
	Ethical Practice : anti-corruption , anti-monopoly	Anti-corruption, Anti-competitive	●	●		●	●		●	●
	Customers Relations	Customers' privacy	●	●		●	●	●	●	●
	Products quality and competitiveness	Economic performance	●	●	●	●	●		●	●
	R&D Innovation		●	●	●	●	●	●		
	Risk Management				●	●	●			
	Sustainable Development		●	●	●	●	●	●		●

▼ Major considerable aspects and boundaries statistics table

			Internal			External							
Material topics			GRI G4 materials\ boundaries			Employees	Shareholders	Customers	Suppliers	Communities	Media	Academic Institutions	Government
Environmental Indicators	Climate Change (greenhouse gas reduction)	Emissions (air pollution , greenhouse gas emissions)											
	Environmental policy	Waste water, waste					●						
	Green Product and Operations	Raw Material, Conflict Minerals					●						
	Environmental energy saving expenditure	Energy											
	Product Responsibility	Economic Performance						●				●	●
	Water Resources Management	Water											
Social Category	Social Participants	Others										●	
	Occupational safety and health	Occupational health and safety					●		●				●
	Employee Development	Training and education	●				●		●				
	Employee relations and Compensation Packages	Employee relations	●				●		●		●		
	Labors’ Rights	Humans’ rights issue and appeal mechanism	●				●		●		●		
	Supply Chain Management	Procurement practices , supplier environmental assessment , Conflict Minerals											

The statistics of major topics and aspect boundaries

The analysis results of major topics

▼ List of Material Aspects and Aspect Boundaries

Material Topics	Item	Material Topics	Corresponding Aspects for Consideration	GRI G4 Index	Disclosures on Management Approach	Relevant Aspect Boundaries	
						Internal	External
1. Corporate Governance 2. Ethical Practice 3. Customer Relations 4. Product Quality and Competiveness 5. R&D Innovation 6. Sustainable Development 7. Employee Relations and Compensation Packages 8. Labors' Rights 9. Social Participants	1	Corporate Governance	Corporate Governance, Workforce Diversity, and Equal Opportunity	G4-34 G4-LA12	<ul style="list-style-type: none"> Disclosure by gender, age, ethnic minorities and other indicators of diversification division, corporate governance and various members of the staff composition. Constant disclosure of corporate governance information, in accordance with relevant regulations and "Information Disclosure and Transparency Ranking System" from Securities & Futures Institute. The election of the Board of Directors is in accordance with nomination of "Company Act". The independence of Independent Director Candidates is also in accordance with the relevant professional competence listed on 'Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. 	Employees	Government
Secondary topics 1. Employee Development 2. Risk Management 3. Sustainable Development 4. Legal Compliance 5. Supply Chain Management	2	Ethical practice: Anti-corruption, anti-monopoly	Anti-competitive behavior, anti-corruption	G4-SO4 G4-SO7	<ul style="list-style-type: none"> Comply with legislation on fair trade. No involve to the anti-competitive behavior, antitrust, and monopoly behavior. Set the "integrity management procedures and ethical practices", each of company employees and ecosystem have to follow. The specification advocacy annually held and 100 percent of staffs completed the training and testing. 		Customers, Suppliers
General topics 1. Green Products and Productions 2. Environmental Policy 3. Environmental Protection Expenditure 4. Environmental Management 5. Community Participation4.	3	Customers Relations	Customers privacy	G4-PR8	<ul style="list-style-type: none"> Established internal Standard operating procedures and norms, such as 'Confidential Information Protection Policy' and 'Confidential Information Control Protocol'. Every department director has to assign delicate to form 'Proprietary Information Protection' committee, which is responsible for the control of whole company's confidential information. The tasks for the committee include discussing, establishing, auditing and implementing of the privacy operation. The committee is held every two months and will discuss issues about controlling confidential information and make decision. The committee will have interim meetings under certain occasions. E-mail Monitoring USB Data Access Control Installation of surveillance camera. 	Employees	

▼ List of Material Aspects and Aspect Boundaries

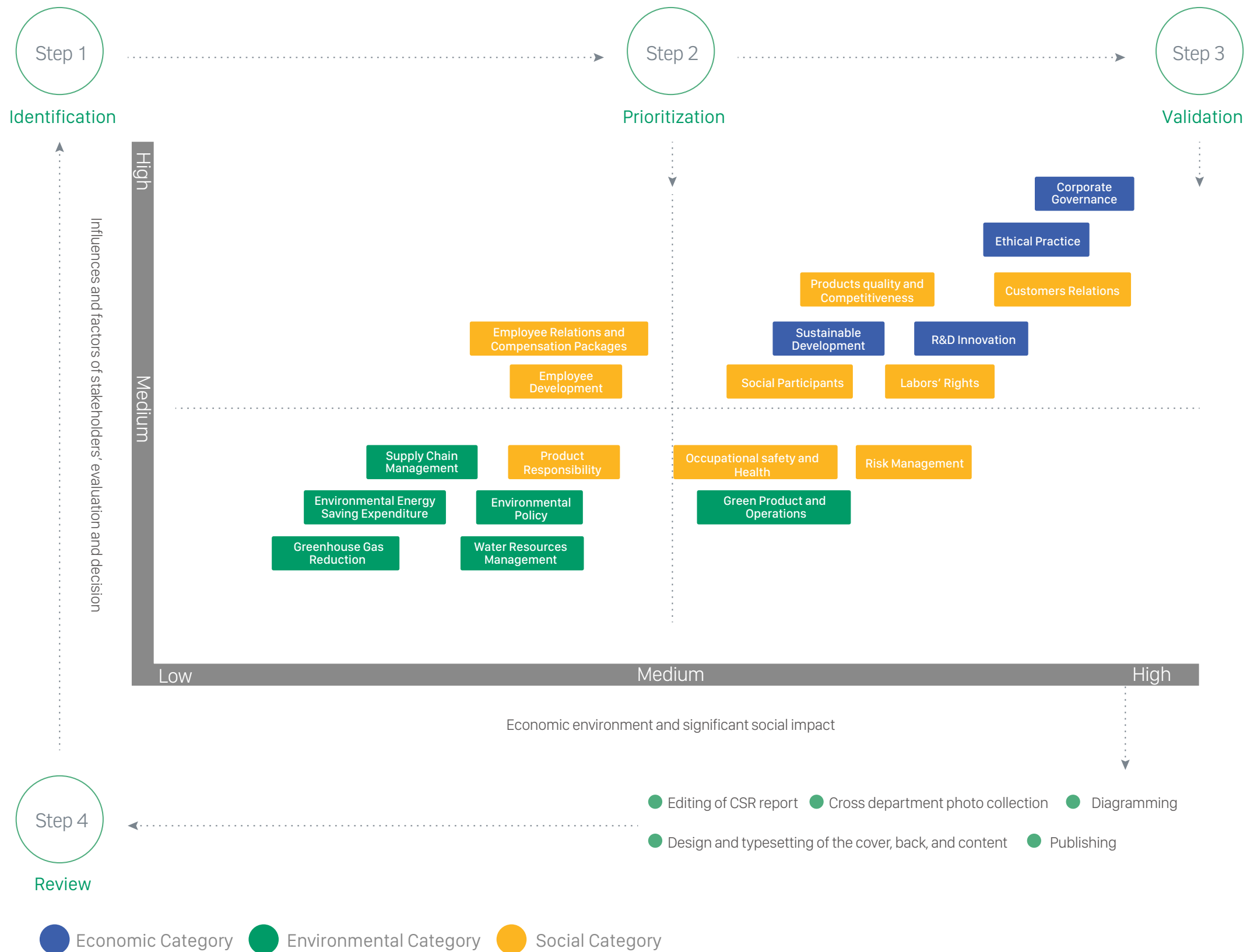
Item	Material Topics	Corresponding Aspects for Consideration	GRI G4 Index	Disclosures on Management Approach	Relevant Aspect Boundaries	
					Internal	External
4	Product Quality and Competiveness	Economic Performance	G4-EC1	<ul style="list-style-type: none"> GUC established Audit Committee for the establishment of risk management policies and the implementation of internal control of corporate risk. Four Independent Directors of Audit Committee are elected at Annual Shareholders' Meeting. GUC adheres to 'Securities and Exchange Act', Article 14 to formulate internal control system and to implement the power of audit, which includes holding at least one meeting quarterly, fair presentation of the financial reports, hiring (and dismissal), independence, and performance of certificated public accountants, the effective implementation of the internal control system, compliance with relevant laws and regulations, as well as the management of the existing or potential risks of this Corporation. Establishment of the R&D Department, to be in charge of development, integration, maintenance of innovative products. Technical planning, development and integration for silicon intellectual property in relation to Digital, Mixed-Signal, RF, High-Speed SerDes. Integration techniques for SoC, application and development for software, Development for the designing process of ESL. 	Employees	Shareholders, Media
5	R&D Innovation					
6	Sustainable Development					
7	Employee relations and Compensation Packages	Employee Relations	G4-LA4	<ul style="list-style-type: none"> Establishment of Compensation Committee under the Board of Directors. No gender differences on the compensation. The compensation evaluation criterions are based on the professional abilities and experiences. The HR Department plans and handles the labor relations communication. Regular implementation of Labor-Management Meeting for efficient communication. Establishing "Employee Welfare Committee" with a monthly budget to implement employee welfare activities regularly. 	Employees	Government
8	Labors' Rights	Appeal mechanisms for human's rights	G4-HR12			
9	Social Participants	Indirect Economic Impact	G4-EC7	<ul style="list-style-type: none"> Donation of note book computers. Giving blood to some lives. Help the rural children. Sponsorship for seminars in order to support the domestic IC industry development. 	Employees	Communities, Academic Institutions



Visual map of major topics

We identify material aspects through identification, prioritization, validation and review four procedures. There are 9 of materials topics, 5 of secondary topics and 5 of general topics. In the meantime, we follow the principals of 'Global Reporting Initiative, Sustainability Reporting Guidelines Version 4'(GRI G4) to evaluate the influences factors of stakeholders, the economic, the environmental, and the social indicators. The prioritized material aspects list has been verified by top decision makers. After the report has been published, a review of this report is prepared for the next reporting cycle. The result of the review would be helpful for the identification step for the next reporting cycle.

▼ Visual map of major topics



Stakeholder Communication Channels

According to ‘GUC Social Responsibility Best Practice Principles’, the commission is composed of cross-department representatives in order to implement corporate social responsibility initiatives. GUC sorts out the stakeholders into 8 categories: shareholders, employees, customers, suppliers, government, media, academic institutions, and community.

GUC pursues the sustainable development in order to meet the stakeholders’ demands and expectations. Through the establishment of long-term business development and integrity with a clear, effective, and real-time communication channels to the stakeholders. And representatives from each team continued to communicate with stakeholders and in the ordinary course of business collect questionnaires and comments to the interested parties to do all the management issues and achieve related issues of corporate social responsibility.

The basic objective of this report is as follows:

- Stakeholders concerned to fully understand the question, continued to improve CSR performance.
- Earn stakeholders’ respect, trust, and support to GUC.
- Present GUC’s active and efforts to enhance sustainable corporate social image of GUC .

GUC stakeholders’ management procedures

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

- Identification of stakeholders: stakeholders are defined within GUC impact on GUC or affected by external groups or individuals. Therefore, we identified GUC’s stakeholders including shareholders, employees, customers, suppliers, government agencies, the media, academic and research institutions and community.
- Analysis of major stakeholders concerned issues: issues of concern after major stakeholders completed questionnaires were collected, according to their degree of concern about the influence and GUC establish communication platform GUC interested parties, and the establishment by the teams in charge of the unit Multiple communication channels, and interested parties aggregated issues of concern,

considering the GUC concept of sustainable development, taking into consideration the surface G4, 19 interested parties identified issues of concern, and the concern suffered by the subject assessment and analysis of significant degree.

- Stakeholders related programs: GUC basis of the preceding analysis of the relevant team result set management approach into their daily or annual work plan and regular review and assessment of the effectiveness of the management approach, as the company sustainable development strategy important reference.
- Interested party management: GUC based on the importance of the interested parties and have varying degrees of interaction with the effective use of company resources and create mutually beneficial win-win relationship.

▼ Shareholders

General Shareholders

- Annual General Shareholders Meeting is held in Q2
- Annual Report is released before the Annual General Shareholders Meeting
- Communicate with GUC by phone and e-mail
- Semi-annual Investor Conference
- Participation in Investor Forum or Investor Conference held by both domestic and foreign investment agent and securities companies
- Reception for investors, domestic and foreign investment agent and securities companies from time to time

Customers

- Customer audit
- Customer meeting
- Annual tech symposium
- Client satisfaction survey
- Complied with customer’s requests of industry and social responsibility survey.

Employees

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

Suppliers

- Supplier information platform
- Interviews and meetings



▼ Shareholders

Government

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

Academic Institutions

- Questionnaire survey
- Company and school collaboration program
- Summer interim program
- Company visiting program

Media

- Monthly press release in connection with new technologies and new products
- Monthly Revenue
- Quarterly operating results
- Participation in support programs to media charity activities

Community

- Publishing CSR Report
- Official Website and email
- Participation in disaster relief activities

About GUC

About GUC

As a pioneer in the ASIC design services industry, we assist progressive fabless IC and system companies in improving their market leading position. By continuously pursuing the excellence, we offer the IC design capabilities with the optimize power consumption, the efficient processing speed, great quality; competitively yield rate, and on-time delivery services as well.

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

As of December 31, 2015, GUC's capital amount was NT\$ 1,340,119,000. In 2015, GUC's consolidated net sales were NT\$ 7,762,132,000 with the 11.6% year-over-year growth rate.

GUC has the employee of 452 persons in Taiwan. GUC has developed a global reputation with a presence in China, Europe, Japan, Korea, and North America.





We aim for providing full-spectrum ASIC design services to assist fabless IC and system companies in secured their market leading position. It is also our goal to pursue excellence to offer the IC design capabilities with the optimize power consumption, the efficient processing speed, great quality and competitively yield rate, as well as the on-time delivery service.

GUC's Flexible ASIC Model™ offers full-spectrum services to satisfy today's innovative technology companies' unique operational and technological needs.

GUC also committed to providing the most advanced solutions, and embedded CPU design capability through close partnership with TSMC and other key packaging and testing houses for customers target IC devices of leading edge computing, communications and consumer applications.

Thanks to the semiconductor cluster in Taiwan with thorough supply chain of booming IC design houses, foundries, and packaging and testing support, design service providers have expanded significantly. Based in Hsinchu, Taiwan GUC has developed a global reputation with a presence in China, Europe, Japan, Korea, and North America. GUC is publicly traded on the Taiwan Stock Exchange under the symbol 3443.

Moreover, we have established the 'Global Unichip Corporate Social Responsibility Best Practice Principles'. This commission is composed of cross-department representatives in order to implement corporate social responsibility initiatives. The Chief Financial Officer is appointed as the Chairman in full charge. The executive performance shall be submitted to the Board of Directors.

GUC's capital amount

NT\$
Thousand

1,340,119

Products and Services

Wafer Products & ASIC Design services:

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

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

Development Programs for New Products

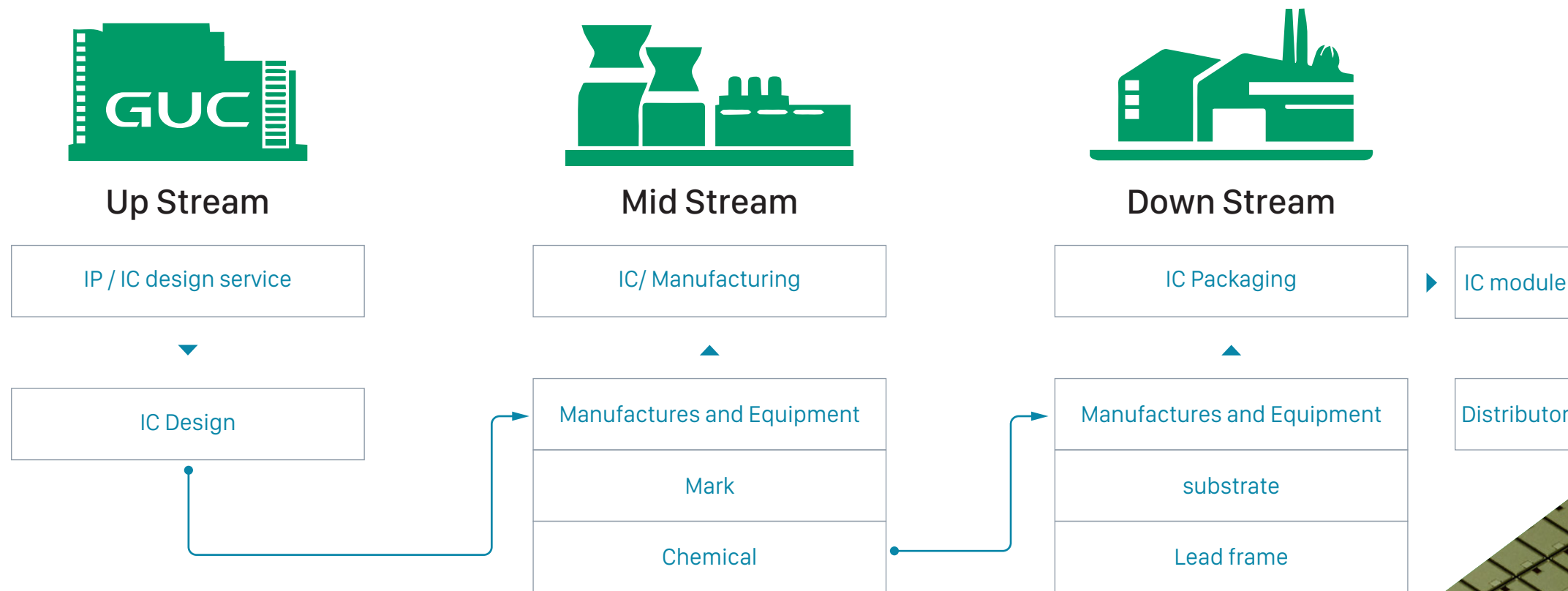
Develop high-end and high-in-demand Intellectual Properties (IPs) in 28nm, and 16nm process technologies: high speed interface such as 10G/28G/56G KR SerDes, PCIe Gen3/4, USB 3.0/3.1, LVDS, DDR3/4/LPDDR3/4 Memory Controller/PHY, and collaboration to tsmc 7nm technology to develop IPs includes: SerDes, PCIe Gen4, DDR3/4 DIMM, and existing components like: Voltage Regulator, Power Management Solution, ADC/DAC, Data Converter, Clock Generator, etc. To offer complete silicon IPs, SoC integration and design platform solution for applications of networking, mobile devices which include high speed networking and multimedia portable device, storage devices and digital television.

In semiconductor supply chain, GUC provides the IC design services is on the upstream position. IC manufacturing is on the midstream and IC packing and testing are on the downstream.

Implementation the IC design flow is not only considering the hardware spec, but also the software integration as the process technology approach nanometer scale which enable to produce the high efficiency and competitive power consumption IC chips. There are three core values of Flexible ASIC Services model: IP Solution, Chip Implementation, and ASIC

Manufacturing. Therefore, GUC executes the standards of “Green Energy-saving Design” and provide energy-saving products that comply with environmental protection regulations and customers’ requirements. Meanwhile, we play a front-end important role of energy saving and carbon reduction in semiconductor industry.

▼ The up, mid, and down stream of ASIC design services industry



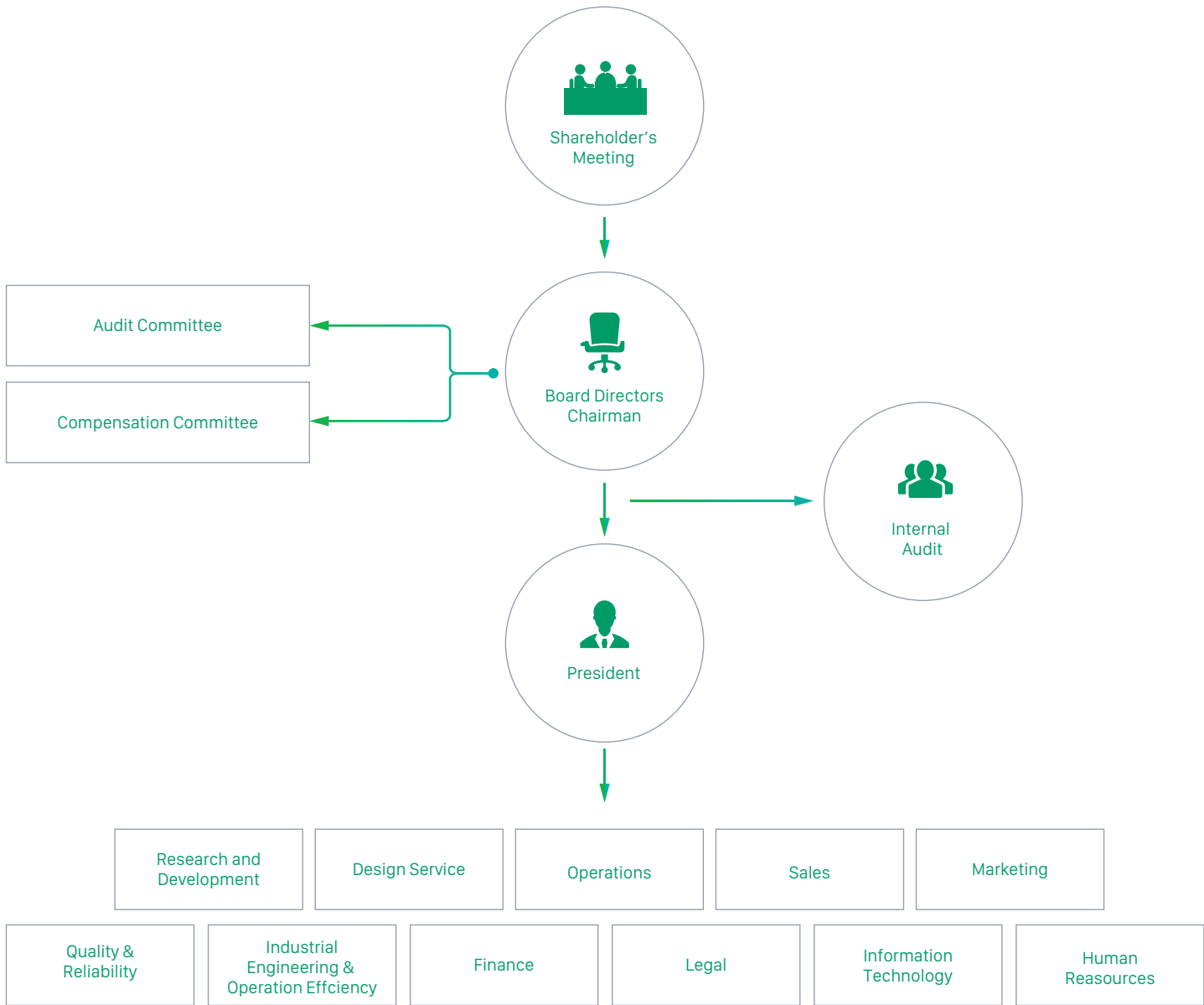
Corporate Governance

Corporate Governance

To ensure the equality of institutional and individual are alien, we deeply well understand the transparency of corporate governance and organization component are become more and more important. We implement corporate governance to maximize our shareholders’ interests.

Authorization

Based on ‘Global Unichip Corporate Social Responsibility Best Practice Principles’, the commission is composed of cross-department representatives in order to implement corporate social responsibility initiatives. The Chief Financial Officer is appointed as the Chairman in full charge. The executive performance shall be submitted to the Board of Directors. For more information about our corporate governance structure, please see the ‘2015 GUC Annual Report’.



▼ Our board member

Title	Name	Gender
Chairman	Dr. F.C. Tseng Representative of TSMC	Male
Director	Jim Lai Representative of TSMC	Male
Director	Lora Ho Representative of TSMC	Female
Director	Dr. Cliff Hou Representative of TSMC	Male
Director	K.C. Shih Representative of Global OnInvestment Corp.	Male
Independent Director	Benson Liu	Male
Independent Director	Dr. Chien-Wei Jen	Male
Independent Director	Dr. Wen-Yeu Wang	Male
Independent Director	Dr. Chung-Yu Wu	Male

Regulatory Compliance

To enable all our employees to understand various legal compliance issues, we provide relevant in-house education, training courses and advocacy resources. For example, the 'Personal Information Protection Act' and the 'Trade Secrets Act'; all of the management team and the related colleagues are required to attend these courses. GUC's management team closely monitors both domestic and foreign government policies and regulatory developments that could have any impact on GUC's business and financial operations. In 2015, GUC was not been subjected to any monetary fines and nonmonetary sanctions for noncompliance with any statutory laws and regulations.

Third Party Awards

- GUC was awarded "the Top 5% companies" in the 1st and 2nd Information Disclosure Assessment and Evaluation of Listed Companies by Taiwan Stock Exchange and GreTai Securities Market.
- GUC was rated "A++" in the 12th Information Disclosure Assessment and Evaluation of Listed Companies by Taiwan Stock Exchange and GreTai Securities Market. Moreover, this is the fourth time that GUC received this award and we are the only IC design company earned this honor.
- We are invited by TWSE to share our information disclosure assessment and evaluation experiences to all of listed companies.

Board of Directors Takes the Helm on Holistic Sustainability Issues

Our Board of Directors is currently composed of 9 distinguished directors, one is female director. Six regular board meetings were convened in 2015. With an average age above 55 years old, the Board of Directors is equipped with diverse knowledge and a great breadth of corporate governance experience. At the same time, independent directors also set up the Audit Committee and the Salary Remuneration Committee. . The members of the Board of Directors are chosen by nomination system. We value not only their expertise, but also their integrity and moral reputation.

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

Code of Ethics and Business Conduct

To promote business behavior in keeping with integrity and morals, and to support compliance with legal order, we have established our internal Ethics Code of Conduct (the 'Code') which is called 'Procedures for Ethical Management, Ethics & Business Code of Conduct.' in accordance with 'Taiwan Corporate Conduct and Ethics Implementation'. All employees, officers and Board members must adhere to the Code and bear a heavy personal responsibility to preserve and to protect GUC's ethical values and reputation.

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

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

Participation of Union Organizations

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

Technology:

- Taiwan Semiconductor Industry Association (TSIA)
- Global Semiconductor Alliance (GSA)
- Video Electronics Standards Association (VESA)
- JEDEC Solid State Technology Association (JEDEC)
- SD Card Association
- Peripheral Component Interconnect Special Interest Group (PCI-SIG)
- Mobile Industry Processor Interface (MIPI)
- 3DIC Special Interest Group, (3DIC SIG)
- Institute of Electrical and Electronics Engineers (IEEE)
- Universal Serial Bus Implementers Forum (USB-IF)
- Taiwan Telematics Industry Association)

Management:

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

Risk Management

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

Establishment of the Audit Committee

GUC established the Audit Committee for the implementation for internal control of corporate risk. Four independent directors of the Audit Committee are elected at the Annual General Shareholders' Meeting. The Audit Committee meeting is convened every quarter to oversee the financial reporting processes, selection of the independent auditors, independence and performance of selected auditors, internal control system and performance, regulatory compliance and the control system in relation to present or latent risk.

Establishment of the Compensation Committee

For the senior management's compensation risk control, we developed a table of "The ratio of the total compensation for Board of Directors, President & Vice Presidents over the net income on the stand-alone basis financial report". For details, please refer to page 16 of our 2015 Annual Report. The operation performance has a positive correlation with the personal capabilities, contribution, and performance of the senior management team.

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

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

Customer Oriented Services

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

GUC sets up a position in charge of the response and investigation of the interrogation in relation to the environmental protection, social responsibilities, restriction of hazardous substances and conflict minerals from our clients. We also promptly satisfy the requests from downstream and end clients or public sectors by providing adequate information. We carry out customer satisfaction surveys in the first quarter and at the completion of a project as well. In addition, all the precious suggestions from our clients are submitted to the units concerned for further improvement and response to the expectation of our clients.

In the First Quarter of Every Year

We carry out a customer satisfaction survey on important clients in the first quarter of every year. In 2015, customer satisfaction survey accomplished a feedback percentage of 80% ; among over 95% of our clients are satisfied with our services.

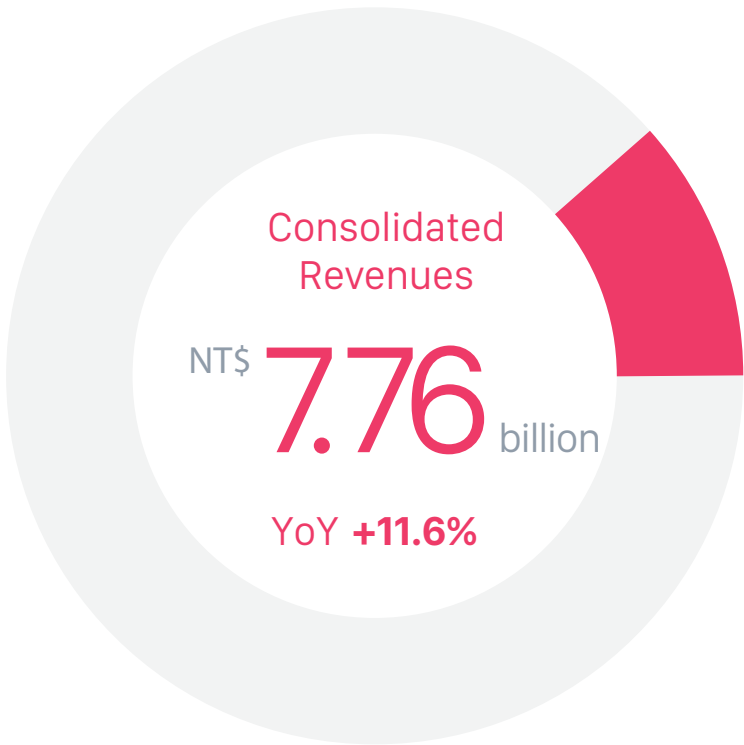
Year	Customer satisfaction	No. of complain filing
2013	95%	0
2014	>96%	0
2015	>96%	0



Economic Performance

Economic Performance

As a pioneer of ASIC design services provider, GUC achieved revenue of NT\$7.76 billion in 2015. Consolidated Revenue: NT\$7.76B, annual growth of 11.6%. Consolidated Net Income: NT\$490 Million, annual growth of 12.7%. Consolidated basic Earnings per Share: NT\$3.69, annual growth of 12.8%. Gross Profit percentage: 28.3%. Operating profit margin percentage: 7.2%. Return on Equity =14.2%



Outstanding Performance

GUC was positioned the leadership in Taiwan ASIC design services even facing the fierce competition. We had the approximately 40% of total market share in 2015.

▼ Operating performance statistic table

	2011	2012	2013	2014	2015	Subtotal
Consolidated Revenue	9,147,243,462	9,013,760,143	6,176,740,842	6,952,280,591	7,762,131,524	39,052,156,562
Tax	63,686,669	136,332,552	103,238,890	63,880,826	69,082,799	436,221,736
Net Profit	527,406,389	612,369,183	289,203,571	438,516,000	494,240,000	2,361,735,143
Directors' remuneration	5,038,820	4,905,818	1,165,529	3,006,762	3,797,529	17,914,458
Employees' cash bonus	59,328,253	68,889,337	32,528,003	49,324,497	55,089,146	265,159,236
Employees' compensation	59,328,253	68,889,337	32,528,003	49,324,497	55,089,146	265,159,236
Employees' compensation	0	0	0	0	0	0
Employees' stock bonus	0	402,035,733	137,733,854	0	0	539,769,587
Cash dividend	402,035,733	0	264,301,879	402,035,733	402,035,733	2,010,178,665
Stock dividend	0	0	0	0	0	0

Research, Development and Innovation

Besides the continuing development of advanced IP in 28nm and 16nm processing technologies, including high speed interfaces such as 10G/28G/56G KR SerDes, PCIe Gen3/4, USB 3.0/3.1, LVDS, DDR3/4/LPDDR3/4 Memory Controller/PHY, our company is moving one step closer to forming a partnership with the TSMC in developing SerDes, PCIe Gen4, DDR3/4 DIMM on a 7nm process. In addition, existing key components such as voltage regulators, power management solutions, ADC/DAC, data converters, and clock generators are also porting with advanced processing technologies.

GUC will form a research team to develop its own memory IP to enrich our IP database and to help our customers reduce the cost of IC design.

1. R&D expenditure in 2015 amounted to NT\$1,125,149,000.
2. 2015 new technologies and products:
 - (1) Completed a test chip and tape-out for low power PCIe Gen3 on 28-nanometer process
 - (2) Successfully verified 28G SerDes IP on 28-nanometer process.
 - (3.) Completed tape-out of V-By-One Tx/Rx IP on 28-nanometer process.
 - (4.) Completed tape-out of MIPI D/PHY Tx/Rx IP on 28-nanometer process.
 - (5.) Completed tape-out of Low Power DDR3/4 PHY and controller design project on 10-nanometer process.
 - (6.) Development 28G SerDes and 16G PCIe Gen 4 package design.
 - (7.) The tape-out of the 16-nanometer customer SoC project was successfully verified on the first pilot run and transited to mass production.
 - (8.) Completed four Solid State Driver (SSD) customers tape-out on 28-nanometer design projects.

Significant Technological Breakthroughs

1. GUC demonstrates industry's first TSMC 16-nanometer low leakage USB 3.1 PHY IP.
2. GUC unveils industry's most complete Data Converter IP product line.
3. GUC and Credo collaborate to enable the development of high-performance networking solutions that will be manufactured by TSMC's 16-nanometer FinFET+ process.

4. GUC utilizes Cadence analog IP to achieve the first- silicon success integrating tri-band analog front-end (AFE) IP with WiGig (IEEE 802.11ad), enabling integration of digit logic and analog monolithic die in an advanced 28-nanometer complementary metal-oxide semiconductor (CMOS) process.
5. PLDA and GUC delivers fully integrated PCIe Gen 4 solution for TSMC's 16-nanometer FinFET+ process.
6. Completed tape-out the first BitCoin on 16-nanometer design project.

GUC is able to keep the growth momentum with revenues contributed from advanced process technologies

GUC continued to focus on leading technologies and innovative of strategies in order to deliver a long-term business growth. We made some significant progresses in advanced process technologies. GUC is able to keep the growth momentum, with revenue contributed from advanced process technologies (65-nanometer and below) which accounts for 73% of the total revenues of 2015. As the pioneer of design services industry; we not only successfully taped out and ran into mass production for the 16-nanometer projects, but also demonstrates industry's first TSMC 10-nanometer process of low power DDR3/4 PHY and controller in order to secure our leading position.

▼ Sales breakdown

Sales breakdown NT\$ Thousand	2014		2015	
	Amount	%	Amount	%
ASIC& Wafers	4,940,781	71.07%	5,605,288	72.21%
NRE	1,773,429	25.51%	1,663,679	21.43%
Others	238,071	3.42%	493,165	6.36%
Total	6,952,281	100%	7,762,132	100%

GUC demonstrates industry’s first TSMC 16-nanometer low leakage USB 3.1 PHY IP.

In April, 2015, we demonstrated industry’s first TSMC 16-nanometer low leakage USB3.1 PHY IP. This 16-nanometer USB3.1 PHY IP is silicon-proven. It supports USB2.0, 3.0 and 3.1 protocols and is ready for USB Type-C connector, targeting data transfer and appliance charging functions. Ultra low-power consumption makes it ideal for consumer applications including mobile, laptops and tablet.

GUC unveils industry’s most complete data converter IP product line

In February, 2015, we unveiled a new Flash ADC IP and a current steering DAC IP. Both provide a 3.6GHz sampling rate and SNDR > 35db that can be used as an I/Q channel receiver or transmitter in a WiGig system. With these high-speed AD/DA IP available, GUC now offers industry’s most complete data converter IP portfolio targeting TSMC processes, ranging from 16nm to 0.13μm. We want our Data Converter IP portfolio to provide a total solution for analog front-end systems, including audio and high precision systems, low power application, and communication receiver and transmit functions that meet LTE and WiGig specification.

Collaborate with partners to enable advanced technologies development and provide the total solutions

GUC and Credo are collaborating to enable the development of high-performance networking solutions that will be manufactured using TSMC’s 16-nanometer FinFET+ process technology. Leveraging GUC’s back-end design service expertise, the companies are working together to integrate Credo’s 28G and 56G SerDes IP and have already taped out a solution based on TSMC’s 16-nanometer FF+ process technology. We achieved first-silicon success integrating tri-band analog front-end (AFE) intellectual property (IP) with WiGig (IEEE 802.11ad), enabling integration of digital logic and analog monolithic die in an advanced 28nm complementary metal-oxide semiconductor (CMOS) process. The availability of the silicon-proven Cadence® tri-band AFE IP running at 3.5 Giga-samples per second (GS/s) saved GUC’s end customer over a year of total development time. Furthermore, PLDA and GUC delivered the fully-integrated complete PCIe Gen 4 solution for TSMC’s 16-nanometer FinFET Plus (16FF+) process. The new PCIe Gen 4 IP can be licensed immediately by system-on-a-chip (SoC) and system companies, enabling solutions that satisfy the throughput, latency and power demands of PCIe 4.0 applications.

Environmental Benchmarks

Environmental Benchmarks

Improving Product Energy Efficiency

In March, 2015, we taped-out the PCIe3 PHY IPs with the low power 28-nanometer process and successfully through the silicon proven three months later. This IPs not only meets the 8Gbps criteria but also reduce 43% of power consumption compare to the previous generation. Furthermore, the new architecture reduced by 50% random jitter and optimized the voltage source from 1.8V/0.9V to 0/9V in the PLL designs. In the meantime, the Insertion Loss Tolerance also increased by 3dB. Through the advanced technologies migration, we keep on providing more advanced and energy saving green products to enhance the power consumption of end customers. As we keep on defining the top of the industry's specifications standards, our customers are able to reduce their carbon footprint.


EICC Committee

Through our well-organized management system, GUC is able to implement our environmentally friendly principles for sustainable operations. We not only established our Electronic Industry Code of Conduct (EICC), and also formed an EICC Committee that is reported directly to the Operational Management Committee.

Green Supply Chain

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





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

GUC has expanded these green environmental policies and concepts to the whole supply chain; and in order to be considered as qualified suppliers, all the suppliers for our new products have to meet GUC's requirements. After 2015, all of our product suppliers need to pass verification to become qualified suppliers.

- GUC's Electronic Industry Code of Conduct
- GUC's Hazardous Substance Restriction
- Verification Method for GUC Suppliers

At the same time, we also require our suppliers, both during on-site operations and transportation, use recycled materials and reduce the amount of expendables being used. For example, reusing the plastic trays used for IC products or using anti-electric-damage black boxes and other non-expandable materials to reduce the use of paper boxes while delivering products.

Wafers are GUC's main products. In addition to that, Taiwan Semiconductor Manufacturing Co., Ltd. is our

main supplier and as well as our major shareholder. Since GUC and TSMC have formed a long-term cooperative relationship, the raw material supply chain is considerably stable.

GUC conducts regular inspection on our suppliers. Warning will be made when an action that violates environmental law is found; improvements should be made within a limited period. Repeat of such circumstances will result in termination of business relationship.

Management of Raw Materials and Waste

GUC made ZERO violations of environmental law and was not subject to heavy fines. We have strictly complied with our corporations Environmental Friendly Principle for Sustainable Operations, and will keep on reducing the environmental impacts brought by employee commuting, as well as delivering products, other products and raw materials during operations. In addition to that, GUC does not have any appeals of environmental impacts filed by our stakeholders. In the long term, in order to protect stakeholder interests and to be responsible to the environment, GUC will implement regular inspection of its raw material supply process and improve its internal control mechanisms, to ensure that raw materials from conflict regions do not enter into the production process. Our supply chain of electronic raw materials and system for waste management is in accordance with International Environmental Law and our customers’ criteria.

- Guaranteed Non-Use of Conflict Minerals.
- EU RoHS compliance (Restriction of the use of Hazardous Substance EU PFOS Directive)
- EU PFOS Directive

- REACH (Registration, Evaluation, Authorization and Restriction of Chemical substances)
- WEEE (Waste Electrical and Electronic Equipment directive)
- China RoHS compliance (Administration on the Control of Pollution Caused by Electronic Information Products)
- JIS C 0950:2008
- Korea RoHS compliance (Act for Resource Recycling of Electrical and Electronic Equipment and Vehicles)
- Halogen-free materials
- Suppliers ought to provide ‘environment material analysis report on production material’ by third party, such as SGS.
- Regulation of other restricted industrial materials and substances.

▼ The hazardous industrial waste, IC waste and raw material waste total 1,520 KGs in 2015.

Category	Hazardous industrial waste		General industrial waste		
	IC Waste (Unit: KGS)	Paper (Unit: KGS)	Iron (Unit: KGS)	Plastic (Unit: KGS)	Discarded Computer (Unit: set)
Total	1,520.13	2,795	423	359	8
Scrap method	Outsourcing	Outsourcing	Outsourcing	Outsourcing	Outsourcing

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

Reduction and Recycle of Product Packaging

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

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

Third-party Award and Recognition

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

- GUC was awarded the 'Most Outstanding Landscape Award' and 'the Best Environmental Protection Award' by Hsinchu Science Park Administration.
- GUC was certificated as a Sony Green Partner by our customer.
- GUC was certificated as compliant with IECQ EV080000 Restriction of Hazardous Substances (RoHS).

Cloud Office

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

▼ Telecommunication Charges for Multiparty Conferencing

NT\$	2013	2014	2015
Telecommunication Charges	122,934	302,136	975,405

Installation of Ventilation Devices

With the installation of ventilation devices on the roof top of the headquarter building, we have successfully lowered the building's CO₂ concentration and therefore cut off the need for AC and reduced energy consumption. Total expenditure on ventilation devices for each floors was NT\$103,000.

Water Resources Policy

- We set up a raindrop recycling system to water the plants and flowers used for landscaping.
- By reducing the water outflow of faucets and using automatic faucets, we have been able to save water resources.
- We also installed dual-flush toilets.

Energy Saving Policy

- We have shortened the working hours of ventilation systems in parking lots. The system runs only during the hours of going to and getting off work.
- We encourage our employees to reduce the energy consumption of taking elevators by using stairs.
- We turn off the lights and projectors inside the conference room after having conferences.
- Computers and monitors are turned off during the off hours.
- Water dispensers are monitored by electronic timing controllers. In order to reduce energy consumption during rush hours, machines are set to sterilize water at off-peak hours.
- GUC only purchases air conditioners, refrigerators and other electronic products that are certificated with energy labelling.
- Air conditioners receive periodic maintenance to maintain their high operational efficiency.
- Water chillers are set at 7 °C or above.
- We set the AC at 26°C, which is the most suitable indoor temperature. Considering the differences between sunlight exposure and heating load, window curtains and sheathing paper are installed.
- Fresh-air intake, ventilation in bathrooms, open-space office and office compartments are managed by electronic controllers, to avoid the loss of air-conditioning and unnecessary electricity waste.
- The on and off hours for fire extinguishing blowers at the fire-fighting stairway are monitored by electronic controllers.
- Cooling fans for water cooling towers are turned on/off according to the returned water temperature.

Installation of Lighting System

In recent years, we have replaced old lighting- T8, old recessed lights (both 200mm and 180mm), to LED energy-saving tubes. We replaced 198 sets of lighting facilities in 2015, which reduced carbon emission by 24,148 KGs and cut the electricity bill by NT\$120,489. At the same time, we have introduced the following lighting systems to save energy and avoid unnecessary energy waste.



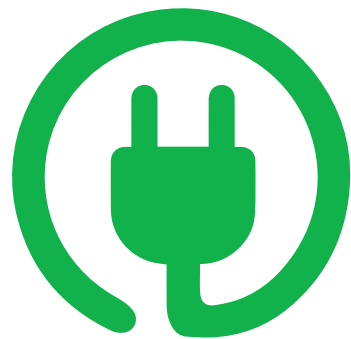
We replaced 198 sets of lighting facilities in 2015
Reduced Carbon Emission by 24,148 KGs

Other Energy-saving Measures

- We installed high efficiency electronic lighting facilities and light tubes in the offices.
- Hallways by windows are lit up with natural lights. Some areas are built with light-pervious roofing.
- We Provide lamps and other auxiliary lighting equipment.
- Emergency stairways are lit up by natural light and equipped with lighting system monitored by electronic controller.
- Every alternate light tube in the parking-lots is switched off during non-office hours. Lights in the office are turned off during lunch break.

▼ Energy Efficiency Statistics after Replacing Old Lighting Facilities in 2015

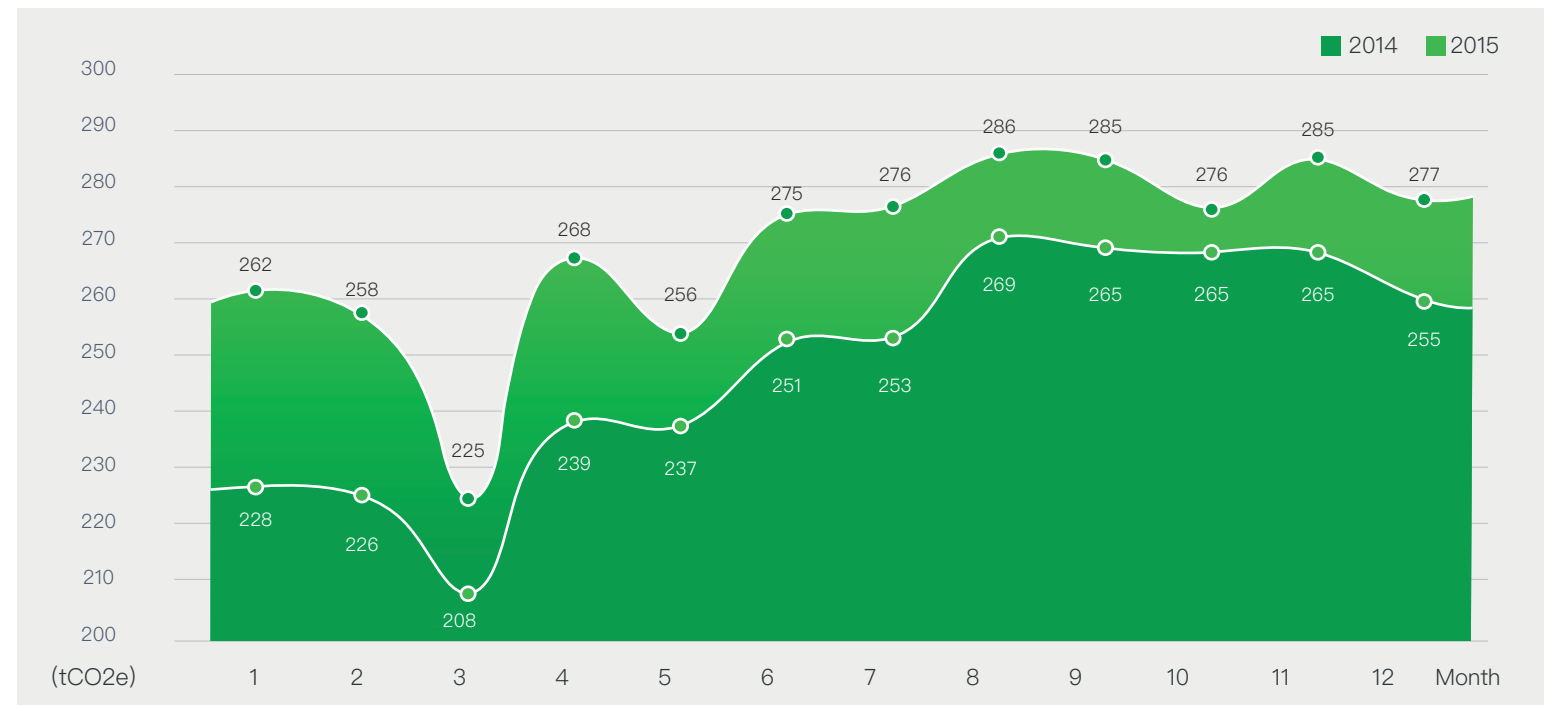
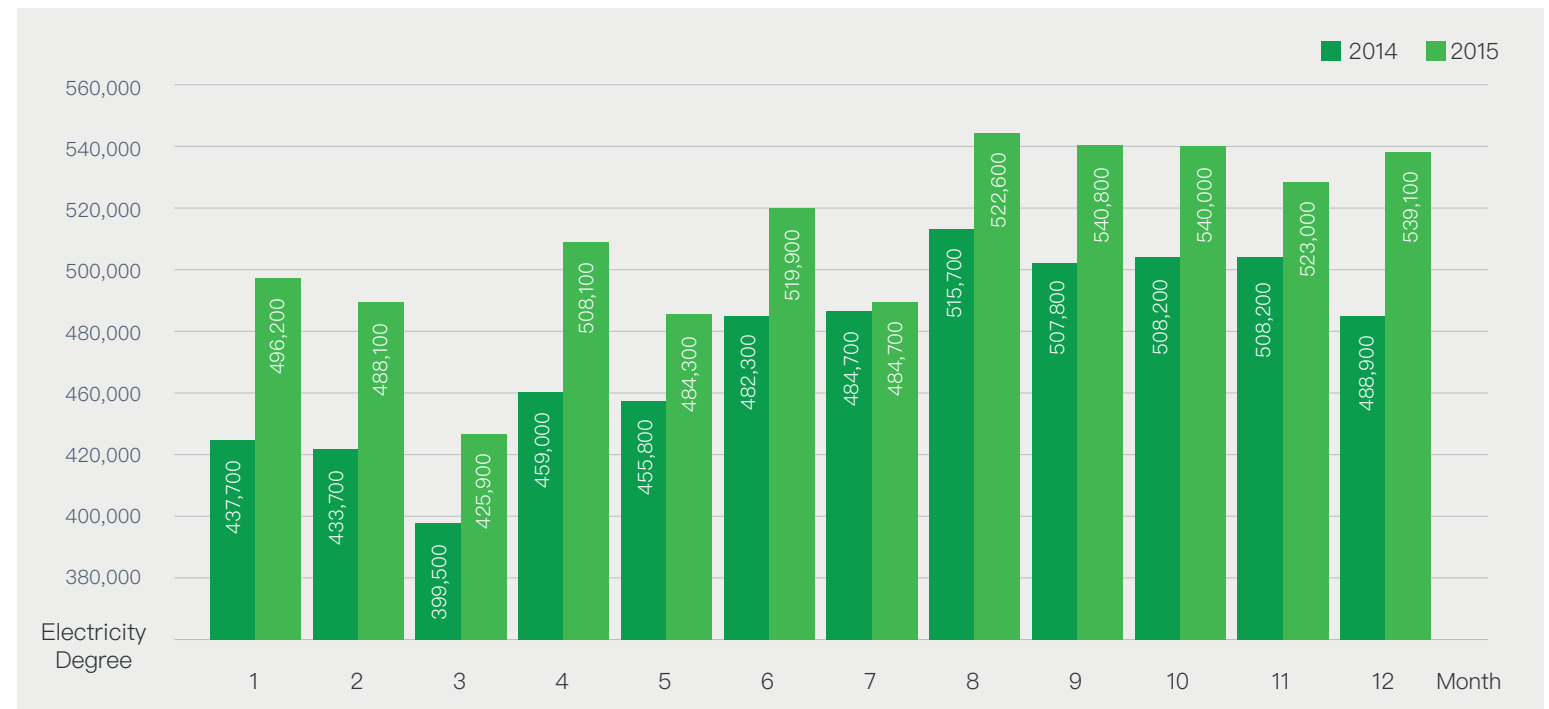
Item	Original	Present	Recessed Light	Recessed Light	Recessed Light	Recessed Light	Total
Type	T8 Light Tube	LED Light Tube	HPS Light Tube	LED Light Tube	PLC Light Tube	LED Light Tube	-
Light Tube Power	20W	9W	75W	33W	27W	12W	-
Amount/Sets	0	54	0	6	12	126	198
CO2 Emission Reduction		6,159		995		16,994	24,148
Expense Reduction		30,793		4,977		84,719	120,489

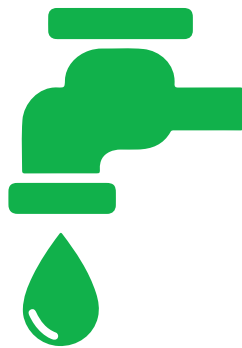


Statistic for Energy Consumption and CO2 Emission

Through our long-term record of energy waste statistics, we are able to calculate the CO2 equivalent that we produced. In regard to this issue, GUC has initiated our green living project, expecting to lower the energy consumption gradually. For our performance in relation to our energy saving and efficiency management, please consult the section on Energy Efficiency in this report.

▼ 2014~2015 Statistic for Energy Consumption and CO2 Emission

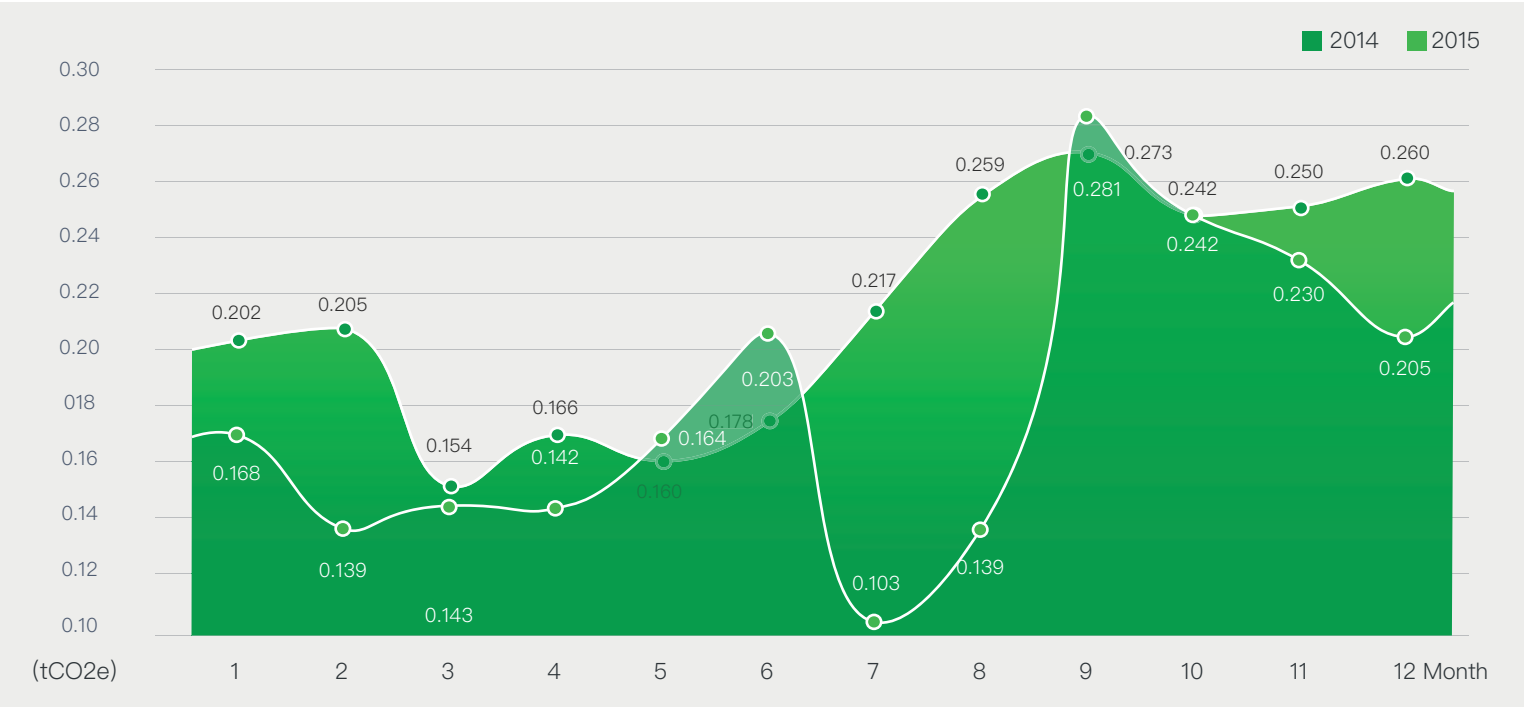
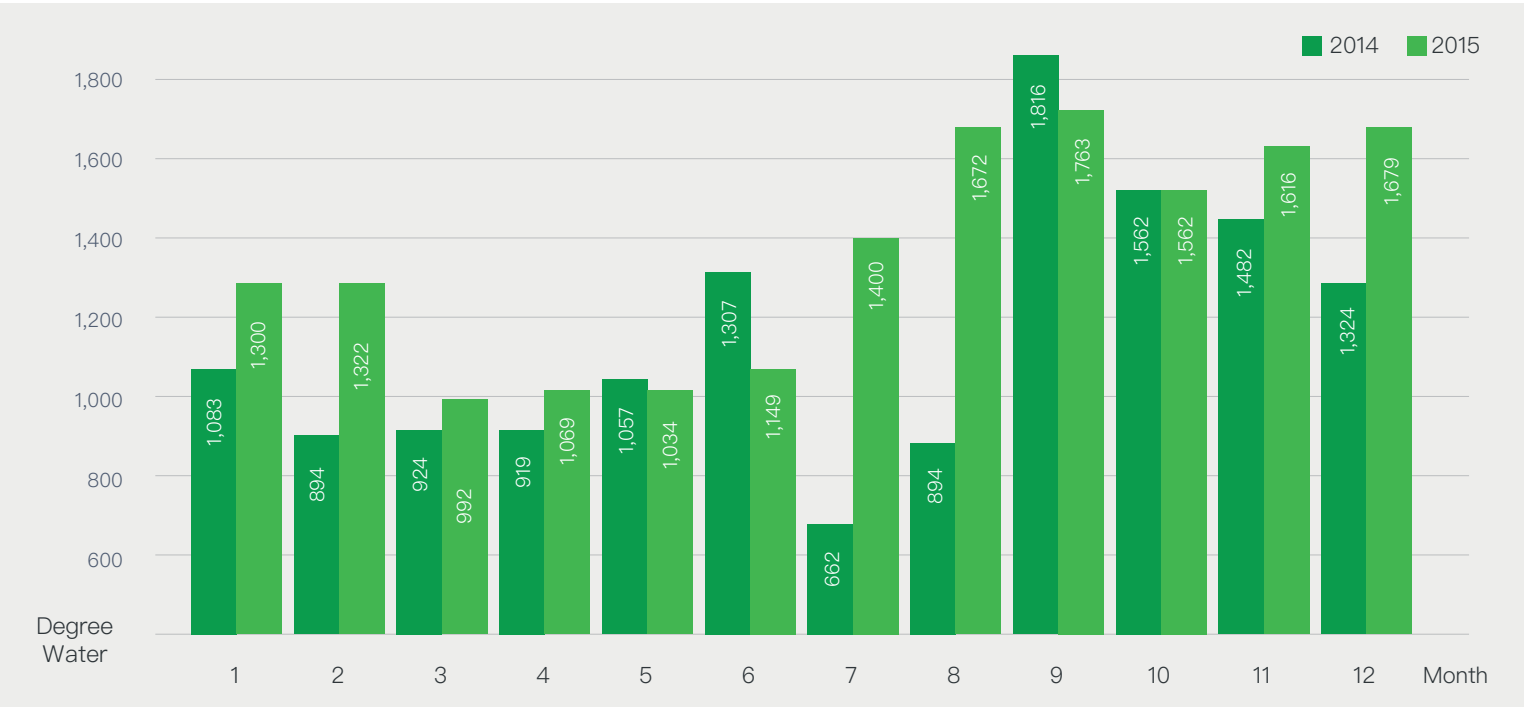




Water Resources Usage Statistics

Our CO2 calculation is based on our long term record of water resource consumption statistics with the detailed of our local water resources usage. In regard to this issue, GUC has initiated our green living project, expecting to reduce our water resource consumption. With regard to our investment in energy saving, please consult the section on Energy Efficiency in this report.

▼ 2014~2015 Statistic for Water Consumption and CO2 Emission



Energy Intensity Rate

Our electricity intensity rate in 2015 is 0.0788%, which slightly lower than the previous year. In addition to that, GUC’s energy intensity rate for water resources is 0.0002%; also remaining at the same level as last year. This indicates that even though our revenue has increased, we haven’t consumed more energy and it demonstrates perfectly that our energy saving policies has taken effect. Moreover, we use the annual revenue data as the measurement standard for electricity and water resource energy intensity rate.



↓ 0.0788%

In 2015, our revenues grew but the electricity intensity rate declined 0.0788% represented the efficiency of energy saving.

▼ Statistic of Energy Intensity Rate, 2014~2015

Measurement Units	2014	2015
Yearly Revenue Unit: NTD	6,952,281	7,762,132
Electricity Consumption Unit: kilowatt	5,681,500	6,113,000
Electricity Intensity Rate	0.0817	0.0788
Water Resource Consumption annually	13,924	16,558
Water Resources Intensity Rate	0.0002	0.0002

- The CO2 equivalent produced by electricity consumption in 2015 is 3,185 tCO2e.
- The CO2 equivalent produced by water resources consumption in 2015 is 2.57 tCO2e.



Social Category

Employee Care

We continue to invest huge heavily in our employees. Through our well-organized training and cultivation, we have improved with our employees. At the same time, we are also devoted in inspiring innovators inside the corporate and concentrating on building up an outstanding and energetic work environment.

▼ The employees’ basic statistic table in 2015

Category	Grouping	Male		Female		Total
		No.	%	No.	%	Total No.
Nationality	Domestic	325	71.9%	126	27.9%	449
	Foreigner	1	0.2%	0	0%	3
	Total	326	72.1%	126	27.9%	452
Hiring type	Permanent	326	72.1%	125	27.7%	451
	Contractor	0	0%	1	0.2%	1
	Total	326	72.1%	126	27.9%	452
Function	Managers	7	1.5%	1	0.2%	8
	Professional	319	70.6%	125	27.7%	444
	Total	326	72.1%	126	27.9%	452



Category	Grouping	Male		Female		Total
		No.	%	No.	%	Total No.
Age	Below 30	54	11.9%	35	7.7%	89
	31~50	256	56.6%	89	19.7%	345
	Above 50	16	3.5%	2	0.4%	18
	Total	326	72.1%	126	27.9%	452
Degree	Ph. D	14	3.1%	1	0.2%	15
	Master	244	54.0%	45	10.0%	289
	College	67	14.8%	78	17.3%	
	Below College	1	0.2%	2	0.4%	145
	Total	326	72.1%	126	27.9%	3

▼ The employees' basic statistic table in 2015

Primary Category	Secondary Category	Male		Female		Subtotal
		No.	%	No.	%	Total No.
New Employees	New Employees (below 30)	12	2.7%	13	2.9%	25
	New Employees (31~50)	35	7.7%	15	3.3%	50
	New Employees (above 50)	0	0.0%	1	0.2%	1
	Subtotal	47	10.4%	29	6.4%	76
Labor Turnover	Resigned Employees (below 30)	9	2.0%	3	0.7%	12
	Resigned Employees (31~50)	36	8.0%	14	3.1%	50
	Resigned Employees (above 50)	0	0%	0	0%	0
	Subtotal	45	10.0%	17	3.8%	62

▼ The new employees and labor turnover statistic table

Primary Category	Secondary Category	Male		Female	
		No.	%	No.	%
Employees with disabilities		4	100%	0	0%
Different minimum wage	No Differences. Compensation is given based on individual expertise; not gender.				
Attendance	(A) Work days in 2015 are 247 days per person. 247 days * total male employees (324) 247 days * total female employees (114)	79,218Ds	72%	30,618Ds	28%
	(B) Actual Attendance	0	0%	10Ds	100%
	(C) Absence Rate = B/A	0	0%	0.03%	100%
Annual training hours (divided by category)	8 Managers (Unit: Total)	24hrs	46%	28hrs	54%
	444 Professionals (Unit: Total)	5,320hrs	80%	1,370hrs	20%
Annual training hours	Average training hours	16 hrs		11 hrs	

Employee Care Policies

GUC is dedicated to establishing a business culture that encourages creativity and diversity; we also provide our employees a working environment with challenges and reasonable compensation. The following are our employee care policies:

- We highly place emphasis on employee salaries and welfare. Total remuneration is based on employee's qualifications to the requirements of the positions, degrees and personal performance; rather than on race or gender. Wages are given according to degree, professional experience and personal performances, and are compliant with law. We adjust wages given to our employees annually and year-end bonuses are given according to performance and the company's operations.
- A certain percentage of the wage is allocated monthly to the trusting fund to purchase the company shares. GUC also allocates a certain amount of money to our employees' trust accounts.
- We formulated our retirement regulations in accordance with law and allocate a certain amount for cooperate pension every month. In addition to that, we also purchase labor insurance and group insurance by law to protect our employees.
- In order to provide the guarantee that we negotiated collectively, set up a variety of communication methods to enhance our interaction with employees. Meetings between the management are held regularly and we also hold seasonal communication conferences to enable employees to communicate with company's executives. Employees can also contact our board directly by e-mail. All employees

can use this method to appeal and express their opinions.

- There were no major changes in corporate operations in 2015 and we did not receive appeals from our employees; therefore, GUC did not hold meetings for collective bargaining or announce the shortest notice time.
- We invite labor health and safety committee to assist and inspect in work health and safety related issues. Labor representatives are also invited to participate.
- GUC was recognized by the "Amiable Workplace Prize" awarded by the Council of Labor Affairs.
- We were recognized "Health Management Award" by the Bureau of Health Promotion, Department of Health, Taiwan, R.O.C.

Third Party Awards

- GUC was recognized by the "Amiable Workplace Prize" awarded by the Council of Labor Affairs.
- We were recognized "Health Management Award" by the Bureau of Health Promotion, Department of Health, Taiwan, R.O.C.

Recruiting & Retention

In 2015, we totally recruited 76 new employees which include 47 persons of male and 29 persons of female. This indicates an outstanding result of expanding our talent pool which also stimulates the national employment environment. We are dedicated to providing job opportunities for the disabled. We hired

4 disabled persons who are meet the requirement of regulation by law. We are dedicated to providing job opportunities to people with disabilities. Ratio of disabled persons hired is meet the 4-persons minimum regulated by law.

We highly value equal opportunities and the diverse background of our employees; regardless of their race, gender, age, religion, nationality, or political affiliation. With our well-managed recruiting program, we hire talent through open and fair channels. Moreover, in accordance to the Labor Standard Law of the Republic of China, GUC does not hire workers less than sixteen years of age.

Regarding the retention of employees, 62 employees left in 2015 with male employees accounted for 45 people (73%) and female employees accounted for 17 people (27%). Our policies to increase employees' retention is to ensure work-life balance, promote the ability of managers and enforce employees' career.

Forming & Hiring

The total employees in 2015 were 452 people, including 8 managers and 444 professionals. Male employees account for 72% and female employees account for 28%. Sorted by Age, the workers fewer than 30, from 31 to 50 and above 50 accounts for 19.7%, 76.3% and 4.0%, respectively. Moreover, employees with master degrees are 67.3%. Foreign labor makes up only 0.7% of the managers and professionals.



Following Human Rights

With regard to the international human right, we have taken the UN Universal Declaration of Human Rights into account and expected GUC to become an international citizen that protects human right. The actions that we have taken in 2015 are:

- No service points or suppliers that violate or damage the freedom for assembly and group negotiating.
- No service points or suppliers that hire child labor.
- No service points or suppliers that push or forces workers into work.
- No cases related to the violation on the rights of indigenous peoples
- No incidents involving indigenous rights violations occurred.
- No cases or appeals related to the violation on human rights.
- No non-discriminatory incidents occurred.
- No violation and fined of relevant regulations in the social category.

Salary and Benefits

GUC was listed in the Taiwan High Compensation 100 Index published by Taiwan Stock Exchange since 2014. We adhere to the principle of profits and interest with our employees, attracting, cultivating and encouraging all varieties of talent. GUC employees' total remuneration does not differ by gender or other reasons. We not only proactively obey the local labor regulations, but also actively participate in salary-survey related associations to ensure GUC's total compensation is competitive. Our compensation policies are:

- Since our injection, we raised the employees' salary in every year. The average increase rate with the range of 3% to 5%.
- Base salary: 12-month base salary and year-end bonus.
- Employee profit sharing: Bonus which is given based on employees' performances and corporate operation.
- Encouraging savings: we implement the employees stock ownership trust.
- Bonus: business bonus, intellectual property bonus, referral bonus and excellent performance bonus.
- Welfare Association of GUC and Bonus: birthday allowance or coupons, holiday vouchers, wedding subsidy and death subsidy.
- Insurance Coverage: Statutory Labor Insurance and National Health Insurance, insurance coverage for employees and relative.



Comprehensive Insurance Plan

In accordance with the law, GUC provides Statutory Labor Insurance and National Health Insurance and group insurance. The groups insurance that we provided includes life insurance, accident insurance, hospital and surgical insurance, accident and medical insurance and cancer insurance. The above mentioned insurance are covered by the company, our employees can enjoy the most favorable rate. Relatives of our employees can join the company's comprehensive insurance plan to enjoy the same care as our employees.

Personal Leave

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



Our employees can enjoy free meals. They need to provide ID cards to pay for the meal and no extra payment would be charged. The cafeteria provides various dining options and a comfortable environment, including coffee, tea, bread, noodles, Taiwanese, Western, vegetarian and specialised cuisine.



Employee Development

The average training hours for our employees in 2015 were about 14.9 hours. Moreover, if we look at it by gender or job category, employee that receives regular career review is 100%. This shows a fair opportunity in reviewing performance and career for both genders equality.

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

- New Employee Orientation: In order to let our new employees to get to know the history and development of our company, we ask our managers to share their experiences and introduce the responsibilities and rights for the employees. Hoping to help the new employees to fir into this big family promptly.

- Training Roadmap: According to different job, seniority, and level to provide tailor-made learning blue print and to provide diversified professional training.
- Personal Efficiency Training: Assisting and promoting the class efficiency organized by our staffs. These courses can be taken by all our employees: for example: enhancing communication skills, time management and etc.
- Management Development Program: Improving the management ability of our managers, and formed a variety of classes for our middle-level managers and employees. For example: work efficiency management and leadership.
- Executive Level Forum: We offer learning forum to our executive level staffs to improve their leading abilities.
- Self-Development: Provide scholarship to support our colleges to attain a higher degree. We also provide language-learning subsidy to encourage language learning. These subsidies include: certain amount of subsidy for taking English, Japanese and other related language lessons. Beside, we also set up on-work learning scholarship that includes 'advanced studies', 'scholarship for credits' and 'scholarship for obtaining degree'.
- On job training scholarship: we are setting job training scholarship including "Training Scholarship", "Credit Scholarship", and "Degree Scholarship".

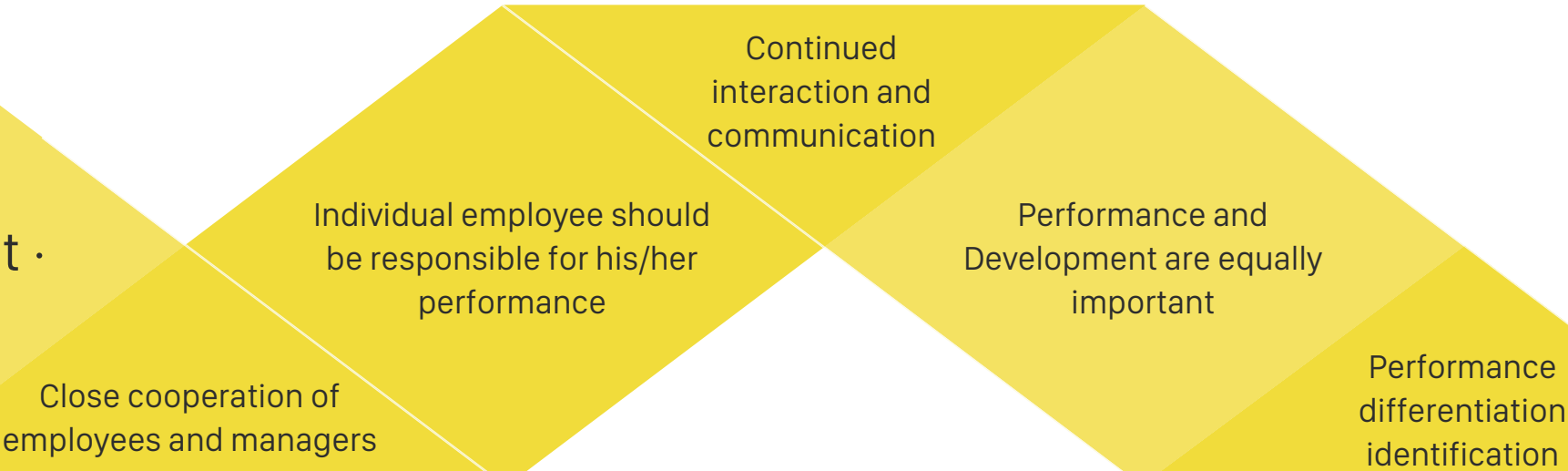
Performance Management Development

GUC established Performance Management Development System to develop our employees' potential and enable them to grow continuously under the fast changes of the environment. This can enhance the interaction and communication between the managers and staffs. At the same time, this system also integrated and elevated individual and the organization's performance. The system includes:

- Individual employee should be responsible for his/her performance.
- Continued interaction and communication
- Close cooperation of employees and managers
- Performance and Development are equally important
- Performance differentiation identification

PMD

Performance · Managment · Development





GUC Family Day

We organize a Family Day regularly, to give family members a better understanding about GUC and to shorten the distance between the company and the relatives of our staff. This year we held it in the West Lake Resort. There were three employees' relatives able to come along with the every employee.

Other Welfare Items

- **Health Checks**

All new employees receive health examinations before their first work day. GUC offers health examinations for employees every year. If health management is needed after consulting with the doctor, our professional personnel will follow up the case to ensure the health of our employees. In 2015's annual health examination results, there are no occupational factors associated with abnormal cases.

- **GUC Family Day**

We organize a Family Day regularly, to give family members a better understanding about GUC and to shorten the distance between the company and the relatives of our staff. This year, numbers of employees and employees' relatives participated are 252 and 674 respectively.

- **Art Activities**

We organized workshops and provide newspaper, books, movies, stories and news that are helpful for our employees' mental health. Through the above mentioned services, we are able to assist individual's problems or problems related with family to ensure the physical and mental balance of our employees in their life and work. We have invited Xie, Zhe-Jing to share his perspectives on traveling and financial investment. The workshop attracted 111 participants in total.

- **Year-end Party.**

The Year-end Party is held to reward the hard-work of our staff. Our executive level managers personally recorded the opening movie and used the 'you-completed-GUC' concept as the highlight of this movie to show our

appreciation of the hard-work contributed by our staff in 2015.

- **Sponsored Group Travel:**

We spend significant amounts of money on sponsoring the traveling of our employees. The highest subsidy can reach NT\$12,000.

We also organized company's one-day trip to Yang-Ming Mountain and West Lake Resortopia; the total participants were more than 1,000.

- **Wonderful Club Time**

We organized 11 clubs and held extremely outstanding club activities; such as table tennis matches, badminton matches, board games, dancing classes, yoga classes, marathon and etc.

- **Assistance Plan**

We care about the life of our employees. We have entrusted the Hsinchu Lifeline Association's Employees Assistance Center to provide Employee Counseling Plan. This provides free counseling services twice a year. The counseling services can be related with career, family and parenting, interpersonal relationship, relationship and personal pressure.

- **Comprehensive Facilities**

GUC has one cafeteria and one café which provide various dining options and comfortable environments, including coffee, tea, bread, noodles, Taiwanese, Western, vegetarian and specialized cuisine. Our cafeteria provides meal for free.

- **Cafeteria**

We provide the free meals whole day including noodle, vegetarian meal, buffet, and set meal.

- **A Library**

We have a library that provides all kinds of magazines, books and newspapers.

- **An Outdoor Basketball Court**

We offer an outdoor basketball court.

- **A Gym**

We have a well-equipped gym with basketball machine, a Wii game console and table tennis table.

- **Free Parking lots**

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

- **Setting Up an Environmental Safety Team**

GUC is devoted to achieving 'zero accident' and 'sustainable environmental development' and to becoming a world-class benchmarking company of environmental protection, health and safety. To provide a working environment that not only complies with Taiwan's related regulations, GUC is also aggressively geared to international standards.



Occupational Health and Safety Management

▼ The Fourth Health Safety and Environment Committee
Organization Chart

Committee representative	Responsible party
Corporate representative	President office, President
Waste and laboratory	8F laboratory, Kevin Huang
Waste	Warehouse, Johnson Chen
Laboratory	3F laboratory, Anita Yang
Team leader	Dante Liu
QA staff	QRA, Tracy Wu
Health & safety committee	HR Div, Cherie Lin
Operating staff	Packaging & Testing, Vincent Hung
Design services staff	DS Div, Sunny Hsu
Administrative staff	KM, Amanda Tu
Medical personnel	HR Div, Cynthia Wen

Setting Up an Environmental Safety Team

GUC is devoted to achieving ‘zero accident’ and ‘sustainable environmental development’ and to becoming a world-class benchmarking company of environmental protection, health and safety. To provide a working environment that not only complies with Taiwan’s related regulations, GUC is also aggressively geared to international standards.

Establish Health Security Environment Safety Committee

We established our Health, Safety and Environment Committee to carry out the formulation and execution of the environmental safety policies. As to our representatives for the committee, please check our Fourth Health Safety and Environment Committee Organization Chart.

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Regular meetings were convened by The Health, Safety and Environment Committee and perform the following policies continuously.

- Offering educational training programs to improve employees’ awareness of safety, health and environmental protection issues.
- Mapping out various health improvement plans to ensure employees’ physical and psychological wellness.
- Regularly conducting safety and environment educational program to increase employees’ awareness of health and safety and safety issues.

- Ensuring our operations and services meet or exceed applicable regulations and standards for environment protection, health and safety and safety.
- Conducting our operations in an environmentally-sound way, so as to achieve green design and provide green products and green services.
- Establishing a safe working environment, preventing occupational injury and illness, and keeping employees healthy.
- Staying abreast of global issues of environment protection, health and safety evaluate risks and take effective risk management measures.
- Enhancing employees' awareness of environmental protection issues, health and safety and sense of accountability for these issues, and building a friendly culture of environment protection, health and safety.
- Establishing a green supply chain and enhancing performance of environment protection, health and safety with suppliers through experience sharing and collaboration.

- Laying out environmental inspection procedures and regulations, such as: Management procedures for examining, measuring and testing facilities, Management plans for plant patrolling, maintenance and auto-checking., Common regulations for hazardous products and labelling of hazardous substances, Operating procedures for electrical equipment, Operating standards for warehouses, Operating standards for handling materials, Standard safeguards for physical health and safety, Operating procedures of health and safety in special areas

In Support of Public Benefit, GUC Sends out its Love

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

Donation of 12 note book computers to Triple E Institute


The Triple-E Institute held a charity project called 'Project for Recycling and Donating Used Computers' with the slogan of 'Your old computer, His new Hope' to provide computers to fulfill the dreams of children from disadvantaged families. They were hoping to provide some well-functioned computers for children who live in remote areas, so that they can learn how to use computers. We participated in this project and made a donation of 12 note book computers.

Placing an NT\$ 100,000 purchase order to help Ms. Qiu-Ju

We've learnt through newspaper reports that a 70-year-old lady was in urgent need of NT\$ 300,000 for medical treatment due to her husband having been seriously injured in a car accident. With only a meager income from selling palms, she didn't have enough money to cover the medical treatment. We decided to help her by purchasing products from this old lady.

We made four batches of purchase orders with a total value of NT\$ 51,960.





Giving Blood to Save Lives

We encourage our employees to give blood and 62 people have responded to our call in 2015.

HsinChu Blind Welfare Association

We worked with the non-profit HsinChu Blind Welfare Association by purchasing massage services from them. In 2015, 350 employees experienced this service, which in total amounted to 169 hours contributed the amount of NT\$ 150,000.

Accton Cultural & Educational Foundation

The Accton Cultural & Educational Foundation founded the Christmas Dreams project, and has held it for 13 years in a row. GUC employees purchased Christmas gifts to sponsor 35 children. This also inspires the industry to help children from disadvantaged families and bring them the opportunity to enjoy and experience the merry atmosphere of Christmas.

Sponsorship for Seminars

The 25th The VLSI Design/CAD Symposium is an extremely significant and well-organized annual event in Taiwan's IC designing industry. The purpose of this symposium is to discuss the new challenges and issues we face while advancing into the smart electronic era. Moreover, in order to promote communication between government, producers, universities and researchers and increase Taiwan's competitiveness with respect to System-on-Chip (SoC). Our company sponsored NT\$ 50,000 to this event.

The Industry Technology Research Institute held the 2015 VLSI Symposium and we sponsored NT\$ 20,000 to assist this event. This is a symposium which focusses on IoT development, new developments in electricity electronic, NAND flash memory, and the applications and challenges of the future development of semiconductors on Foundry functional diversification.

Appendix

INDEPENDENT ASSURANCE OPINION STATEMENT

Global Unichip Corporation 2015 Corporate Social Responsibility Report

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

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

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

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

Scope

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

1. The assurance covers the whole report focused on systems and activities during the 2015 calendar year on the GUC headquarter and relevant operations in Taiwan.
2. The evaluation of the nature and extent of the GUC's adherence to all three AA1000 AccountAbility Principles in this report as conducted in accordance with type 1 of AA1000AS (2008) assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

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

Opinion Statement

We conclude that the GUC 2015 Corporation Social Responsibility (CSR) Report Review provides a fair view of the GUC programmes and performances during 2015. The CSR report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by GUC and the sample taken. We believe that the 2015 economic, social and environmental performance indicators are fairly represented.

Our work was carried out by a team of (CSR) report assurers in accordance with the AA1000 Assurance Standard (2008). We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that GUC's description of their approach to AA1000 Assurance Standard and their self-declaration of 'in accordance' with the G4 sustainability reporting guidelines: the Core option were fairly stated.

Methodology

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

- review of issues raised by external parties that could be relevant to GUC's policies to provide a check on the appropriateness of statements made in the report
- discussion with managers and staffs on GUC's approach to stakeholder engagement. However, we had no direct contact with external stakeholders
- 14 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out
- review of key organizational developments
- review of the findings of internal audits
- review of supporting evidence for claims made in the reports
- an assessment of the company's reporting and management processes concerning this reporting against the principles of inclusivity, materiality and responsiveness as described in the AA1000 AccountAbility Principles Standard (2008)

Conclusions

A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality and Responsiveness as well as the G4 sustainability reporting guidelines is set out below:

Inclusivity

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

Materiality

The GUC has established relative procedure in company level, as the issues which were identified by all departments have been prioritized according to the extent of impact and applicable criterion for sustainable development of company. Therefore, material issues were completely analyzed and the relative information of sustainable development was disclosed to enable its stakeholders to make informed judgments about the company's management and performance. In our professional opinion the report covers the GUC's material issues; however, the future report should be further enhanced by the following areas:

- Encouraging the inclusion of current risk related topics as for diversifying material issues in future report.

Responsiveness

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

GRI-reporting

GUC provided us with their self declaration of 'in accordance' with the G4 sustainability reporting guidelines: the Core option (at least one Indicator related to each identified material Aspect). Based on our review, we confirm that social responsibility and sustainable development performance indicators with reference to the GRI Index are reported, partially reported or omitted. In our professional opinion the self declaration covers the GUC's social and sustainability issues; however, the future report will be improved by the following areas:

- Continuously focus on the implementation of sustainability procedures and programs within the peer's practices along with the developed Standards.

Assurance level

The moderate level assurance provided is in accordance with AA1000 Assurance Standard (2008) in our review, as defined by the scope and methodology described in this statement.

Responsibility

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

Competency and Independence

The assurance team was composed of Lead auditors and Carbon Footprint Verifiers experienced in Engineering sector, and trained in a range of sustainability, environmental and social standards including AA1000 AS, ISO14001, OHSAS18001, ISO14064 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:



Peter Pu
Managing Director BSI Taiwan
28 July, 2016



AA1000
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000-4

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Appendix B GRI G4 Index

Indicator Numbers	Indicator Description	Disclosure Status	Page(s)
GENERAL STANDARDS DISCLOSURES			
Strategy and Analysis			
G4-1	Provide a statement from the most senior decision-maker of the organization (such as ceo, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	●	2-4
G4-2	Provide a description of key impacts, risks, and opportunities.	●	19
Organizational Profile			
G4-3	Report the name of the organization.	●	17-20
G4-4	Report the primary brands, products, and services.	●	17-20
G4-5	Report the location of the organization's headquarters.	●	17-20
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	●	17-20
G4-7	Report the nature of ownership and legal form.	●	17-20
G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	●	17-20
G4-9	Report the scale of the organization.	●	17-20
G4-10	Report the total workforce contract and gender	●	45-46
G4-11	Report the percentage of total employees covered by collective bargaining agreements.	●	47
G4-12	Describe the organization's supply chain.	●	35-36
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	●	23-26
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.	●	23-26
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	●	23-26
G4-16	List memberships of associations (such as industry associations) and national or international advocacy organizations.	●	23-26
Identified Material Aspects and Boundaries			
G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	●	5-12

● Covered in the Report ● Partially Covered in the Report

Indicator Numbers	Indicator description	Disclosure Status	Page(s)
G4-18	Explain the process for defining the report content and the aspect boundaries. Explain how the organization has implemented the reporting principles for defining report content.	●	5-12
G4-19	List all the material aspects identified in the process for defining report content.	●	5-12
G4-20	For each material aspect, report the aspect boundary within the organization.	●	5-12
G4-21	For each material aspect, report the aspect boundary outside the organization.	●	5-12
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such Restatements.	●	5-12
G4-23	Report significant changes from previous reporting periods in the scope and aspect boundaries.	●	5-12
Stakeholder Engagement			
G4-24	Provide a list of stakeholder groups engaged by the organization.	●	13-14
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	●	13-14
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	●	13-14
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	●	13-14
Report Profile			
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	●	5-6
G4-29	Date of most recent previous report (if any).	●	5-6
G4-30	Reporting cycle	●	5-6
G4-31	Provide the contact point for questions regarding the report or its contents.	●	5-6
G4-32	Report the 'in accordance' option the organization has chosen.	●	5-6
G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report.	●	5-6
Governance			
G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	●	23-24

● Covered in the Report ● Partially Covered in the Report

Indicator Numbers	Indicator description	Disclosure Status	Page(s)
Ethics and Integrity			
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	●	24-25
SPECIFIC STANDARD DISCLOSURES			
CATEGORY: ECONOMIC			
Aspect: Economic Performance			
G4-EC1	Direct economic value generated and distributed	●	29-30
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	●	31-32
G4-EC3	Coverage of the organization's defined benefit plan obligations	●	53
Aspect: Indirect Economic Impacts			
G4-EC7	Development and impact of infrastructure investments and services supported	●	58
CATEGORY: ENVIRONMENTAL			
Aspect: Energy			
G4-EN3	Energy consumption within the organization	●	39-42
G4-EN5	Energy intensity	●	39-42
G4-EN6	Reduction of energy consumption	●	39-42
G4-EN7	Reductions in energy requirements of products and services	●	19-20
Aspect: Water			
G4-EN8	Total water withdrawal by source	●	41
Aspect: Emissions			
G4-EN16	Energy indirect greenhouse gas (ghg) emissions (scope 2)	●	40-41
G4-EN19	Reduction of greenhouse gas (ghg) emissions	●	38-42
Aspect: Effluents and Waste			
G4-EN23	Total weight of waste by type and disposal method	●	37

● Covered in the Report ● Partially Covered in the Report

Indicator Numbers	Indicator description	Disclosure Status	Page(s)
Aspect: Products and Services			
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	●	19-20
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	●	38
Aspect: Compliance			
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	●	37
Aspect: Transport			
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	●	35
Aspect: Supplier Environmental Assessment			
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	◐	35-36
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	◐	35-36
Aspect: Environmental Grievance Mechanisms			
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	●	37
CATEGORY: SOCIAL			
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK			
Aspect: Employment			
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	●	45-46
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	●	45-46
G4-LA3	Return to work and retention rates after parental leave, by gender	●	45-46
Aspect: Labor/Management Relations			
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	●	47
● Covered in the Report ◐ Partially Covered in the Report			

Indicator Numbers	Indicator description	Disclosure Status	Page(s)
Aspect: Occupational Health and Safety			
G4-LA5	Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs	●	47
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	●	55
G4-LA8	Health and safety topics covered in formal agreements with trade unions	●	55
Aspect: Training and Education			
G4-LA9	Average hours of training per year per employee by gender, and by employee category	●	51-52
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	●	51-52
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	●	51-52
Aspect: Diversity and Equal Opportunity			
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	●	24
Aspect: Equal Remuneration for Women and Men			
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	●	46
Aspect: Supplier Assessment for Labor Practices			
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	●	47
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	●	47
Aspect: Labor Practices Grievance Mechanisms			
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	●	47
SUB-CATEGORY: HUMAN RIGHTS			
Aspect: Non-discrimination			
G4-HR3	Total number of incidents of discrimination and corrective actions taken	●	47

● Covered in the Report ● Partially Covered in the Report

Indicator Numbers	Indicator description	Disclosure Status	Page(s)
Aspect: Freedom of Association and Collective Bargaining			
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	●	47
Aspect: Child Labor			
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	●	47
Aspect: Forced or Compulsory Labor			
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	●	47
Aspect: Indigenous Rights			
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	●	47
Aspect: Assessment			
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	●	47
Aspect: Supplier Human Rights Assessment			
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	●	47
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	●	47
Aspect: Human Rights Grievance Mechanisms			
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	●	47
SUB-CATEGORY: SOCIETY			
Aspect: Anti-corruption			
G4-S03	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	●	25
G4-S04	Communication and training on anti-corruption policies and procedures	●	25
G4-S05	Confirmed incidents of corruption and actions taken	●	25
Aspect: Anti-competitive Behavior			
G4-S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	●	24

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Indicator Numbers	Indicator description	Disclosure Status	Page(s)
Aspect: Compliance			
G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	●	24
Aspect: Supplier Assessment for Impacts on Society			
G4-S09	Percentage of new suppliers that were screened using criteria for impacts on society	●	35-36
G4-S010	Significant actual and potential negative impacts on society in the supply chain and actions taken	●	35-36
Aspect: Grievance Mechanisms for Impacts on Society			
G4-S011	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	●	47
SUB-CATEGORY: PRODUCT RESPONSIBILITY			
Aspect: Customer Health and Safety			
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	◐	19-20
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	◐	19-20
Aspect: Product and Service Labeling			
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	◐	19-20
G4-PR5	Results of surveys measuring customer satisfaction	●	26
Aspect: Marketing Communications			
G4-PR6	Sale of banned or disputed products	●	26
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	●	26
Aspect: Customer Privacy			
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	●	9
Aspect: Compliance			
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	●	24

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