

2023

**Global Unichip
Corporation
ESG Report**





The Advanced ASIC Leader
GUC 2023 ESG Report



About GUC

1

- 1.1 Company Introduction | 9
- 1.2 GUC's Sustainable Commitment | 11
- 1.3 ESG Key Performance | 16



Sustainable Management

2

- 2.1 Identification of Stakeholders | 20
- 2.2 Stakeholder Engagement | 21
- 2.3 Identification and Analysis of Material Topics | 24
- 2.4 Policy for Managing Material Topics | 29



- About the Report | 2
- GUC 2023 Annual Performance Highlights | 4

- Practicing UN SDGs | 5
- Message from the President | 7



Corporate Governance

3

- 3.1 Corporate Governance Structure and Financial Performance | 35
- 3.2 Functions and Strategies of the Board of Directors | 41
- 3.3 Ethical Corporate Management | 45
- 3.4 Risk Management | 48



Innovation R&D and Green Product Manufacturing

4

- 4.1 Creative Future, Sustainable Innovation | 58
- 4.2 Continued Investment in Innovative Research and Development | 61
- 4.3 Performance of Innovation R&D | 61
- 4.4 Patents and Silicon Intellectual Property | 63
- 4.5 Green Product Design Services | 65
- 4.6 Product Quality and Competitiveness | 68
- 4.7 Management and Practices of Hazardous Substances | 70
- 4.8 Customer Service and Satisfaction | 72



Partnership Prosperity

5

- 5.1 Green Supply Chain | 76
- 5.2 Supplier Sustainability Management Principles | 77
- 5.3 Supplier Risk Management | 79
- 5.4 Supplier Evaluation and Development | 91
- 5.5 Supply Chain and Environment | 94



Environmental Sustainability

6

- 6.1 Task Force on Climate-Related Financial Disclosures | 98
- 6.2 Completion of Setting SBTi Targets, Submission of Net Zero Commitment | 103
- 6.3 Environmental Management | 106
- 6.4 Environmental Protection Expenses | 115



Inclusive Workplace and Social Engagement

7

- 7.1 Talent Diversity and Inclusion | 118
- 7.2 Occupational Safety and Workplace Health Management | 140
- 7.3 Human Rights Policy | 150
- 7.4 Employee Communication and Engagement Survey | 153
- 7.5 Social Engagement | 154



Appendix

8

- GRI Standards Index | 161
- SASB Index - Semiconductor Industry | 167
- Sustainability Disclosure Indicators-Semiconductor Industry | 170
- Climate Information for Listed Companies | 171
- Independent Third-Party Assurance Opinion Statement | 172
- Public Association Organization and Members | 173

About the Report

This is the 13th ESG Report issued by GUC. We will continue to publish the reports yearly. There were no material changes in the organizational scale, structure, ownership, or supply chain during the report period. In addition to addressing sustainability issues that concern stakeholders, such as shareholders, employees, customers, suppliers, government agencies, and society, this report has an appropriate disclosure of our implementation of these material topics in our sustainable development process. Considering the sustainable development as our main mission, GLOBAL UNICHIP CORP. (GUC) is dedicated to promoting the practical actions on major aspects, including environmental protection, social participation, and corporate governance. Our response to the Task Force on Climate related Financial Disclosures (TCFD) and the industrial opportunities and risks in accordance with the Sustainability Accounting Standards Board (SASB) are revealed in this report.

External Initiatives and Verification

This report is prepared according to GRI guidelines specified by the TWSE. We earned the Independent Third Party GRI 2021 & AA1000 Double International Assurance Statement issued by the British Standards Institution (BSI). This report discloses and advocates the Sustainable Development Goals (SDGs) of the United Nations.

Reporting Period	Date of the Last Report	Report Cycle
From January 1, 2023, to December 31, 2023.	2022 ESG Report/ May 5, 2023	On an annual basis

Report Scope and Boundaries

This report mainly covers the data and activities of GUC's Hsinchu Headquarters. The scope of report data: Greenhouse gas inventory data and financial information data, covering all entities of GUC in the consolidated financial statements; social and environmental information covers only Hsinchu HQ, with some information including overseas subsidiaries.

The current year's report has undergone the following recompilation of information previously provided in the prior report: Greenhouse Gas Emissions and Emission Intensity for GUC Over the Past Three Years. GUC's Water Withdrawal and Greenhouse Gas Emission Statistics for the Past Five Years. GUC Hsinchu Headquarter's Water Consumption Intensity Statistics for the Past Five Years. The Ratio of Total Compensation for the President to that of Other Employees Over the Past Three Years. There are no significant changes of the information in the Report Scope and Boundaries compared to the previous report period. There were no material changes in the organizational scale, structure, ownership, or supply chain during the report period.

Reference

This report has been prepared according to the Global Reporting Initiative, Sustainability Reporting Standards (GRI Universal Standards 2021, GRI 2021). The editorial core of this report follows the spirit of GRI, focusing on: impact, materiality, due diligence, and stakeholder engagement. The report also discloses the semiconductor industry's sustainable accounting standards indicators issued by the US Sustainability Accounting Standards Board (SASB), and the International Financial Stability Board's (FSB) Climate-related Financial Disclosure Recommendations (TCFD) information. In addition, we also follow the Taiwan Stock Exchange's "Operational Measures for the Preparation and Submission of Sustainability Reports by Listed Companies" to explain the requirements for the disclosure of sustainability indicators in the semiconductor industry, and to explain climate-related issues in accordance with the provisions of Article 4-1 Information; the above content, please refer to the appendix index.

About Images Used in this Report

This report owns 100% of purchased copyrights to all images and use of certificates of print publication found in this report.

Verification Criteria and Results

This report, through an internal highest management meeting, was decided to seek assurance from external third parties to enhance the credibility of this report. The British Standards Institution (BSI), a third-party impartial verification agency, was entrusted to perform independent investigations on the disclosed information of this report. The BSI has adopted the AA1000AS v3 (AA1000 Assurance Standards) Type 1 and the Moderate Assurance standard formulated by the global NGO Accountability. The BSI report, states that this report completely covers four major accountability principles: inclusivity, materiality, responsiveness, and impact according to the AA1000 standard. In the final audit report, the following statement was made: This annual report has fully covered and disclosed sustainability topics, and it is recognizable that the current ESG operation of the organization has been introduced in regular communication by managerial levels. It is recommended that future implementation follow ESG policy.

Contact Information

If you have any suggestions regarding the "GUC ESG Report," please feel free to contact us. For your convenience, we have also published this report on our website.

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 Official website: www.guc-asic.com



GUC 2023 Annual Performance Highlights

In this report, we will explain the company's corporate social responsibility performance in 2023. Through the compilation of the ESG report, we will disclose the company's key information with transparency and in detail, respond to issues that stakeholders value, and introduce the company's sustainable management concept, fostering a positive cycle within a friendly society. GUC sustained operational growth, with revenue and dividends growing for the fourth consecutive year, setting impressive performance records in 2023.



Practicing UN SDGs



- GUC allocated NT\$468,198 for charitable activities and massage service provided by therapists with visual impairment, and donated NT\$1,001,121.



- Regular monthly donations of food to the Andre Food Bank, totaling approximately NT\$74,011 in donated goods.
- Participated in food box packaging volunteer activities, with a total of 34 participants contributing 77 volunteer hours. In total, 300 food boxes were packaged.



- GUC Domestic and International Campus Recruitment Expos and Campus Seminars.
- Implemented a mentorship program for new employees.
- Talent development and leadership succession plan.
- Provided subsidies for on-the-job continuing education scholarships.
- ESG sustainability training.
- TALENT, in Taiwan Sustainability Certificate.
- Joined the TSMC University Shuttle Program



- Provide equal development opportunities for female employees.
- Maternity, paternity, and parental leave benefits exceed legal requirements.
- Performance evaluation, promotion, compensation and benefits, training are gender-neutral.



- Passed the extension review of Healthy Workplace Certification by the Ministry of Health and Welfare.
- Provided an annual employee physical examination that exceeds regulatory requirements.
- Held annual health promotion event: "Healthy in Steps, GUC Move the Way".
- Developed four major projects: "Preventative Plan for Abnormal Workload-Induced Diseases," "Maternal Health Protection and Management," "Occupational Musculoskeletal Disorder Prevention Plan," and "Unlawful Infringement In The Workplace Prevention Plan"
- Provide mental health assistance through an Employee Assistance Program (EAP) contracted with external professional organizations.
- No incidents were reported regarding non-compliance with laws and regulations on the safety of products and services during their life cycle.
- GUC was certified by the ISO 13485 medical device quality management system.



- Participated in the Wilderness Association's efforts to maintain the habitat of the Sauter's frog and the clean stream activities as volunteers twice, with a total of 33 participants and 66 volunteer hours.



- Green electricity is officially supplied, with solar power estimated to contribute approximately 22,000 kWh per year.
- The total amount invested in energy-saving projects in 2023 was NT\$5.04 million.



- HR Asia Best Companies to Work for In Asia.
- Provided internship programs for 29 students from domestic and foreign colleges and universities.



- The amount of R&D-related investment is NT\$3.116 billion, and the number of patents issued by various countries in the past three years has reached 168.
- To enhance industry technology, we have collaborated with relevant departments of National Taiwan University, National Yang Ming Chiao Tung University, and National Cheng Kung University, executing multiple research projects and contributing to the semiconductor industry.

Practicing UN SDGs



- Human Rights Due Diligence



- Promoted the development of smart cities through 5G integration to achieve national energy-saving and carbon reduction goals.



- Local purchases accounted for 88.6% of the total purchases in 2023 and amounted to NT\$15.6 billion.
- When selecting material for BOM, 10 additional risk assessment reports were added.



- Completed the global site GHG inventory and verification.
- Completed setting SBTi targets, submission of Net Zero Commitment in 2050.
- Honored with "Temperature Rising Index for Pathways" 1.5 °C Temperature Control Certification and ranked "Excellent" by Common Wealth Magazine.
- Added new restricted substances, such as Ozone Depleting Substances (ODS) and Persistent, Bio-accumulative, and Toxic (PBT) substances under the US TSCA regulations.



- Engaged in International Coastal Cleanup Day volunteering activities with a total of 44 participants and 88 volunteer hours.



- 100% use of PEFC certified paper; committed to promoting electronic invoices to replace traditional paper invoices.



- No incidents of employing child labor, forced labor, or employment discrimination have occurred, and we promote equal employment opportunities.
- No incidents of corruption have occurred.
- No complaints related to infringement of customer privacy or customer data have been reported.
- No incidents of violations regarding marketing promotions, including advertising, sales, and sponsorship regulations and voluntary guidelines have occurred.
- No sales of controversial products have occurred.
- No incidents of violations of regulations or voluntary standards regarding product and service information labeling have occurred.



- GUC used 100% responsible minerals approved smelters.
- 100% Tier-1 significant suppliers completed the signing of the Supplier Code of Conduct.
- 100% Tier-1 significant suppliers completed ESG sustainability management & risk assessment survey and evaluation, with no significant risks identified.
- 100% all Tier-1 significant suppliers signed a Biodiversity Commitment survey document.
- Attained international recognition from renowned customer Sony for green product certification.
- GUC's workforce composition included citizens from 12 different countries, fostering a diverse, equitable, and inclusive workplace environment.
- GUC attained 97% in the customer satisfaction survey for services exceeding "satisfactory" and above.
- Held three "GUC ESG Net Zero Sustainable Supply Chain Action Forums," and invited all Tier-1 significant suppliers.
- Excellent suppliers were awarded the "Annual Excellent ESG Supplier Award".

Message from the President

In 2023, GUC celebrated its 25th anniversary and achieved four consecutive years of profit growth amidst the changes and challenges faced the IC design industry. Not only do we demonstrate resilience in our business operations, but we also actively uphold our commitment to corporate sustainability. This encompasses practicing integrity in all aspects of our operations and governance, evaluating and mitigating risks; prioritizing environmental sustainability and working towards net-zero goals. Additionally, we prioritize creating a friendly workplace, that fosters employee well-being and nurtures talent. Furthermore, we actively engaging in social welfare activities and environmental conservation efforts, leveraging both internal and external resources. We join hands with our employees, customers, and supply chain partners towards creating a sustainable vision.

Environmental Protection and Green Operations

GUC is committed to environmental sustainability and actively promotes achieving zero emissions. In 2023, we accomplished several significant goals: First, awarded the "Temperature Rising Index for Pathways (TRIPs)" 1.5 °C Temperature Control Label Certification and ranked "Excellent" by the Common Wealth Magazine. Second, signed a green energy procurement contract and started using green energy. Third, established SBTi targets and submitted a commitment statement. We conduct regular greenhouse gas inventories and track carbon emissions data annually according to our carbon reduction pathway. Through energy conservation, carbon reduction, and the adaption of green energy, we have meticulously outlined a carbon reduction strategy and are dedicated to achieving net zero emissions by 2050. We also utilize our company's

cutting-edge technology to develop advanced IP, assisting customers in producing energy-efficient products. Through collaborating with the supply chain we hope to achieve energy conservation, carbon reduction, and support biodiversity.

People-Oriented and Social Integration

Putting people first and integrating with society is the sustainable philosophy of GUC. In 2023, we received the "HR Asia Best Companies To Work For In Asia Award" despite participating for the first time, showcasing our dedication to our employees. Not only do we offer competitive compensation and benefits, but also actively cultivate outstanding talents. We value the needs and ideas of every employee and strive to create a friendly working environment where their rights are safeguarded. We also actively participate in corporate social responsibility activities by leveraging internal and external resources. We support arts and culture, assist rural areas and vulnerable populations, and engage in ecological conservation to preserve biodiversity.

Corporate Governance and Sustainable Growth

In terms of corporate governance, we uphold principles of integrity and consistently enhance the corporate governance structure and the functions of the board of directors. We also enforce regulatory compliance, risk management, and information security, while striving for innovative development and technological leadership. These efforts ensure our company remains strong and robust in a rapidly



changing environment. In 2023, we received recognition as one of the top 5% listed companies in the "Corporate Governance Evaluation." Our revenue and dividend distribution have also maintained continuous growth for four consecutive years. We will continue to pursue our goals for sustainable business development.

GUC continues to advance diverse sustainable development strategies and, at the same time, dedicated to embedding sustainability as a core value among all GUC employees and putting it into action. We firmly believe that through the collective efforts of the company and all stakeholders, we may build a prosperous and sustainable future together.

Thank you for your support. We eagerly anticipate our continued growth together in the future.

President of GUC and
Chairman of the Sustainable Development Committee



About GUC

1

1.1 Company Introduction

1.2 GUC's Sustainable Commitment

1.3 ESG Key Performance

1.1 Company Introduction

Global Unichip Corp. (referred to as GUC, the Company, or We throughout this report), was founded on January 22, 1998. Our operational headquarters are located in the Hsinchu Science Park in Taiwan. As of the fiscal year 2023, we have a global workforce of 885 employees. GUC was listed on the stock market in 2006 with stock code 3443; as of 2023, the capital is NT\$1,340,119,110, with earnings per share of NT\$26.18.

GUC is the advanced leader in customized application specific integrated circuit (ASIC). We provide comprehensive ASIC design services, including Spec-in and system-on-chip integration (SoC Integration), physical design, advanced packaging technology, mass production services, and world-leading HBM and die-to-die interconnect IP.

GUC leads in providing services for markets such as Artificial Intelligence (AI), High Performance Computing (HPC), 5G/networking, solid-state drives (SSD), and industrial sectors. We are committed to providing our customers with the most competitive PPA (power, performance, and area), and ensuring quality and yield in a professional manner. In the competitive market, GUC assists each customer in achieving success with its excellent engineering technology.

Taiwan Semiconductor Manufacturing Company Limited (TSMC, referred to as TSMC in this report) owns 34.84% shares of GUC and is its largest shareholder. TSMC is the sole semiconductor foundry for GUC and a crucial partner for advanced process and packaging technologies. Through close collaboration with TSMC, GUC is able to quickly overcome challenges at every stage from design to manufacturing.

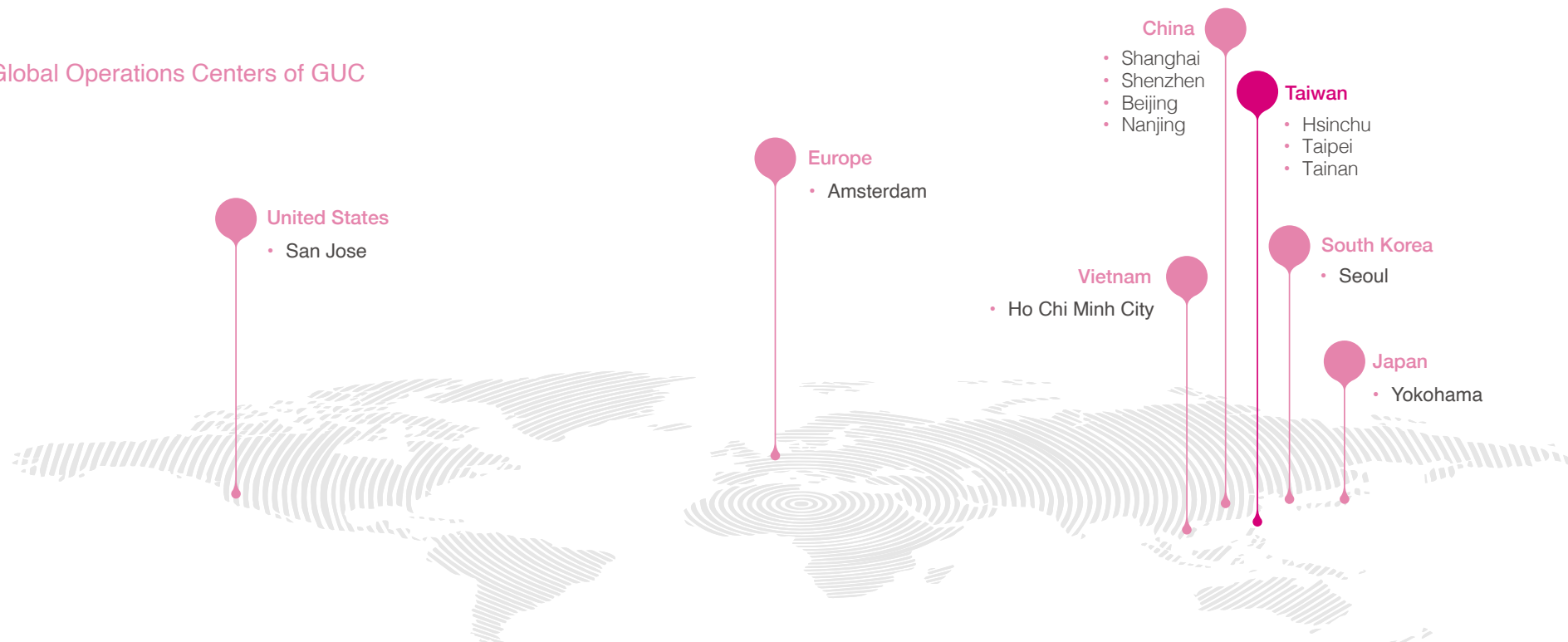
GUC has a total of 12 global operating locations around the world. For more information about the company introduction and operating locations, please refer to the table below.

Basic Information

Global Unichip Corp. (GUC)

Stock Code	3443
Date of Establishment	January 22, 1998
Headquarters	No. 10, Li Hsin 6th Road, Hsinchu Science Park, Hsinchu City 300096, Taiwan
Number of Employees Worldwide	885
Paid-in Capital	NT\$1,340,119,110
Main Business Operations	Provide comprehensive advanced IC customization services
Net Consolidated Operating Revenue in 2023	NT\$26.241 billion
Earnings per share in 2023	NT\$26.18

Global Operations Centers of GUC



Hsinchu Headquarters	No. 10, Li Hsin 6th Road, Hsinchu Science Park, Hsinchu City 300096, Taiwan
Taipei	8th Floor, No. 246, Section 1, Neihu Road, Neihu District, Taipei City
Tainan	No. 189, Section 1, Yongfu Road, West Central District, Tainan City (Room A1, 6F, Cathay Landmark Tainan)
United States	Junction Ave. Suite 201 San Jose, CA 95134, USA
Europe	World Trade Center Tower H - 6th Floor, Zuidplein 58, 1077 XV Amsterdam, The Netherlands
Japan	横浜市西区みなとみらい 2-2-1 横浜ランドマークタワー 16 階

South Korea	서울특별시 강남구 테헤란로 208 안제타워 3F
Vietnam	The Grace Tower 7th Floor, 71 Hoang Van Thai Street, Tan Phu Ward, District 7, Ho Chi Minh City 700000 Vietnam
Shanghai	Room2305, No. 1350 North Sichuan Road, Hongkou District, Shanghai 200080
Shenzhen	749, 7/F, Tower A, SCC, No.88 First Haide Avenue, Nanshan District, Shenzhen 518000, China
Beijing	Room B12, 8F, North Tower, CP Centre, CBD Core Area Z14, Guanghua Road, Chaoyang Dist., Beijing
Nanjing	14th Floor, Block C, Fuying Building, No. 99, Tuanjie Road, Research & Innovation Park, Nanjing Jiangbei New Area

1.2 GUC's Sustainable Commitment

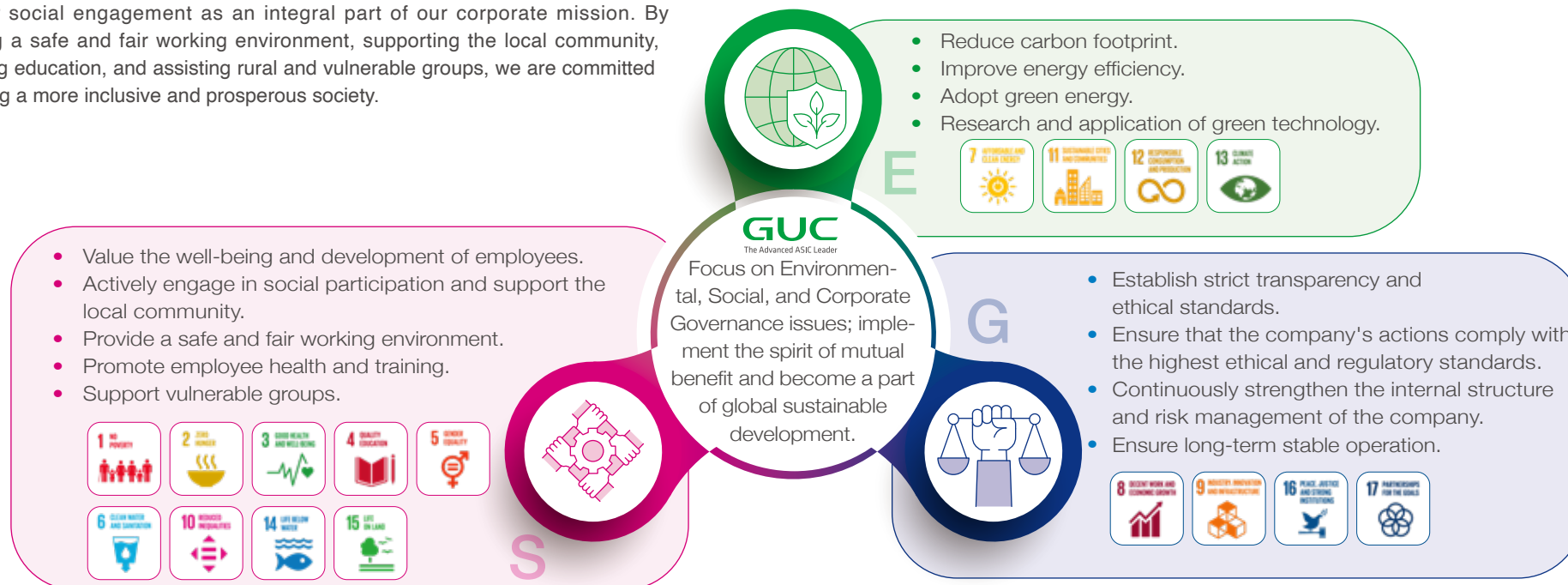
GUC is committed to continuous efforts in Environmental, Social, and Corporate Governance (ESG) to achieve sustainable development and shared prosperity. Our sustainability commitment is to: "Focus on Environmental, Social, and Corporate Governance issues; implement the spirit of mutual benefit and become a part of global sustainable development."

In terms of environment, we are committed to reducing our carbon footprint, improving energy efficiency, and adopting green energy. We will actively participate in the research and application of green technology to achieve sustainable ecology and protect our precious Earth resources.

In terms of social, we value the well-being and development of our employees and consider social engagement as an integral part of our corporate mission. By providing a safe and fair working environment, supporting the local community, promoting education, and assisting rural and vulnerable groups, we are committed to building a more inclusive and prosperous society.

In terms of corporate governance, we have established strict transparency and ethical standards to ensure that the Company's actions comply with the highest ethical and regulatory standards. We also continue to strengthen our internal structure and risk management to ensure long-term stability and sound operation.

We have formulated the "GUC ESG Best Practice Principles" and established a ESG Committee composed of cross-department representatives. The committee regularly reports to the board of directors about ESG initiatives and achievements. In 2024, the ESG report, verified by third-party, will be submitted to the board of directors for approval and published on the company's website.



GUC ESG Policy

Our vision and mission at GUC is to thrive and reach the utmost economic and corporate growth within the IC industry. We actively prioritize equality, recognize the importance of balanced interests, and are not hesitant to embrace our corporate social responsibilities. These proactive efforts have allowed us to build a sustainable corporate culture amongst all GUC members and stakeholders.

We have implemented six major strategies to achieve the goals of sustainable development.

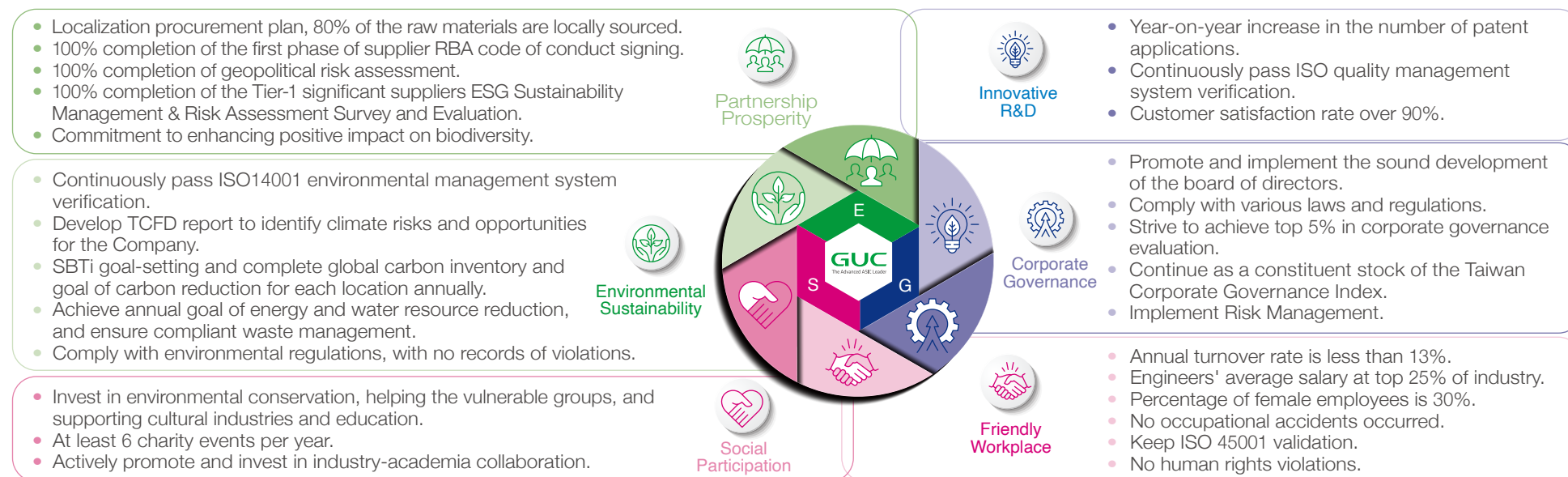
- Corporate Governance
- Innovative R&D
- Partnership Prosperity
- Environmental Sustainability
- Friendly Workplace
- Social Participation

Guiding Principles

In the aspect of Corporate Governance, GUC promotes integrity management and professional ethical conduct. We aim to cultivate a positive cycle in the industry by balancing the interests of all stakeholders, thereby empowering us to serve as uplifting forces of society.

In regard to Innovative R&D, Partnership Prosperity, and Environmental Sustainability, GUC insists on green designs and green supply chains, pursues optimal resource efficiency, and undertakes environmentally friendly actions to preserve biodiversity.

In terms of Friendly Workplace and Social Participation, GUC is committed to the core value of people orientation. The company strives to create a diverse, equal, and inclusive working environment. By combining corporate resources with employee volunteer services, GUC dedicates funds, materials, and labor to support environmental protection, rural area assistance and vulnerable group aid. GUC promotes sustainability and provides necessary assistance and emergency relief to those in need, with the goal of establishing a society of good faith.



Sustainable Development Committee

Since its establishment, GUC has not only focused on achieving maximum success in its core business but has also made a commitment at the management level to establish management systems ensuring that the Company and its suppliers adhere to a set of standards and continuously improve. Additionally, we strive to foster positive interactions and equal treatment with stakeholders such as shareholders, employees, customers, suppliers, government agencies, and society. We actively implement corporate social responsibility initiatives to realize the concept of sustainable management.

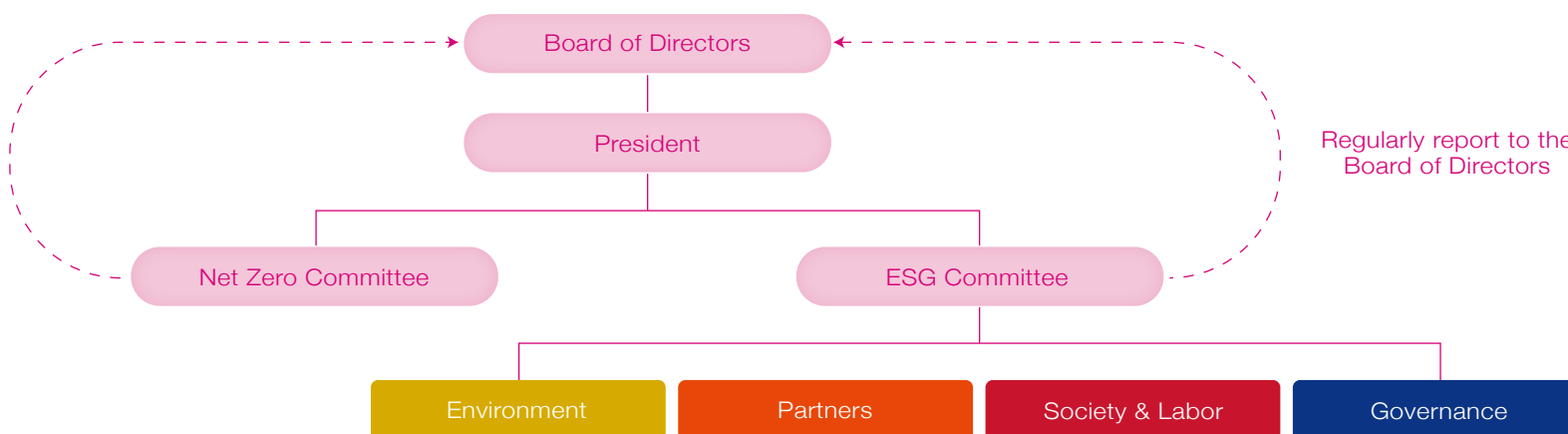
The Company established the "Corporate Social Responsibility Promotion Committee" in 2015, which was restructured as the "Sustainable Development (ESG) Committee" (referred to as ESG committee throughout this report), in 2021. The committee is chaired by President Sean Tai and consists of various functional teams. The representatives of the Committee from each department are appointed to facilitate its operations. The ESG Committee focuses on international sustainable development trends and leads the various functional organization members in formulating sustainable development plans based on international standards and regulations. It also identifies stakeholder needs to determine significant issues and related risks in environmental, social, and corporate governance

domains. The committee addresses the impacts of material topics such as climate change on operations by adapting and mitigating them. Additionally, it plans strategies and execution plans and is overseen, supervised, and guided by the board of directors regarding the Company's ESG development direction.

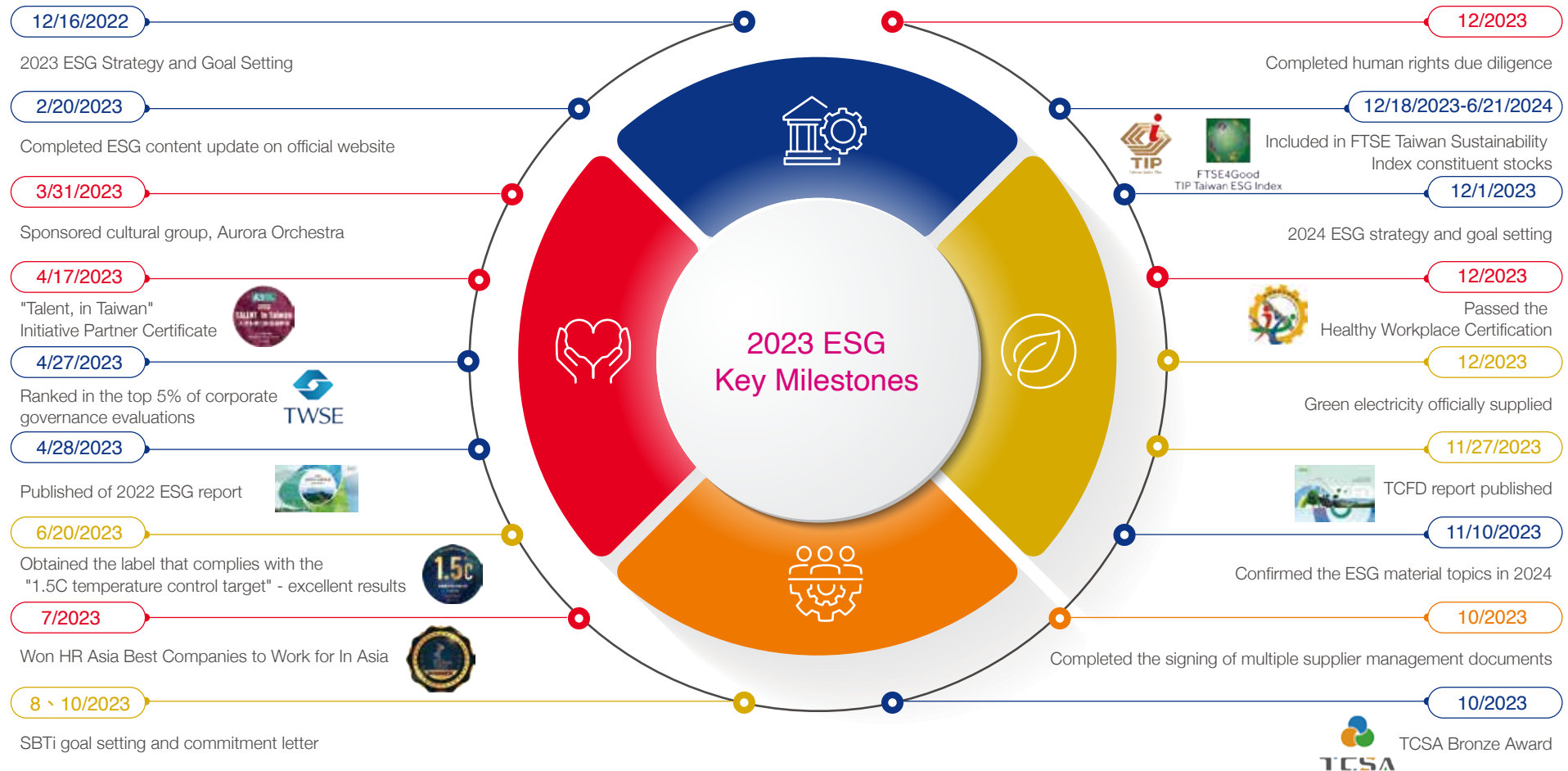
The ESG Committee holds regular meetings to track progress and review the effectiveness of implementation. It regularly reports to the Board on material topics, risk assessments, response strategies, implementation status, and effectiveness of sustainable operations management. Additionally, it publishes an annual ESG report to disclose the achievements of sustainable operations on the official website, which is verified by BSI Taiwan before issuing a statement.

Annual Regular Report to the Board of Directors:

1. Identify material topics, develop strategies and response plans each year.
2. Outline the progress, achievements, and goals for the following year regarding ESG initiatives annually.
3. Report ESG execution progress and effectiveness biannually.



Annual Achievements Report of the ESG Committee to the Board of Directors



Note 1: The sustainability committee reported to the board of directors on sustainable development topics on February 2nd, April 27th, and July 27th, 2023.
Note 2: Blue/Corporate Governance, Orange/Partnership Prosperity, Yellow/Environmental Sustainability, Red/Inclusive Workplace and Social Engagement.



Corporate Governance

Ranked in the

top 5%

in corporate governance evaluation eight times

GUC has been ranked in the top 5% of the Taiwan Stock Exchange's Corporate Governance Evaluation eight times, demonstrating our strong development in areas such as "protecting shareholder rights and treating shareholders equally," "strengthening board structure and operations," "enhancing information transparency," and "implementing corporate social responsibility."



Partnership Prosperity

Signed

Supplier Code of Conduct

To help suppliers understand and gradually implement corporate sustainability, GUC has formulated the "GUC Supplier Code of Conduct" and has conducted advocacy and requirements to the Tier-1 significant suppliers. This initiative has achieved a 100% completion rate in terms of investigation and signing. The commitment includes provisions and requirements from the Responsible Business Alliance (RBA) Code of Conduct, requiring suppliers to commit to adhering to the commitment letter and corporate social responsibility norms.



Environmental Sustainability

SBTi goal setting completed,

Submission of 2050 Net Zero Commitment

In 2022, GUC completed the roadmap planning for the Company's sustainable development goal of achieving net-zero carbon emissions by 2050. This includes the schedule planning for conducting greenhouse gas inventories and implementing carbon neutrality initiatives across all subsidiary companies, as well as the consolidation of financial reporting. In 2023, we submitted a carbon reduction commitment to the Science Based Targets initiative (SBTi), pledging to reduce carbon emissions by 42% in Scope 2 by 2030, reduce carbon emissions by 25% in Scope 3, and achieve net-zero emissions by 2050.



Inclusive Workplace and Social Engagement

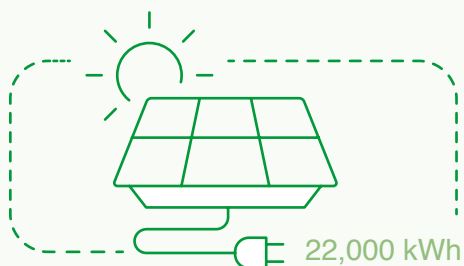
HR Asia Best Companies to Work for In Asia

This is a prestigious human resources award in the Asia-Pacific region. In 2023, a total of 339 companies in Taiwan applied for the award. After document reviews, employee opinion survey and presentation assessments, 94 companies were selected as winners. GUC was awarded on its first participation! The awards are primarily based on anonymous employee opinion survey. GUC has scored higher than the average scores of other evaluated companies in all categories, which demonstrates the Company's commitment to its employees.

1.3 ESG Key Performance

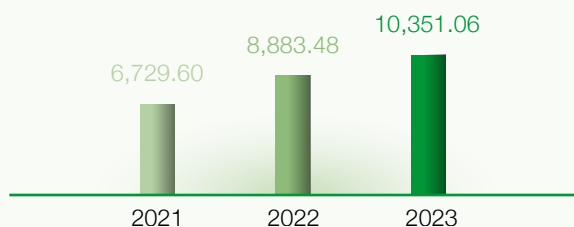
Environmental Aspect

- Setting up of solar power is expected to contribute approximately 22,000 kilowatt-hours annually

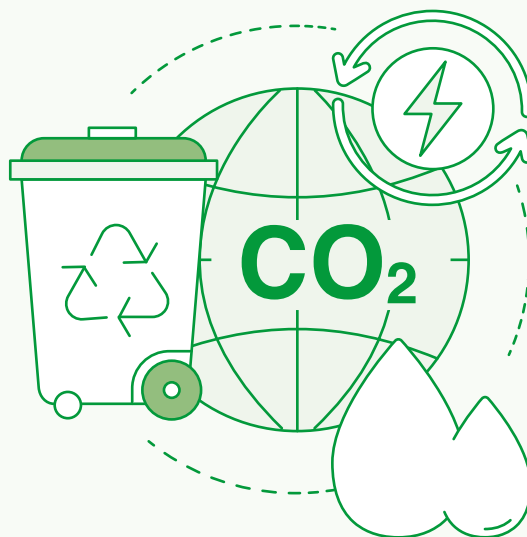


Greenhouse Gas Emissions

(t/CO₂)

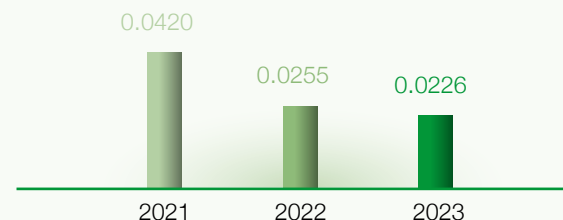


Note: Data of individual years only includes Scope 1 and Scope 2.



Energy Intensity

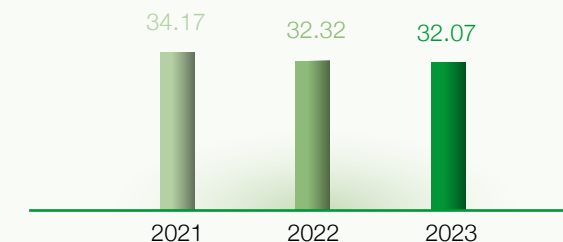
(Energy Intensity = Annual Electricity Usage / Annual Revenue)



(Information Boundary is Hsinchu Headquarters)

Annual Water Resource Usage Intensity

(Water Intensity = Annual Water Resource Usage Intensity (m³) / Number of Employees)

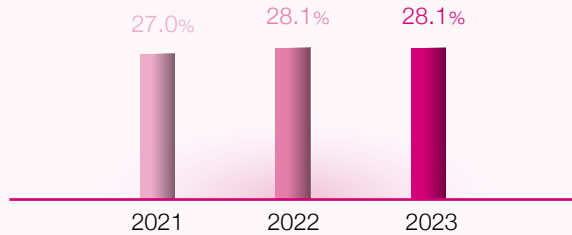


(Information Boundary is Hsinchu Headquarters)

Social Aspect

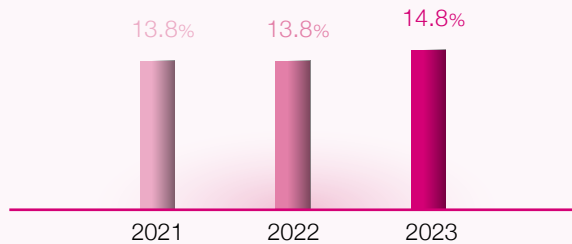
Ratio of Female Employees

(%) (Worldwide)



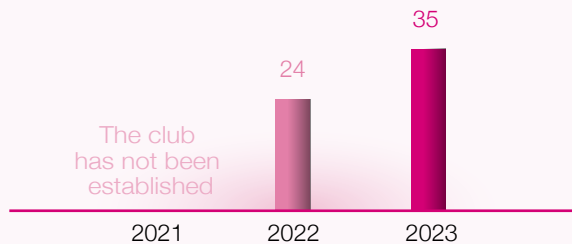
Ratio of Female Managers

(%) (Worldwide)



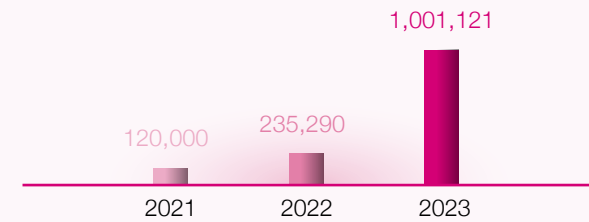
Number of Volunteers

(Person)



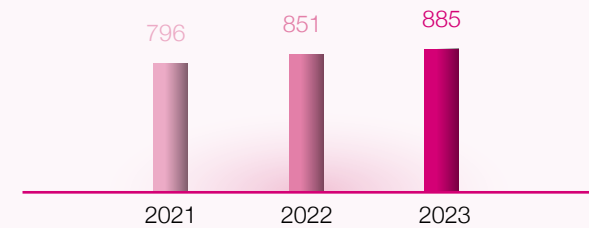
Total Amount of Social Assistance Donation

(NT\$)



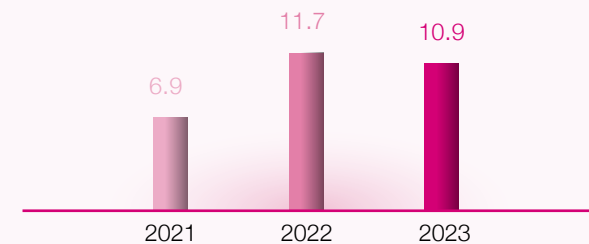
Total Global Employees

(Person)



Average Learning Hours of Employees

(Hours)



Note 1: The manager is the person who has the authority and responsibility of department leadership and management

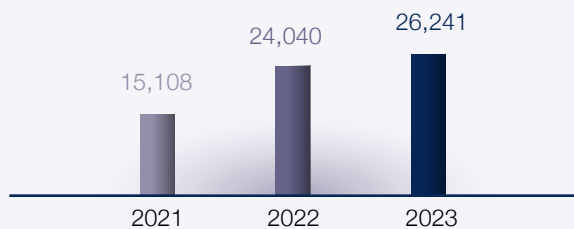
Note 2: The number of employees ranges from the global number

Governance Aspect

- 9 directors, including 5 independent directors and 1 female director

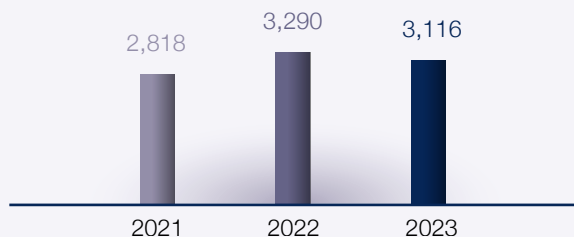
Revenue

(NTD: Million)



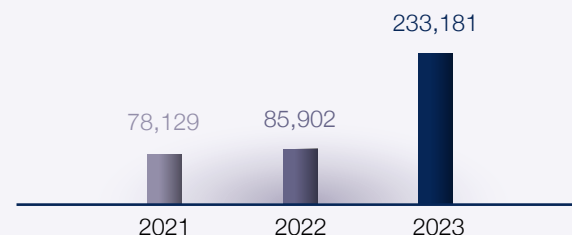
R&D Investment

(NTD: Million)



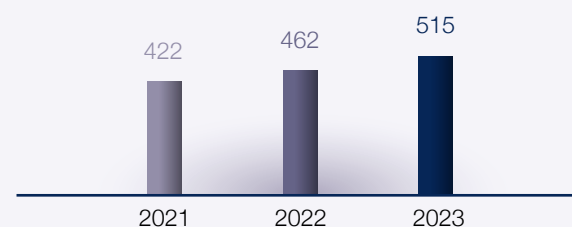
Market Capitalization

(NTD: Million)



The Accumulated Number of Valid Patents

(Case)



The Number of Lawsuits Involving Corruption, Anti-Competition and Ethics

(Case)

2021	2022	2023
0	0	0





Sustainable Management 2

2.1 Identification of Stakeholders

2.2 Stakeholder Engagement

2.3 Identification and Analysis of Material Topics

2.4 Policy for Managing Material Topics



2.1 Identification of Stakeholders

GUC is committed to sustainable development and values the demands and expectations of stakeholders. To understand the level of stakeholder concern regarding the Company's sustainability issues and evaluate the effectiveness of our internal efforts to promote corporate sustainability, we have utilized the GRI-recommended process for analyzing material topics. Through this process, we have identified stakeholder categories relevant to GUC and identified key sustainability issues through communication and identification.

The ESG committee, in accordance with the guidelines for "GUC ESG Best Practice Principles" identifies six major stakeholders, including shareholders/investors, employees, customers, suppliers, industry-government-academia-research, and society.

Through long-term operation and persistence, GUC has established transparent, effective, and real-time multi-directional communication channels with all stakeholders, gaining their trust and support. And representatives from each team communicate and collect questionnaires and opinions from stakeholders in daily business operations, to understand the issues that stakeholders care about and wish to address, and to fulfill corporate social responsibility. Through the compilation and publication of the report, we aim to achieve the following communication goals with stakeholders:

- Fully understand the issues of concern to stakeholders and continuously improve the performance of corporate sustainable development.
- Gain the trust and support of stakeholders, as well as meeting the expectations of different stakeholders, has always been the goal of GUC in pursuing sustainable business operations.



Response to Stakeholder Concerns

1. Identification of the material key issues: After the completion of the questionnaire on the major concerns of stakeholders, a communication platform for GUC's stakeholders will be established based on their influence and level of concern. Various communication channels will be established by the responsible units of each team to consolidate the issues of concern to stakeholders. Taking into account the concept of sustainable operation for GUC and referring to the themes of GRI Standards, six major sustainable issues of concern to stakeholders will be identified and subjected to a significant assessment and analysis based on the level of concern for each issue.
2. Stakeholder-related Plans: GUC's relevant teams will establish management policies based on the aforementioned analysis results, incorporating them into their daily work or annual plans. They will also regularly review and evaluate the effectiveness of these management policies, serving as important foundations for the Company's sustainable development strategy.
3. Stakeholder Interaction Management: Establishing a dedicated stakeholder section on the GUC [website](#), we provide channels for communication and contact with stakeholders. For various issues, whether there are questions, suggestions, or even complaints, stakeholders can visit the "[Investors](#)" and "[ESG](#)" sections to find suitable contact methods based on their identity. This ensures smooth and positive interaction, fostering mutually beneficial relationships and creating win-win outcomes.



2.2 Stakeholder Engagement

Stakeholder	Meaning for GUC	Focal Issues	Communication Method and Frequency		Communication Performance
<p>Shareholders</p>	<p>The Company values shareholder rights and is committed to sustainable business development, taking responsibility for its shareholders.</p>	<ul style="list-style-type: none"> R&D and Innovation Corporate Governance Information Security and Privacy Protection Quality Enhancement 	Shareholders' meeting	Every second quarter of the year	<ul style="list-style-type: none"> R&D and Innovation: Continuously invest in research and development and improve the quality of patent applications. Corporate Governance: Disclose and communicate relevant information on corporate governance to investors, including financial performance, business strategies, dividends, policies, litigation, non-litigation, or administrative disputes. Information Security and Privacy Protection: The overall violation rate of employees due to non-compliance with confidential information protection procedures is 0.122%. The Company did not incur any losses due to significant information security incidents in 2023. Quality Enhancement: We maintain the ISO9001 management system certification every year and have obtained the internationally renowned customer Sony's green product certification, certified as Green Partner for Sony.
			ESG report	Every year	
			Annual report released prior to shareholders' meeting	Every year	
			Telephone and email communication	Periodically as needed	
			Corporate IR Conference	Twice a year	
			Securities firms Conference	Several times per quarter	
			Financial report	Quarterly	
			Participate in investment forums or corporate briefings organized by domestic and foreign investment institutions and securities firms	Periodically as needed	
			Receiving visits from corporate shareholders, domestic and foreign investment institutions, and securities firms.	Periodically as needed	
<p>Employees</p>	<p>Employees are the cornerstone of the Company's sustainable development and the core driving force behind its continued growth</p>	<ul style="list-style-type: none"> Diversity, Equality, and Inclusion Talent Development Employee Relations, Compensation and Benefits Labor Rights 	Town hall meeting	Every quarter	<ul style="list-style-type: none"> Diversity, Equality, and Inclusion: Our employees consist not only of local residents in our main operating locations but also include individuals from 12 countries/regions, creating a diverse, equal, and inclusive work environment. Talent Development: The total investment in 2023 training programs was approximately NT\$2.09 million, with an average learning time of 10.9 hours per employee. Employee Relations, Compensation and Benefits: The standard salaries of entry-level employees at each operational site (based on the starting salary of inexperienced engineers) are significantly higher than the local statutory minimum wage. Labor Rights: Conduct comprehensive human rights due diligence; establish a system for managing and tracking complaints and reports.
			Labor-management meeting	Every quarter	
			Regular department meetings	Every week / Month	
			Human resources services and survey	Periodically as needed	
			Life service mailbox	Periodically as needed	
			Employee assistance programs (EAPs)	Periodically as needed	
			Employee grievance and whistleblower mailbox / Life service mailbox / Audit committee reporting mailbox	Periodically as needed	
			Company announcement	Periodically as needed	

Stakeholder	Meaning for GUC	Focal Issues	Communication Method and Frequency		Communication Performance
 Customers	Listening to customer needs and providing professional products and services to achieve customer satisfaction can enhance company business development and revenue sources.	<ul style="list-style-type: none"> Occupational Health and Safety Employee Relations, Compensation and Benefits Labor Rights 	Customer audit	Periodically as needed	<ul style="list-style-type: none"> Occupational Health and Safety: Comply with RoHS & REACH regulations and domestic and international environmental protection laws and regulations. Employee Relations, Compensation and Benefits: Constructing a competitive and appropriate compensation strategy in accordance with local labor laws and regulations. Participating in regional salary surveys actively, aligning with the Company's business objectives, rolling out adjustments and revisions to the compensation plan to attract and retain key talent. Labor Rights: Establish a system for handling and tracking complaints and reports.
			Customer meeting	Periodically as needed	
			Annual technical symposium	Every year	
			Customer satisfaction survey	Every year	
			Aligning with client industry and social responsibility surveys for improvement	Periodically as needed	
			Responsible for the dedicated email inbox	Periodically as needed	
			Immediate response to customer complaints	Periodically as needed	
 Suppliers	Suppliers are important partners for GUC in providing the necessary resources and services for operations, working together to create value in the sustainable development value chain.	<ul style="list-style-type: none"> R&D and Innovation Information Security and Privacy Protection Quality Enhancement Customer Relationship Management 	Supplier information platform	Periodically as needed	<ul style="list-style-type: none"> R&D and Innovation: Continuously invest in research and development and improve the quality of patent applications. Information Security and Privacy Protection: No complaints related to infringement of customer privacy or customer data have been reported. Quality Enhancement: We maintain the ISO9001 management system certification every year and have obtained the internationally renowned customer Sony's green product certification, certified as Green Partner for Sony. Customer Relationship Management: Request suppliers to declare or sign the Conflict Minerals / Ethics and Supplier Code of Conduct / Compliance with relevant RBA regulations.
			Regular questionnaire survey	Every year	
			Supplier audits	Periodically as needed	
			Face-to-face interviews and meetings	Periodically as needed	
			Promotion of the code of conduct (GUC's "Procedures for Ethical Corporate Management and Guidelines of Conduct")	Periodically as needed	





Stakeholder	Meaning for GUC	Focal Issues	Communication Method and Frequency		Communication Performance
<p>Industry, Government, Academia, and Research</p>	Adhere to relevant regulatory requirements and stay updated on policy changes to mitigate operational risks	<ul style="list-style-type: none"> Talent Development R&D and Innovation Information Security and Privacy Protection 	Company financial report	Every year	<ul style="list-style-type: none"> Talent Development: Organized 15 campus job fairs both domestically and internationally, and held 17 campus seminars. Recruitment of a total of 29 interns from domestic and international colleges and universities for both summer and long-term internship programs. Established the official SNS account in 2023, aiming to enhance the engagement of students with GUC. R&D and Innovation: In addition to adopting AI-related technologies from EDA Company, we also maintain ongoing collaborations with universities for industry-academia cooperation every year. Information Security and Privacy Protection: Continuously monitor legal regulations and establish internal systems to ensure compliance. Provide timely advice and responses through communication channels.
			Communicate with associations or unions and competent authorities	Periodically as needed	
			Document reception and distribution	Periodically as needed	
			Attending the industry-government-academia seminar	Periodically as needed	
			Provide reports or responses in accordance with the requirements and regulations of respective competent authorities	Periodically as needed	
<p>Society</p>	Improving corporate social responsibility as a driving force for sustainable initiatives. Mitigate negative impacts on the local community and contribute to society, enhancing positive social influence	<ul style="list-style-type: none"> Employee Relations, Compensation and Benefits Natural Ecology Protection Labor Rights Occupational Health and Safety 	Publish revenue report	Every month	<ul style="list-style-type: none"> Employee Relations, Compensation and Benefits: Attraction, retention, training, and development of talent. Natural Ecology Protection: Participated in the Wilderness Association's efforts to maintain the habitat of the Rana Sauteri Frog and the Clean Stream activities as volunteers twice, with a total of 33 participants and 66 volunteer hours. Engaged in International Coastal Cleanup Day volunteering activities with a total of 44 participants and 88 volunteer hours. Labor Rights: Establish a system for handling and tracking complaints and reports. Occupational Health and Safety: Verified through ISO 45001 System.
			Publish company financial/operational report	Every quarter	
			Publish ESG report	Every year	
			Other Welfare Charity activities	Periodically as needed	
			Official website and e-mail	Periodically as needed	
			Participate in disaster relief activities	Periodically as needed	
			Press release of new technologies and products	Periodically as needed	
			Responding to survey questionnaires	Periodically as needed	
			Industry-academia collaboration project	Periodically as needed	
			Internship program	Periodically as needed	

2.3 Identification and Analysis of Material Topics

Materiality analysis is an important policy for GUC in compiling sustainability reports, formulating long-term sustainability goals, and communicating with stakeholders. Following the methodology for conducting materiality analysis based on the GRI Universal Standards 2021 and the AA1000 Accountability Principle: 2018, and taking into account the concerns of stakeholders and the perspectives of GUC's sustainable business and risk management, the material issues are identified. GUC observes the trends in ESG issue changes and tracks the progress of long-term sustainability goals. We collect and respond to feedback and suggestions from stakeholders through various communication channels. Additionally, our ESG Committee continues to execute ESG strategies and remains dedicated to our commitments.



Assessment of Operational Impact

For the 21 sustainability issues prioritized through the "Stakeholder Concerns Questionnaire," we will further refine and standardize the internal assessment by inviting 41 senior executives at the director level or above from each department to participate in the "Sustainability Issues Materiality Assessment Questionnaire." This questionnaire will delve into more detailed aspects such as positive and negative impacts, including scale and scope, likelihood of occurrence, and risks related to human rights violations.

Identification of Material Topics

A total of 234 questionnaires were collected for the "Stakeholder Concerns Questionnaire," and 41 questionnaires were collected for the "Sustainability Issues Materiality Assessment Questionnaire" (achieving a 100% response rate). The results from both questionnaires were analyzed using weighted analysis, sorted based on their quantitative values, and threshold standards for material topics were established. In 2023, a total of 7 material topics were identified.

Review of Material Topics

Based on the analysis of the two questionnaires, two ESG Committee meetings were convened at the headquarters. During these meetings, stakeholder perspectives and concerns were integrated, and external consultants were commissioned to review the appropriateness of material topics and threshold standards. This process ensured that no material topics requiring priority reporting were overlooked or inadequately addressed, thereby ensuring completeness, inclusivity, and alignment with the Company's sustainability strategy.

Establishment of Material Topics

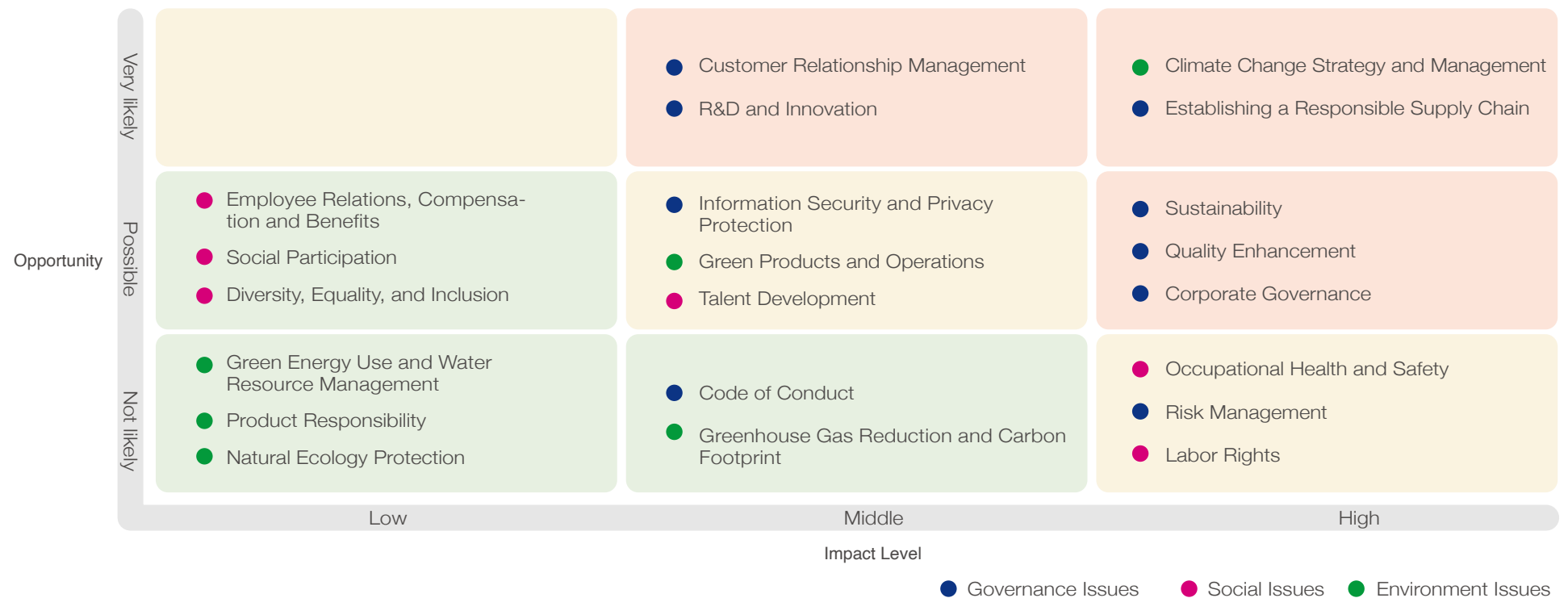
In 2023, 7 material topics identified by the ESG Committee and approved by the Board of Directors are disclosed in this report, along with the impacts, policies, commitments, management actions, indicators, and goals of the Company.

Material Topics Matrix

GUC not only relies on its internal process for analyzing material topics to determine and disclose them but also employs a more objective "dual materiality" process to evaluate the effectiveness of each topic. GUC bases its assessment on the following two categories of materiality principles:

1. The impact of the external environment on internal operations is also considered in relation to the external impact of business operations on the environment and people.
2. The GRI disclosure framework represents the "significance of impact," while the SASB, TCFD, and other financial standards represent the "financial significance."

GUC firmly believes that examining the priority of material topics through diverse and objective perspectives enables us to better respond to stakeholders' expectations, improve the corporate structure, and continue towards sustainable development.



Changes in Material Topics

GUC's assessment of material topics for 2023 considers not only the sustainability issues outlined by GRI but also references the disclosure requirements specific to its industry as per the SASB standards. The ESG Committee evaluates and selects topics based on three main criteria: internal and external survey results, areas for improvement, and projects where the Company has already allocated resources. In alignment with GUC's net-zero target, we are prioritizing climate change-related themes and elevating their importance. Additionally, we are introducing the "Customer Relationship Management" topic, which received the highest votes in the Stakeholder Concerns Questionnaire, to meet stakeholder expectations and address their concerns.

Material Topics List

Material Topics and Impact

● Direct Impact ○ Facilitating Impact ▲ Business Impact

Order	Material Topics	Positive and Negative Impacts	Corresponding to GRI	Meaning and Importance for GUC	Value Chain Impact			Corresponding Chapter
					Upstream	GUC	Downstream	
1	Climate Change Strategy and Management	<p>⊕ : Implementing greenhouse gas reduction and control measures can reduce the impact of climate change on operations and financial performance, increase the company's resilience to climate change, and potentially create new business opportunities by enhancing the overall image of environmental sustainability.</p> <p>⊖ : If greenhouse gas emissions are not reduced and controlled, it may have a negative impact on the Earth's environment by exacerbating climate change. Additionally, physical climate risks could lead to higher operating costs, supply chain disruptions, and increased financial costs for companies undergoing transformation.</p>	201-2 302-1 302-3 305-1 305-2 305-3 305-4	Positive real impact: The intensification of global warming and the frequent occurrence of extreme weather disasters have caused significant economic losses to many countries and businesses. To mitigate the risks and impacts of climate change, GUC has implemented various internal environmental conservation and energy-saving measures, as well as increased the proportion of green energy. Additionally, we have introduced green products to enhance our adaptability and resilience to climate change.	▲	○	●	6.Environmental Sustainability

Note: Upstream includes EDA and IP manufacturers; GUC includes employees and shareholders; Downstream includes customers, industry, government, academia, research, and society.

Material Topics and Impact

● Direct Impact ○ Facilitating Impact ▲ Business Impact

Order	Material Topics	Positive and Negative Impacts	Corresponding to GRI	Meaning and Importance for GUC	Value Chain Impact			Corresponding Chapter
					Upstream	GUC	Downstream	
2	Establishing a Responsible Supply Chain	<p>⊕ : Implement supply chain management, enhance overall supply chain quality, prosper together with supplier partners, improve company profitability, and achieve sustainable business goals.</p> <p>⊖ : Failure to effectively manage suppliers can lead to issues with the supply of raw materials and other goods, or the suppliers themselves may operate in violation of regulations, potentially resulting in problems related to product safety, human rights, and the environment, which can damage the Company's image and reputation.</p>	204-1 308-1 414-1	Positive Actual Impact: In order to meet customer needs, reduce production costs, and improve operational efficiency, GUC has established a stable and sound supplier system through supplier selection and certification. It also provides incentive mechanisms and communication channels to achieve a common understanding of quality. The Company aims to maintain long-term and good cooperative relationships with supply chain partners and strives for a sustainable supply chain.	●	▲	○	5. Partnership Prosperity
3	Customer Relationship Management	<p>⊕ : Effective customer relationship management can enhance customer loyalty, making customers more inclined to continue purchasing the company's products or services, and potentially promote word-of-mouth, attract new customers, thereby increasing sales volume and revenue.</p> <p>⊖ : Failure to effectively maintain customer relationships may lead to an increase in customer churn rate and reputational damage to the Company.</p>	Custom	Positive Actual Impact: Upholding a customer-oriented spirit, providing professional services, gaining customer trust, and dedicated to assisting customers in achieving success.	○	●	●	4.8 Customer Service and Satisfaction
4	Sustainability	<p>⊕ : By adhering to the principles of sustainable business responsibility and vision, GUC aims to achieve long-term sustainability and make greater contributions to society.</p> <p>⊖ : Without establishing corporate sustainability responsibilities and vision, it will affect the Company's image and prevent it from aligning with the international sustainable market.</p>	201-1	Positive Actual Impact: GUC aims to meet the economic development requirements of the current market and pursue sustainable energy development. We actively examine the impact of our products and services on society, the environment, and the economy, and continuously strive for improvement and sustainability.	▲	●	○	3.1.2 Various Performance Metrics

Note: Upstream includes EDA and IP manufacturers; GUC includes employees and shareholders; Downstream includes customers, industry, government, academia, research, and society.



Material Topics and Impact

● Direct Impact ○ Facilitating Impact ▲ Business Impact

Order	Material Topics	Positive and Negative Impacts	Corresponding to GRI	Meaning and Importance for GUC	Value Chain Impact			Corresponding Chapter
					Upstream	GUC	Downstream	
5	Quality Enhancement	<p>⊕ : Providing customers with stable and high-quality products enables them to continue using them, thereby achieving the company's sustainable operation.</p> <p>⊖ : Poor product quality management leading to violations of health and safety regulations will impact human health and environmental safety, and may result in customer loss affecting company operations.</p>	Custom	Positive Actual Impact: Rapid technological advancements and shortened product life cycles have increased the risks in industry operations. GUC aims to provide world-class advanced custom IC services. We actively pursue innovative research and development technologies and excellent product quality. In addition to assisting customers in creating higher added value for their products, we also reduce market risks and enhance industry competitiveness.	▲	●	▲	4.6 Product Quality and Competitiveness
6	R&D and Innovation	<p>⊕ : Providing innovative technology to customers to expand company business and increase profitability. Innovative technology research and development can also improve product production efficiency, reduce production costs, and enhance company profits.</p> <p>⊖ : Without continuous research and development of new technologies to break through existing markets, the Company is susceptible to the impact of market demand and other major environmental changes, leading to significant fluctuations in economic performance and increasing operational risks.</p>	Custom	Positive Actual Impact: GUC actively seeks innovation and change to meet the unique business and technological needs of today's innovative technology companies, creating new value for the industry or market. Simultaneously shaping an innovative corporate culture not only enhances the added value of our products but also seeks to maximize the interests of our stakeholders, together becoming a driving force for social advancement.	●	○	▲	4. Innovation R&D and Green Product Manufacturing
7	Corporate Governance	<p>⊕ : Good corporate governance systems can enhance transparency, making it easier for investors and stakeholders to understand the operations and decision-making processes of the company.</p> <p>⊖ : The lack of effective corporate governance systems can lead to management abuse of power, resulting in harm to the Company, including corruption, conflicts of interest, and investor distrust, which in turn affects the Company's sources of funding and market position. Furthermore, it increases regulatory risk, legal risk, and reputational risk.</p>	205 206	Positive Actual Impact: GUC is committed to enhancing company performance, safeguarding shareholder rights, and considering the interests of other stakeholders. We continuously strive to strengthen the responsibilities of the board of directors and implement financial disclosure and internal auditing to enhance the integrity of the governance structure. This ensures the Company's ability to effectively adapt and sustain operations in the face of any form of risk impact in the future.	▲	●	○	3. Corporate Governance

Note: Upstream includes EDA and IP manufacturers; GUC includes employees and shareholders; Downstream includes customers, industry, government, academia, research, and society.

2.4 Policy for Managing Material Topics


Material Topics	Climate Change Strategy and Management
Corresponding to GRI	201-2 、 302-1 、 302-3 、 305-1 、 305-2 、 305-3 、 305-4
SDGs of Connection	 
Policy or Commitment	In response to abnormal climate conditions, a contingency plan has been developed to reduce greenhouse gas emissions from the Company and its suppliers. Actively planning various environmental protection, energy saving, and carbon reduction measures, reducing greenhouse gas emissions, and increasing the use of green energy to mitigate the operational impacts of climate change and create a better and safer environment for future generations.
Indicators and Objectives	Short-term goal ▶ Develop energy-saving and carbon reduction policies to reduce Scope 2 carbon emissions by 4.2% annually and Scope 3 carbon emissions by 2.5%.
	Mid-term goal ▶ Pay attention to domestic and international regulations, and combine greenhouse gas inventory and SBTi to establish robust and feasible carbon reduction targets.
	Long-term goal ▶ Align with the global carbon reduction trend and gradually achieve net zero by 2050.
Effectiveness Tracking Mechanism	<ul style="list-style-type: none"> Based on 2022 as the reference, the goal is to reduce Scope 2 carbon emissions by 4.2% annually and Scope 3 carbon emissions by 2.5%. Gradually establish and plan energy-saving strategies and action. Simultaneously, future Key Performance Indicators (KPIs) will be established to reduce greenhouse gas emissions, water usage, electricity consumption, and other energy resources. Complete annual greenhouse gas inventories of all locations. Verify the carbon footprint of exported goods from Taiwan if comply with European and American standards. Continue the development of the N5/3/4/2 (5/3/4/2 nanometer) design process, guiding customers towards the use of a more efficient N5/3/4/2 manufacturing process, and contributing to overall energy consumption.
Annual Actions and Measures	<ul style="list-style-type: none"> Establish SBTi targets and submit a commitment letter. Green electricity is officially supplied, with solar power estimated to contribute approximately 22,000 kWh per year. The total amount invested in energy-saving projects in 2023 was NT\$5.04 million.


Material Topics	Establishing a Responsible Supply Chain
Corresponding to GRI	204-1、308-1、414-1
SDGs of Connection	 
Policy or Commitment	Construct a supply chain that meets RBA requirements, committed to maintaining long-term cooperative relationships with domestic and foreign suppliers, and jointly establishing a stable and sustainable supply chain. Establish effective incentive mechanisms, good communication channels, and a shared quality concept.
Indicators and Objectives	Short-term goal ▶ Obtain products or services that meet the Company's quality and quantity requirements at the lowest cost
	Mid-term goal ▶ Ensure that suppliers provide the highest quality service and timely delivery
	Long-term goal ▶ Develop and maintain good supplier relationships, and explore potential suppliers
Effectiveness Tracking Mechanism	<ul style="list-style-type: none"> Establish a supplier evaluation system through supplier selection procedures and supplier certification methods Irregular supplier audits Irregular face-to-face interviews and meetings Regular questionnaire survey Supplier information platform
Annual Actions and Measures	<ul style="list-style-type: none"> Local purchases will account for 88.6% of the total purchases in 2023 and amount to NT\$15.6 billion. Promotion of the code of ethics (GUC's "Procedures for Ethical Corporate Management and Guidelines of Conduct"). Audit all Tier-1 significant suppliers to achieve Level B or higher, and conduct counseling and communication. Conflict minerals / Requesting suppliers to provide declarations or signatures. 100% Tier-1 significant suppliers completion of RBA code of conduct signing. 100% Tier-1 significant suppliers completion of ESG sustainability management & risk assessment survey and evaluation, with no significant risks identified. 100% All Tier-1 significant suppliers sign a biodiversity commitment survey document.

Material Topics	Customer Relationship Management
Corresponding to GRI	Custom Item
SDGs of Connection	n/a
Policy or Commitment	Integrity and commitment to our customers are fundamental principles of our company. At GUC, we treat our customers as partners and provide them with trusted professional ASIC services. We are dedicated to nurturing long-term cooperative relationships with our customers and are committed to assisting them in achieving success. This commitment is the driving force behind our continuous development.
Indicators and Objectives	Short-term goal ▶ <ul style="list-style-type: none"> Smooth customer feedback channels and respond promptly Comply with ISO9001 and conduct third-party verification, providing necessary and sufficient information to meet the requirements of downstream, end customers or public sectors
	Mid-term goal ▶ <ul style="list-style-type: none"> Continuously optimize the "Customer Complaint Management Procedure" and conduct regular customer satisfaction survey to understand customer needs
	Long-term goal ▶ <ul style="list-style-type: none"> Continuously provide high-quality services, industry-leading technologies and products. Customer satisfaction continues to reach 90% goal
Effectiveness Tracking Mechanism	<ul style="list-style-type: none"> Establish dedicated service windows for various functions to address customer inquiries and ensure prompt responses to all types of customer issues Establishing various automation tools to enhance customer service efficiency
Annual Actions and Measures	<ul style="list-style-type: none"> 2023 annual customer satisfaction survey exceeding 97%. Continuously utilize annual customer satisfaction surveys to understand customer needs and establish various improvement plans. Continuously investing in advanced manufacturing processes and IP research and development to solidify our technological leadership position. Increase participation in semiconductor industry events, establish various social media platforms to bring in more business opportunities and enhance customer communication.

Material Topics	Sustainability
Corresponding to GRI	201-1
SDGs of Connection	
Policy or Commitment	With the intensification of climate change and the changing global political and economic situation, it is necessary to incorporate ESG factors and risk scenarios into the assessment and continuously review them through internal control processes in order to make the Company resilient in response to unknown challenges. Through the spirit of continuous improvement in quality management (PDCA), we strive to enhance corporate performance and become a leading global supplier of IP and ASIC.
Indicators and Objectives	Short-term goal ▶ Implement corporate governance and treat stakeholders equally, fulfilling social responsibility
	Mid-term goal ▶ Committed to environmental protection and public welfare activities, while also aligning with the 17 United Nations Sustainable Development Goals (SDGs).
	Long-term goal ▶ Establish work plans and effectively implement the vision and mission of GUC sustainable development.
Effectiveness Tracking Mechanism	<ul style="list-style-type: none"> The Board of Directors plays a supervisory and advisory role, and each year the Secretary of the ESG Committee reports to the Board of Directors on the achievements and future work plans for that year.
Annual Actions and Measures	<ul style="list-style-type: none"> The Board of Directors has adopted the "GUC ESG Best Practice Principles" as the guiding principles for long-term promotion of ESG. Annual regular report to the board of directors. Regular training sessions are held annually to explain the key ESG strategies and implementation to colleagues, encouraging all employees to collectively uphold the Company's vision of sustainable business operations.

Material Topics	Quality Enhancement
Corresponding to GRI	Custom Item
SDGs of Connection	n/a
Policy or Commitment	The Company shall establish a technical development plan and complete reliability verification during the design phase. Implement total continuous improvement activities and internalize a culture of quality.
Indicators and Objectives	Short-term goal ▶ Continuously improve the incentive measures such as bonuses and public recognition for continuous improvement suggestion activities
	Mid-term goal ▶ Promote Customized Quality Services with excellent and reliable product quality, assisting customers in gaining market advantage and strengthening competitiveness
	Long-term goal ▶ The competitiveness of our customers is the driving force behind GUC. We are committed to becoming a trusted and indispensable long-term partner for our customers' success.
Effectiveness Tracking Mechanism	<ul style="list-style-type: none"> Quality management policy Customer satisfaction survey Continuously passing ISO 9001 system verification Continuously maintain IECQ QC 080000 management system certification, and undergo verification by a third-party impartial organization Continuous improvement suggestion activities
Annual Actions and Measures	<ul style="list-style-type: none"> 2023 annual customer satisfaction survey exceeding 97%. Ensure the effectiveness of the quality management system and achieve the quality objectives and requirements of the quality management system. Maintain the integrity of the quality system when planning changes to the quality management system. Attained international recognition from renowned customer Sony for green product certification, becoming a Sony supplier partner. In 2023, GUC has no significant records of violating relevant regulations in the provision and use of GUC products, nor have there been any customer complaints or returns due to hazardous substances.

Material Topics		R&D and Innovation
Corresponding to GRI		Custom Item
SDGs of Connection		
Policy or Commitment	Become the leader in IC design service by developing core products.	
Indicators and Objectives	Short-term goal ▶	Continuously enhance product quality and value, meet customer needs, promote industry-academia collaboration, and focus on advanced technologies
	Mid-term goal ▶	Strengthen in-depth technology development and patent portfolio to maintain a leading position in industry innovation
	Long-term goal ▶	Provide industry-leading energy-saving and carbon reduction technologies and products to achieve sustainability goals
Effectiveness Tracking Mechanism	<ul style="list-style-type: none"> Silicon intellectual property (IP) verification Number of patent applications and approvals, as well as issuance of patent bonuses and incentives Amount of research and development investment 	
Annual Actions and Measures	<ul style="list-style-type: none"> The investment in research and development amounted to NT\$3.116 billion in 2023. The international patent approval rate reaches as high as 99%. By the end of 2023, we have obtained a total of 515 patents in various countries. GUC's HBM3 IP, distinguished by its outstanding development technology and specifications, was honored with the Best IP of the Year award at the 2023 EE Awards Asia. 	

Material Topics		Corporate Governance
Corresponding to GRI		205、206
SDGs of Connection		
Policy or Commitment	In accordance with the corporate governance roadmap, we will establish an effective corporate governance framework, strengthen the functions of the board of directors, enhance information transparency, improve communication with stakeholders, align with international standards, guide diligent governance, and effectively utilize the functions of each functional committee. Continuously implementing equal treatment for all stakeholders, becoming the top performer in corporate governance among Taiwanese stock companies. The management is committed to establishing a management system and ensuring that the Company continuously improves in accordance with corporate governance best practices.	
Indicators and Objectives	Short-term goal ▶	<ul style="list-style-type: none"> Comply with all regulations, without any major violations occurring Maintain a position within the top 5% in corporate governance evaluations Regularly conduct internal audits to detect, prevent, and ensure the legality of all business operations
	Mid-term goal ▶	<ul style="list-style-type: none"> Continue to be a constituent of the Taiwan Corporate Governance Index Continue to refine the operations of the Board of Directors
	Long-term goal ▶	<ul style="list-style-type: none"> Continue to implement ethical management guidelines, adhere to sustainable development principles, and ensure the maximization of shareholder value
Effectiveness Tracking Mechanism	<ul style="list-style-type: none"> Participation in corporate governance evaluation 	
Annual Actions and Measures	<ul style="list-style-type: none"> Rank in the top 5% in company governance evaluation. The Board of Directors also establishes an Audit committee and a Compensation committee. Establishment of a dedicated corporate governance unit. Establish a dedicated unit for ethical corporate management and regularly report the implementation effectiveness to the board of directors. 	

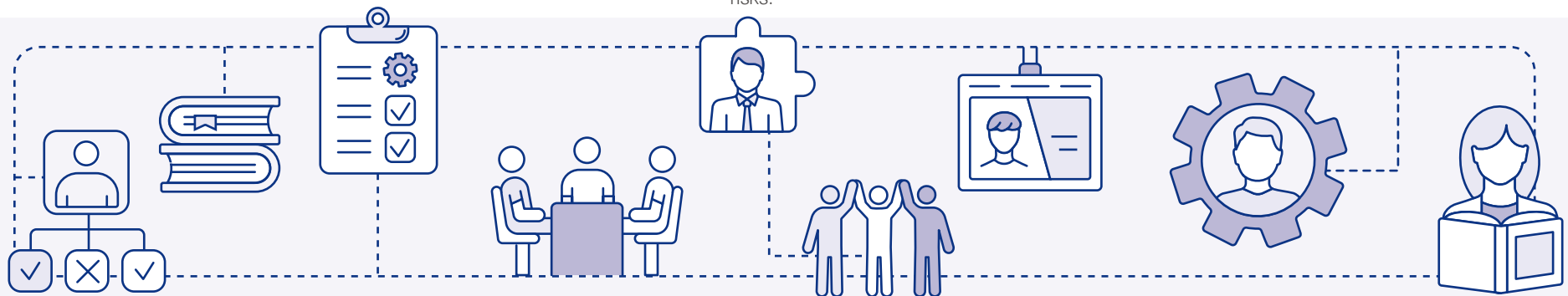


Corporate Governance 3

- 3.1 Corporate Governance Structure and Financial Performance
- 3.2 Functions and Strategies of the Board of Directors
- 3.3 Ethical Corporate Management
- 3.4 Risk Management

Key Results and Strategies

Strategic Approach	Commitment	KPI	2023 Goals and Performance
Corporate Governance Structure and Financial Performance	The management is committed to establishing a management system and ensuring that the Company continuously improves in accordance with corporate governance best practices, guaranteeing the maximization of shareholder value.	Continuously remain as a constituent stock of the Taiwan Corporate Governance Index.	<ul style="list-style-type: none"> Ranked in the top 5% in corporate governance evaluation Constituents of the Taiwan Corporate Governance Index
Functions and Strategies of the Board of Directors	Actively supervise the implementation and execution of established strategies by the management team, and ensure the appropriateness and transparency of internal and external strategy communication.	Report on the performance evaluation of the board of directors.	The performance self-assessment result of the Board of Directors and Functional Committees was excellent.
Ethical Corporate Management	In order to establish a corporate culture of ethical corporate management, and to comply with regulation, it is required that directors and managers issue a statement of compliance with the ethical corporate management policy, and that the code of conduct be stipulated in the employment contracts of employees, with the expectation that all employees should have a clear understanding and faithfully adhere to it.	<ul style="list-style-type: none"> GUC's "Procedures for Ethical Corporate Management and Guidelines of Conduct" "Supplier Code of Conduct" Comply with various laws and regulations 	<ul style="list-style-type: none"> The training on ethical corporate management has achieved a 100% completion rate for the year. 100% Signing the Supplier Code of Conduct There have been no instances of significant fines imposed for violations of laws and regulations in the categories of environment, society, and corporate governance.
Risk Management	Ensure the achievement of the Company's operational goals and vision.	Financial risk, operational risk, legal risk, climate change and environmental risk management, emergency response, strategic risk, and other risks.	Manage all business risks in a safe and controllable manner.



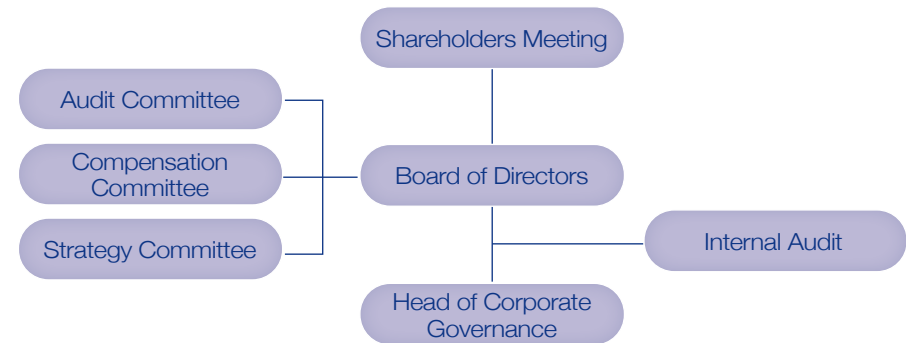
3.1 Corporate Governance Structure and Financial Performance

3.1.1 Dedicated Corporate Governance Unit

On July 30, 2020, the Board of Directors of GUC appointed Daniel Chien, Senior Vice President & CFO of the Company, as the Director of Corporate Governance. A team of 7 individuals from the Finance Department, Legal Department, Internal Audit Unit, and Human Resources Department has been formed to handle corporate governance matters. Their responsibilities include providing data required for board operations, assisting directors in compliance with laws and regulations, organizing board and shareholder meetings in accordance with the law, handling company registration and changes, preparing minutes of board and shareholder meetings, and assisting the board in strengthening its functions to ensure the rights and interests of stakeholders and equal treatment of shareholders. The Board of Directors has functional committees including the Audit Committee, Compensation Committee, and Strategy Committee, which assist the Board in managing corporate governance-related matters and adhere to the Company's Corporate Governance Practices to safeguard shareholder rights as the primary objective and treat all shareholders fairly.

The Board of Directors authorizes the establishment of the Audit Committee, Compensation Committee, and Strategy Committee, respectively, to assist in fulfilling its supervisory responsibilities. Each committee is chaired by an independent director with expertise in the respective field. The chairpersons of the committees regularly report their discussions and decisions to the Board of Directors. For detailed information about each committee, please refer to section "[3.4.1 Risk Management Policy and Framework](#)." In addition, under the leadership of the board of directors and the President, there are committees dedicated to sustainable development, operational management, and net zero. These committees are responsible for long-term and short-term planning and management in relation to the Company's sustainable operations and risk management. They regularly report to the board of directors.

Organizational Structure of GUC



Ranked in the Top 5% in Corporate Governance Evaluation Eight Times

GUC adheres to the principles of corporate governance, which include a high degree of self-discipline, strengthening the role of directors, safeguarding shareholder rights, enhancing transparency of information, and addressing the impact of environmental and social issues on the Company to ensure its sustainable operation. In accordance with this principle, the Company voluntarily established a Corporate Governance Officer to assist the Board of Directors in its operations in 2020. In addition, the Board of Directors has authorized the establishment of an Audit Committee and a Compensation Committee to assist the Board in fulfilling its supervisory responsibilities. The organizational charters of each committee are approved by the board of directors, and the chairpersons of each committee regularly report their discussions and decisions to the board of directors.

GUC has been ranked in the top 5% of the Taiwan Stock Exchange's Corporate Governance Evaluation eight times. This evaluation includes criteria such as the "MSCI Taiwan Index," "FTSE4Good TIP Taiwan ESG Index," "TWSE RAFI® Taiwan High Compensation 100 Index," "TWSE Corporate Governance 100 Index," "FTSE Taiwan Mid-Cap 100 Index," "FTSE TWSE Taiwan 50 Index," demonstrating our strong development in areas such as "protecting shareholder rights and treating shareholders equally," "strengthening board structure and operations," "enhancing information transparency," and "implementing corporate social responsibility."

3.1.2 Various Performance Metrics

Financial Performance

GUC's consolidated net operating revenue for 2023 was NT\$26.241 billion, an increase of 9% compared to the previous year's revenue of NT\$24.04 billion. The net profit after tax was NT\$3.508 billion, a decrease of 5% compared to the previous year. Earnings per share were NT\$26.18, a decrease of approximately 5% from the previous year's NT\$27.69.

The gross profit margin for 2023 was 30.4%, a decrease of 4.3 percentage points from the previous year's 34.7%. This decline was primarily due to a decrease in the gross profit margin of the Turnkey business and a higher revenue proportion. The net profit margin after tax for 2023 was 13.4%, a decrease of 2 percentage points from the previous year's 15.4%.

GUC Recent Annual Production Volume

(Unit: Thousand Quantity; NT\$ thousand)

Main products	2021		2022		2023	
	Volume	Amount	Volume	Amount	Volume	Amount
ASIC and wafer products	176,489	4,712,990	221,629	12,625,874	176,439	14,836,727
Commissioned design (NRE)	-	2,654,621	-	4,088,945	(Note)	3,950,094
Other	-	38,458	-	71,771	(Note)	163,819
Total	176,489	7,406,069	221,629	16,786,590	176,439	18,950,640

Note: The main business of the design service industry is to accept commissioned IC design services. Due to the differences in project contracting and cost allocation, the concept of self-owned wafer manufacturing capacity does not apply, as it is more relevant to the general manufacturing industry.

Operating Performance Statistics for the Past 3 Years

(Unit: NT\$10 million)

	Annual	2021	2022	2023
Generated Direct Economic Value	Revenue	15,108	24,040	26,241
	Cost	9,878	15,705	18,265
	Business income tax	281	635	647
	Director remuneration	28	45	45
Allocated Economic Value	Employee dividends - Cash	272	668	1,271
	Employee dividends - Bonus	272	668	0
	Shareholder dividends - Cash	938	1,876	1,876
Retained Economic Value		522	1,834	1,632

Note 1: Retained economic value = Generated direct economic value - Allocated economic value

Note 2: Green investment of NT\$3.5 million in 2023.

Communication Performance with Shareholders and Investors

GUC's management team formulates management policies based on feedback regarding relationship maintenance, integrating them into daily operations or annual plans. They regularly review and assess the effectiveness of these policies as crucial foundations for the Company's sustainable development strategy. Additionally, they engage with stakeholders to varying degrees based on their importance, effectively utilizing company resources to foster mutually beneficial relationships. For detailed communication channels, please refer to "[2.2 Stakeholder Engagement](#)."

2023 GUC Interactive Sessions and Investor Attendance Statistics:

Annual	2017	2018	2019	2020	2021	2022	2023
Number of Meetings	115	181	127	81	82	124	214
Number of Participants	594	1,158	860	749	971	1,647	1,959
Average Number of Attendees Per Meeting	5.17	6.40	6.77	9.25	11.84	13.28	9.15

3.1.3 Tax Risk Management

GUC has the following tax policies in place to effectively manage the Group's tax risks and apply for tax incentives in accordance with tax regulations, thereby enhancing the Company's tax benefits. The tax policy has been approved by the board of directors and is implemented by the responsible units, who report to the management level to ensure the effective operation of the tax management mechanism.

Tax Policy

- Comply with the tax laws and legislative principles of the operating jurisdiction of the corporate group.
- Not transferring the profits created by the Group Company from high-tax countries to low-tax countries.
- Not using tax structures without commercial substance or engaging in tax planning through tax havens for the purpose of tax avoidance.
- Related party transactions are conducted in accordance with the principles of regular transactions and comply with the internationally recognized transfer pricing guidelines published by the Organization for Economic Co-operation and Development (OECD).
- Approval and changes to tax policies must be approved by the board of directors.

Tax Risk Management and Governance

Tax risk management has been incorporated into GUC's annual Finance and Accounting Department Risk Management Report, which is regularly reported to the CEO by the head of the Finance and Accounting Department. The Chief Financial Officer of the Company bears the ultimate responsibility for tax management, while the day-to-day tax administration and management are entrusted to tax professionals supervised by the Accounting Manager. The accounting supervisor is required to report to the Company's audit committee whether there are any significant tax regulations that may affect the Company. And an external professional organization has been appointed to provide tax consulting services to enhance the quality of tax decision-making. In addition, to enable the Board of Directors to effectively grasp the Company's tax information, the Chief Financial Officer will consider the importance to report significant tax issues to the Board of Directors as needed.

Company Organizational Structure and Main Business Activities

The Taiwanese parent company serves as the primary operating entity for GUC, functioning as the operational headquarters responsible for formulating operational decisions and overseeing management. Its main business activities include ASIC design and turnkey management services for production. In addition, to provide services to customers around the world and meet their needs in a timely manner, the Company has established subsidiary companies in the United States, Japan, China, South Korea, Europe, and Vietnam. The aforementioned subsidiary, commissioned by our Taiwanese parent company, provides product design, technical support, and consulting services to the Company's clients in its home country. Therefore, both our company and its subsidiaries operate in countries that are not low-tax jurisdictions or tax havens, and engage in business activities with commercial substance.



Annual Consolidated Individual Tax Information

(Unit: NT\$ thousand)

Company Name	Country	Main Business Activities	Annual	Number of Employees	Revenue	Pre-Tax Profit/ Loss	Income Tax Expense	Actual or Projected Income Tax Payments
GUC	Taiwan	ASIC design and turnkey manufacturing management service	2023	700	26,240,714	4,131,577	623,692	610,369
			2022	697	23,995,308	4,321,985	611,543	589,725
GUC-NA	United States	Product consultation, design, and technical support services	2023	17	230,755	13,950	2,970	5,580
			2022	18	246,643	15,032	5,855	4,855
GUC-JP	Japan	Product consultation, design, and technical support services	2023	39	290,571	18,790	5,530	5,525
			2022	31	255,248	16,491	5,094	5,119
GUC-CN	China	Product consultation, design, and technical support services	2023	28	117,490	8,063	1,853	1,861
			2022	31	110,241	9,782	1,827	1,902
GUC-NJ	China	Product consultation, design, and technical support services	2023	58	476,965	102,177	12,745	10,573
			2022	59	953,104	102,693	9,676	10,850
GUC-EU	Netherlands	Product consultation, design, and technical support services	2023	2	25,536	1,556	81	234
			2022	4	30,045	1,753	288	229
GUC-KR	South Korea	Product consultation, design, and technical support services	2023	1	8,377	452	202	50
			2022	1	7,270	448	49	50
GUC-VN	Vietnam	Product consultation, design, and technical support services	2023	17	21,293	1,227	322	322

Note: The exchange rates for the actual or projected exchange rates for the 2023 fiscal year's revenue, pre-tax profit or loss, income tax expense, and income tax payment are based on the average buying and selling rates of the Taiwan Bank for the current month of each month in the 2023 fiscal year.

Effective Tax Rate and Cash Tax Rate

The effective tax rates of GUC Taiwan's parent company, GUC-NJ, and GUC-EU in 2023 were 15.10%, 12.47%, and 5.14% respectively, which were lower than the average effective tax rate of 15.90% for the "semiconductor and semiconductor equipment" industry published by SAM CSA Companion. The cash tax rates of GUC-NJ and GUC-KR in 2023 were 10.35% and 11.06% respectively, which were lower than the average cash tax rate of 14.12% for the "semiconductor and semiconductor equipment" industry published by SAM CSA Companion. The Company primarily benefits from the investment tax credits obtained in accordance with the provisions of the Industrial Innovation Act for research and development expenditures. Meanwhile, GUC-NJ is eligible for the research and development expense deduction policy and has obtained the qualification of a technology advanced enterprise, thus benefiting from a preferential tax rate of 15% for corporate income tax. Due to the adjustment of overestimated income tax expenses from previous years, GUC-EU's effective tax rate for 2023 was lower than the statutory tax rate of 15%. On the other hand, GUC-KR's lower tax rate is due to the application of a lower tax bracket.

3.1.4 Responsible Investment

In response to climate change and international sustainability trends, and to support green finance and foster sustainable industries, GUC initiated new initiatives in 2023. These include a new green deposit of NT\$300 million and the purchase of green bonds from banks totaling NT\$50 million. These actions demonstrate a commitment to green finance and embody the concept of taking from society and giving back to society. They also aim to instill a sense of environmental consciousness in all employees.

The main reason for collaborating with Mega Bank and SinoPac Bank is that the Green and Sustainable Deposits combine the two ESG characteristics of green and social benefits. The funds deposited by customers are used as the source of funds for green loans and sustainable linked loans. In other words, corporate customers support businesses or companies that are willing to invest in ESG development through deposits. This not only has a positive impact on the environment and society but also aligns with the concept of sustainable innovation of GUC, echoing SDG17 "Partnerships for the Goals" in creating a sustainable future with diverse partners.

Note: Green bonds refer to bonds issued by companies to raise funds specifically for green investment projects.

Company Name	2021		2022		2023 (estimated)	
	Effective Tax Rate (%)	Cash Tax Rate (%)	Effective Tax Rate (%)	Cash Tax Rate (%)	Effective Tax Rate (%)	Cash Tax Rate (%)
GUC	14.71	12.70	14.15	13.64	15.10	14.77
GUC-NA	43.21	41.60	38.95	32.30	21.29	40.00
GUC-JP	30.70	28.83	30.89	31.04	29.43	29.40
GUC-CN	24.01	22.31	18.68	19.44	22.98	23.08
GUC-NJ	12.19	11.87	9.42	10.57	12.47	10.35
GUC-EU	17.58	12.21	16.43	13.06	5.14	15.04
GUC-KR	11.01	10.55	10.94	11.16	44.69	11.06
GUC-VN	-	-	-	-	26.24	26.24

3.2 Functions and Strategies of the Board of Directors

3.2.1 Board of Directors' Functions

GUC places a strong emphasis on the diversity of its board members to enhance corporate governance and promote the sound development of the board's composition and structure. According to the Company's Corporate Governance Guidelines, Article 20 specifies the following capabilities that the board as a whole should possess: 1. Business judgment capability, 2. Accounting and financial analysis capability, 3. Operational management capability, 4. Crisis management capability, 5. Industry knowledge, 6. International market perspective, 7. Leadership capability, and 8. Decision-making capability.

The current board of directors of GUC consists of 9 directors, more than half of whom are 5 independent directors. Directors are all over 50 years old, with males accounting for 89% and females accounting for 11%. There are no spousal or immediate family relationships among the directors. Additionally, only 1 director holds the position of company manager, namely Sean Tai, who also serves as the President of the Company. Therefore, the board of directors is independent. At the same time, the members of the GUC Board of Directors possess diverse complementary abilities across industries. Each member also has industry experience and relevant skills, such as law, finance, accounting, industry, marketing research and development, technology, business management, professional skills, and industry experience. In addition to professional capabilities, the board also ensures the presence of one female director. The implementation of the board of directors'

policy on board member diversity by individual directors of the Company is as follows:

The diversity goals of our board of directors include, but are not limited to, the following two aspects:

1. Basic conditions and values: Gender, age, nationality, and culture, etc. During the 10th Board of Directors election at the Company's 2023 Shareholders' Meeting, one female independent director was appointed. In the future, at least one seat for female directors will be reserved, with the goal of having female directors occupy one-third of all director seats. Additionally, age requirements will be balanced.
2. Professional knowledge and skills: Professional background (such as law, finance, accounting, industry, marketing research and development, or technology), professional skills, and industry experience, etc.

GUC 2023 Board of Directors continuing education courses and total hours: The Company arranges 3 hours of continuing education courses for directors every year. All directors also participate in continuing education courses for at least 3 hours, meeting the standards of corporate governance evaluation. Furthermore, in order to enhance the Board's understanding of ESG and climate governance issues and keep abreast of the latest developments, external experts will be arranged to provide lectures to the Board as deemed necessary. The training situation of directors (including independent directors) is disclosed in the annual shareholders' meeting report every year and is made available on the Company's official website or public information website for investors to access.

For detailed information on directors' continuing education and other disclosures of conflicts of interest involving stakeholders, please refer to the [GUC 2023 annual report](#) or [the Public Information Observation Station](#).



2023 Board Members of GUC

Director's Name	Diversified Core Category	Nationality	Gender	Tenure	Employee	Age	Management and Business Judgment	Finance and Accounting	Crisis Management	Industry Knowledge	International Market Outlook	Leadership and Decision-Making Skills
F.C. Tseng		R.O.C.	Male	8	No	79	V	V	V	V	V	V
Sean Tai		R.O.C.	Male	2	Yes	59	V	V	V	V	V	V
L.C. Lu		R.O.C.	Male	1	No	63	V		V	V	V	V
Wendell Huang		R.O.C.	Male	3	No	62	V	V	V	V	V	V
Kenneth Kin		R.O.C.	Male	3	No	77	V		V	V	V	V
Jesse Ding		R.O.C.	Male	2	No	70	V	V	V		V	V
Tsui-Hui Huang		R.O.C.	Female	2	No	59	V	V	V		V	V
Cheng-Wen Wu		R.O.C.	Male	1	No	65	V	V	V	V	V	V
Ho-Min Chen		R.O.C.	Male	1	No	67	V	V	V		V	V



3.2.2 Nomination Selection

To implement the policy of diversifying the composition of the board members and enhance the overall performance of the Company, as well as to respond to the advocacy in the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" that independent directors should not serve more than three consecutive terms, the Company is gradually improving the structure of the board of directors.

GUC held a board meeting on February 2, 2023, during which the list of candidates for independent directors was approved. In the annual shareholders' meeting of 2023, 9 new directors were elected, including 5 independent directors. After the election, the Company has five independent directors (all), with a term limit under three terms. In addition, the Company ensures diversity by reserving at least one seat for female directors. Directors are required to have professional backgrounds in technology, law, finance, accounting, and management. The list of director candidates is generated through recommendations from industry professionals.

Sean Tai, the director and president of the Company, has over 30 years of experience in the semiconductor industry. He is primarily responsible for overseeing all operational matters and reports to the board of directors. The Company has also established the GUC's "Procedures for Ethical Corporate Management and Guidelines of Conduct" which includes a policy on avoiding conflicts of interest. When carrying out company business, all personnel are required to disclose any situations that may involve a conflict of interest with themselves or the legal entities they represent, or situations that may result in undue benefits for themselves, their spouses, parents, children, or related parties. They must proactively sign

the "Conflict of Interest Disclosure Form" to prevent and mitigate conflicts of interest.

3.2.3 Performance Evaluation

To achieve corporate governance goals and strengthen the functioning of the board of directors, GUC has formulated and passed the "Measures for Directors' Performance Evaluation." Every year, the board of directors and functional committees (including the Audit Committee, Compensation Committee, etc.) conduct self-assessments, as well as individual director self-performance evaluations (through questionnaires). The indicators for evaluating the performance of the board of directors include six aspects: "Degree of Participation in the Company's Operations," "Enhancement of the quality of board decision-making," and "Achievement of annual sustainability performance and strategic objectives."

The Compensation Committee evaluates the results and proposes relevant standards and exact amounts for salary distribution. In the fourth quarter of 2023, GUC completed self-assessment and director self-evaluation with the Board of Directors and the Functional Committee, and reported to the Board of Directors in January 2024. The internal performance evaluation results for the year indicate that the board of directors and board members have performed excellently in improving the quality of board decisions and participating in company operations, meeting the assessment criteria for the "excellent" rating.

In addition to internal self-assessment, GUC also regularly hires external evaluation agencies to conduct board performance evaluations every three years. In 2022, the Company once again commissioned an external

independent assessment agency, the Taiwan Corporate Governance Association, to carry out the relevant operations. The assessment report considers the Company's supervisory trends and experience inheritance, and proposes a phased update of the board members. At the same time, the report suggests that the company establish a nomination committee at an appropriate time, or incorporate the functions of selection, cultivation, and succession planning into the scope of the Compensation Committee, to demonstrate a commitment to corporate governance.

The policy, system, standards, and structure for the payment of remuneration to independent directors shall be based on the responsibilities, risks, and time invested, and shall specify the relationship between the remuneration amount and these factors. The total remuneration for independent directors and non-executive directors shall not exceed 2% of the annual profit, as stipulated in the Company's articles of incorporation. The remuneration payment standards shall be adjusted based on the Company's operational performance and distributed proportionally according to the number of days each director serves.

3.2.4 Internal Audit

Internal Audit Unit

GUC shall establish an internal control system and an internal audit unit responsible for implementing the system, in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies." The main responsibilities of the internal audit unit are to examine and evaluate the effectiveness of internal control systems and risk management processes. With an independent and objective organizational positioning, the unit aims to improve

organizational operations and enhance the added value of the Company, thereby enhancing the effectiveness of corporate governance. It also assists the board of directors and management in achieving the established organizational goals.

The Internal Audit Unit of GUC is an independent unit directly under the Board of Directors, with a dedicated Audit Manager and two dedicated Audit personnel. Audit personnel are required to participate in audit-related courses offered by professional training institutions every year, in order to continuously enhance their professional knowledge and skills. The performance and compensation plan of the audit supervisor shall be discussed and approved by the Compensation Committee and the Board of Directors. The appointment, evaluation, and compensation of audit personnel shall be signed and submitted by the audit supervisor for approval by the Chairman of the Board of Directors. Performance evaluations are conducted once a year.

Internal Audit Process

The internal audit unit formulates an annual audit plan based on the results of risk assessment, including the items to be audited each month. The annual audit plan has been approved by the board of directors and will be implemented in accordance with the internal audit implementation rules. In addition, project audits will be conducted as needed to timely identify potential internal control deficiencies and issue audit reports. The audit unit also urges each department to conduct self-inspections, establish a self-supervision mechanism within the Company, and use the evaluation results as the basis for issuing internal control statements by the Chairman and President of the Company. The internal audit unit conducts follow-up audits on identified

deficiencies, anomalies, or areas for improvement to ensure the effectiveness of the improvements.

The internal audit supervisor reports to the Audit Committee at quarterly meetings on the annual audit plan and its actual implementation, and interacts with independent directors. The internal audit supervisor also provides monthly written reports to the independent directors and engages in necessary communication. The accountant also attends the quarterly Audit Committee meetings to review or audit the financial reports, and to communicate and interact with independent directors on financial, tax, or internal control matters. The independent directors communicate and interact with the Audit Committee, the Chief Financial Officer, the Chief Accountant, the Internal Audit Manager, and the Certified Public Accountant, and record the important content in the minutes of the Audit Committee meeting. For more information on other significant events related to communication with the highest governing body, please refer to the GUC Annual Report. In addition, there is direct communication between the independent directors, internal audit unit, and the auditing accountants, and the communication is good.

3.2.5 Shareholders' Equity

GUC' measures to enhance shareholder's equity include:

1. Implementing Corporate Governance System: The company established the Audit Committee as early as 2008 and the Compensation Committee in 2011, enhancing the Company's remuneration system to improve the transparency of corporate information disclosure and facilitate market supervision. The director candidate nomination system was fully

implemented starting in 2013, and the Corporate Governance Practices Guidelines were established in 2015, strengthening the functions of independent directors and the audit committee, with the aim of achieving a top 5% rating in corporate governance evaluations.

2. Strengthening the prevention of insider trading: The Company strengthens the real-time disclosure of significant information, treating shareholders and investors equally. Starting from the third quarter of 2018, the Company has been publishing financial reports on the same day as the board of directors meeting, ensuring timely and symmetrical information.
3. Shareholders' meetings provide online participation: In order to practice shareholder activism and comply with the principle of equity ownership, in addition to physical shareholders' meetings, online live streaming and electronic voting services are also provided.
4. Stable Dividend Distribution: The Company's dividend policy is based on stability and sustainability. Currently, we are in a phase of operational growth. In the future, the proportion of cash dividends distributed will not be less than 10% of the total dividend amount, depending on the expansion plans and investment capital requirements.

3.3 Ethical Corporate Management

3.3.1 Ethical Corporate Management and Code of Conduct

To establish a corporate culture of ethical corporate management, and to comply with regulations, GUC has formulated the GUC's "Procedures for Ethical Corporate Management and Guidelines of Conduct" in accordance with the national "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies." This document is continuously promoted through channels such as the Company's website, communication meetings, internal regulations, employee education and training, and electronic bulletin boards. In addition to requiring directors and managers to issue statements adhering to the Procedures and Guidelines, the employment conditions also require employees to abide it. All employees at global locations are required to have a clear understanding and faithfully comply with the policy. And establish the "Supplier Code of Conduct" to require suppliers to understand and adhere to it together.

To implement the ethical corporate management in the Company, the Human Resources Department is designated as the responsible unit. It requires directors, managers, employees, appointees, and substantial controllers (hereinafter referred to as Company Personnel) of GUC and its subsidiaries to comply with legal regulations and conduct business activities in a fair and transparent manner based on the principles of integrity. The Company Personnel should avoid any conflicts of interest between personal interests and company interests, and prohibit bribery, acceptance of bribes, provision of illegal political donations, improper charitable donations or sponsorships, unreasonable gifts or exchanges of gifts, improper benefits or hospitality, infringement of intellectual property rights, and engagement in unfair competition. At the same time, the Company Personnel should prevent harm to stakeholders caused by products or services and report regularly to the Board of Directors on compliance assessments. The Company has established the "Corporate Governance Practices Guidelines" and the "Ethical Corporate Management Operating Procedures and Code of Conduct". Please refer to the annual report for complete information.

The dedicated department also regularly conducts education and training for the Company Personnel. We have incorporated the policy of ethical corporate management into

employee performance evaluations and human resources policies. We have established clear and effective reward and punishment systems, including:

- Establish and announce an internal independent whistleblower mailbox for use by internal and external stakeholders:
Whistleblower Email: ombudsman@guc-asic.com
Fax / Telephone: 03-5790696
Mailing Address: No. 10, Li Hsin 6th Road, Hsinchu Science Park, Hsinchu City 300096, Taiwan / Received by Internal Audit Unit of GUC
The Company's Official Website [Irregular Business Conduct Reporting](#)
Audit Committee Chairperson's Email: acinfo@guc-asic.com
- Assign dedicated personnel or units to handle complaints
- Record and preserve the records of the acceptance, investigation process, investigation results, and related documents of the complaint cases.
- The identity and content of the whistleblower shall be kept confidential, and measures shall be taken to protect the whistleblower from any improper treatment as a result of the whistleblowing.
- Establish a system of rewards and penalties for whistleblowers. The disciplinary action will be taken if there is any false accusation.

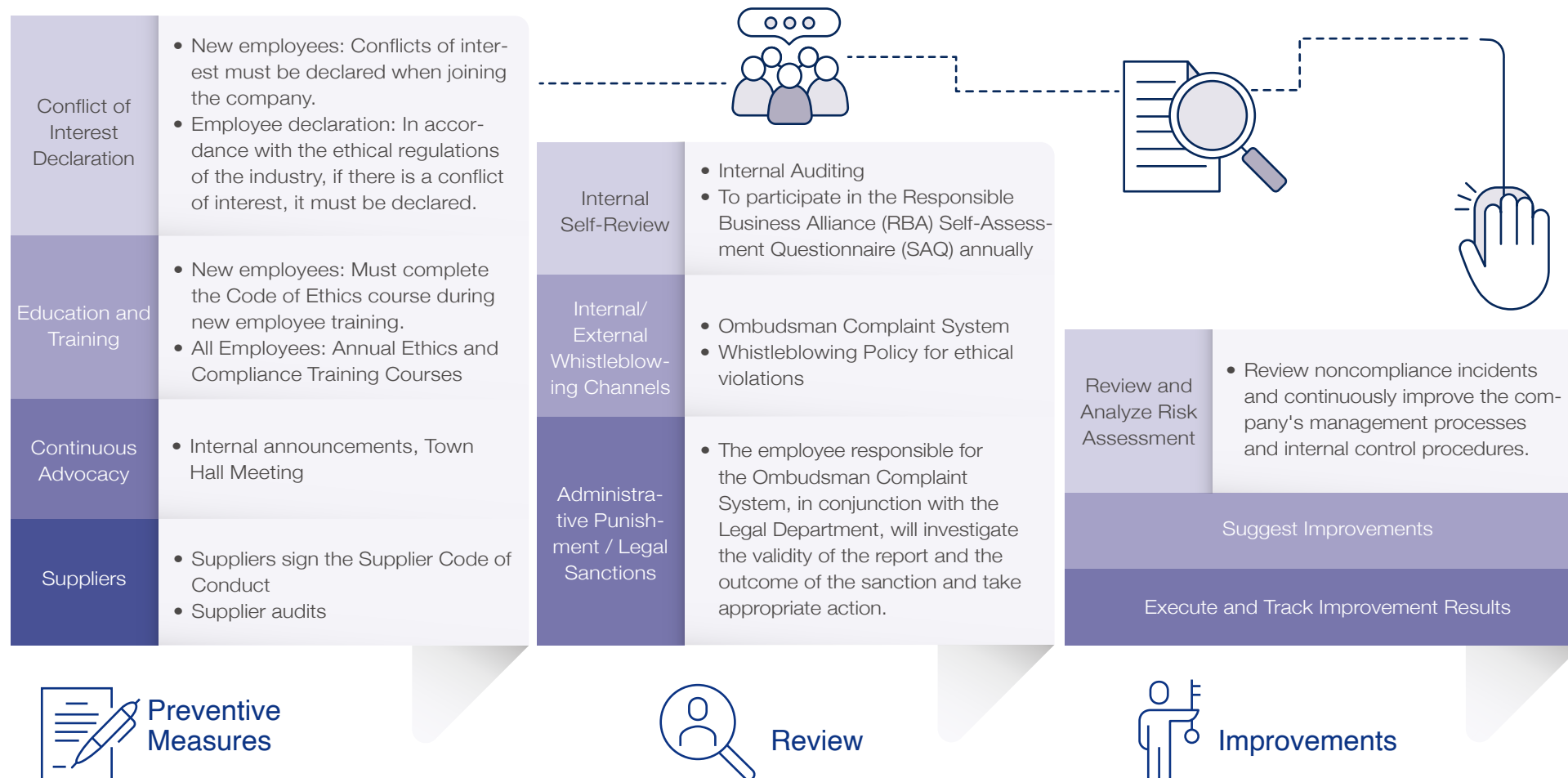
In the event that the Company Personnel violate the ethical corporate management or code of conduct, and such violations pose a significant risk of substantial harm to the Company, an immediate report must be made. The independent directors shall be notified in writing, and appropriate actions, including termination or dismissal, shall be taken in accordance with relevant laws or the Company's personnel regulations.

GUC holds annual code of conduct training for all employees. The training covers topics such as protecting confidential information, Integrity Operation Procedures, Code of Ethics, Prohibition of Insider Trading, and the RBA Code of Conduct. The completion rate

for the year 2023 was 100%. In addition, the Company provides orientation and training for new hires, ensuring that they are informed about important company policies, conflict of interest avoidance, and the prohibition of using their position for personal gain. The

completion rate for new hires in 2023 was also 100%. The completion of the signing of Supplier Code of Conduct also achieved 100%.

Operation Procedure for GUC's Ethical Corporate Management



3.3.2 Legal Compliance

The GUC management team continues to closely monitor any domestic and foreign policies and regulations that may impact the Company's finances and operations. To ensure that all employees understand the importance of legal compliance, the Company has established a management procedure for legal compliance. The President has appointed a senior executive as the compliance officer to oversee compliance matters. In this regard, the legal department has established a real-time mechanism for receiving updates on regulations, timely reminding all departments to pay attention to the updates or amendments of laws and urging them to timely update or amend their operational and management regulations in accordance with the relevant laws within their scope of business. To strengthen the management of legal compliance and establish a clear and appropriate system for the communication, coordination, and dissemination of laws and regulations, each department should designate a dedicated person to be responsible for legal compliance and conduct self-assessments. As for the frequency of self-assessment operations, each department should assess compliance with laws and regulations related to its daily operations or activities every six months. As for the assessment of compliance with laws and regulations, it should be conducted at least once a year. The results of the assessment should be approved by the department's supervisor (at the department level or above) and submitted to the legal department for record.

In addition to understanding various legal compliance issues, the Company also provides relevant education and training resources for public awareness. For example, various channels are used to promote courses on the "Personal Data Protection Act" and the "Trade Secrets Act." It is required for management and relevant colleagues to participate, and all colleagues are required to learn and comply with the GUC's "Procedures for Ethical Corporate Management and Guidelines of Conduct" and the "EICC Code of Conduct." In 2023, GUC did not receive

significant monetary fines or other non-monetary penalties for non-compliance with laws in the categories of economy, environment, and society. There were also no legal disputes related to anti-competitive practices, anti-trust, or monopolistic behavior. All of the Company's operational activities comply with domestic and international laws and regulations, serving as the foundation for our ongoing operational capabilities. In addition, the Company has reviewed the implementation results of the three regulatory compliance indicators required to be disclosed by GRI Standards.

Regarding the protection and management of personal data, the Company has established the Personal Data Protection Management Procedure. All processes related to the collection, processing, utilization, and international transfer of personal data must be conducted in accordance with this procedure. The Personal Data Protection Committee coordinates the continuous improvement and supervision of personal data security maintenance, and establishes an audit mechanism. As for the assessment and management mechanism of personal data risk levels, it is conducted in accordance with the Company's internal regulations on the "Proprietary Information Protection Procedure." Furthermore, according to the Company's "Code of Conduct of the Responsible Business Alliance (RBA)," we are committed to reasonably protecting the personal data and privacy of any individuals who have business dealings with our company, including suppliers, customers, consumers, and employees. We adhere to privacy and data security laws and regulatory requirements when collecting, storing, processing, transmitting, and sharing personal data.

On the other hand, the specific measures taken by the Company for the collection, storage, use, and sharing of customer data are disclosed in the "Privacy Policy" on our website. Furthermore, the Company explicitly discloses the relevant rights of customers and commits to using the data solely for specific purposes.

In terms of compliance with environmental regulations, GUC did not receive any significant fines or sanctions for violating environmental laws and regulations in 2023. The Company also had zero instances of formal complaints filed, processed, and resolved through the official complaint mechanism regarding environmental impacts.

In terms of compliance with social category regulations, there were no violations of regulations resulting in substantial fines in 2023 regarding financial reporting, workplace discrimination, or corruption. Furthermore, there were no sanctions other than fines imposed, and no formal complaints were filed, processed, or resolved through the human rights complaint mechanism.

Finally, in compliance with product sales regulations, there were no incidents in 2023 where significant fines were imposed due to violations of laws and regulations in the process of product sales and the provision and use of services.

There will be no corruption incidents occurring within the year 2023.

No complaints related to infringement of customer privacy or customer data have been reported within the year 2023.

No incidents of violations regarding marketing promotions, including advertising, sales, and sponsorship regulations and voluntary guidelines, have occurred within the year 2023.

No sales of controversial products have occurred within 2023.

No incidents of violations of regulations and voluntary standards regarding product and service information labeling have occurred within the year 2023.

No incidents were reported regarding non-compliance with laws and regulations on the safety of products and services during their life cycle within the year 2023.

3.4 Risk Management

3.4.1 Risk Management Policy and Framework

GUC established the "Risk Management Policy" in 2010 and it was approved by the Board of Directors, serving as the highest guiding principle for risk management in the Company. Each management unit regularly assesses and reviews risk issues in accordance with the Risk Management Operating Procedures, and reports the risk assessment results to the Operation Committee. The President then consolidates significant risk issues and reports them to the Board of Directors on a regular basis.

In the process of business management, it is important to prevent and control potential risks and establish relevant warning measures. And based on the principle of significance, we conduct risk assessments related to the Company's operations. This serves as a reference for our risk management and operational strategies, allowing us to effectively identify, measure, and control various risks within acceptable limits resulting from our business activities.

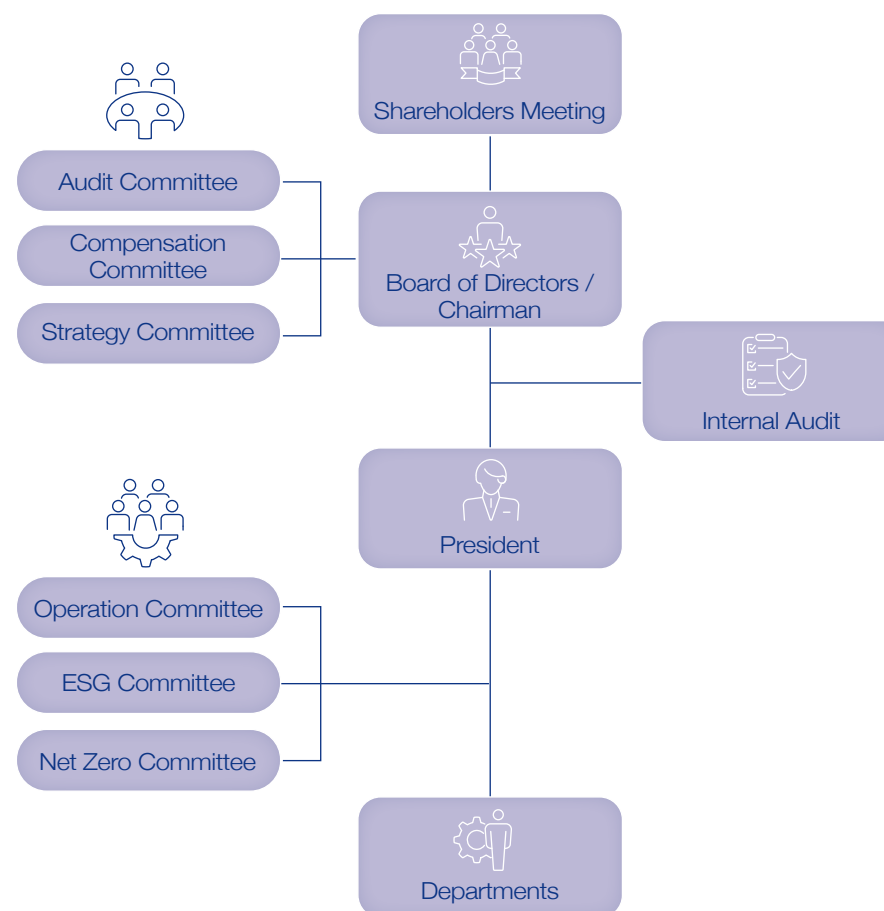
In addition, risk management awareness is also included as one of the performance evaluation indicators for all managerial positions. In performance assessments, risk management is integrated into executives' key performance indicators (KPIs) and linked to rewards. We also encourage employees to regularly review risk management and continuously improve. The risk awareness assessment index encourages managers to calculate risks in order to drive continuous innovation for themselves and their colleagues. Furthermore, it is necessary to assess the potential risks of all new initiatives and make

Risk Management Scope of GUC

- Intellectual property management plan
- Cybersecurity risk
- Contractual Risk
- Product quality and competitiveness
- Climate change and environmental risk management emergency response
- Operational risk

every effort to mitigate these risks. Through risk awareness and management strategies, we ensure that our business operates within the legal boundaries in the most effective manner possible. This is also part of our commitment to ESG, as we strive to create a sustainable and responsible business environment.

Risk Management Framework of GUC



Risk Management Organization

GUC has established Audit Committee, Compensation Committee, and Operation Committee to prevent and control risks that may arise during the management process, and to formulate relevant precautionary measures. Below are our more detailed risk management implementation guidelines.



Audit Committee

The main responsibility of the Audit Committee is corporate risk management. The Audit Committee is composed of five independent directors appointed by the shareholders' meeting. It meets at least once every quarter and is responsible for the following functions: reviewing the Company's financial statements, the appointment and independence of the CPA, monitoring the effective implementation of internal controls, ensuring compliance with relevant laws and regulations, and effectively managing and controlling existing or potential risks.



Compensation Committee

The Compensation Committee evaluates and reviews the allocation ratio of compensation for the senior management team and employee remuneration. The committee has formulated the table of "The Total Remuneration of Directors, President, and Vice President as a Percentage of the After-Tax Net Profit in Individual or Separate Financial Statements". Please refer to the Company's "2023 Annual Report." The committee evaluates and reviews the rationales of the salaries and rewards according to the individual capabilities and contributions to the Company, and performance of the management team, ensuring that the total rewards system balances the interests of all stakeholders and effectively attracts and retains talent.

Director's annual total remuneration includes director's rewards, salary, and bonuses (the latter two only apply to those who are also employees); the remuneration for senior executives includes salary, bonuses, and retirement benefits, which are disclosed regularly in the Company's annual report. The committee has independent directors who provide external diverse perspectives and opinions, and at least four meetings are held each year to review and ensure the competitiveness and reasonableness of compensation.



Strategy Committee

GUC established the Strategy Committee starting from 2022. The 1st Strategy Committee is composed of 5 independent directors and served from October 27, 2022, to May 13, 2023. The 1st session of the 1st Strategy Committee was held on December 1, 2022 to discuss future operational strategies and policies. All committee members attended the meeting in its entirety. After the 2023 board election, the 2nd Strategy Committee is composed of all directors and serves from May 18, 2023, to May 18, 2026. The 1st and 2nd sessions of the 2nd Strategic Committee Meetings were held on May 18, 2023, and December 7, 2023, respectively, to discuss future operational strategies and policies.

The Strategy Committee of the Company is composed of all directors. The responsibilities of this committee include planning and overseeing the following matters:

- The Company's growth strategy includes short-term, medium-term, and long-term development goals and strategies.
- Significant investment and merger plan
- Risk management issues
- Other important strategy issues

The Strategy Committee holds two meetings per year to primarily discuss the Company's long-term strategy and the execution of risk management, as well as the strategies for various target markets and products. Additionally, the committee proposes items that need to be considered and evaluated during business expansion, providing reference for the Company's management team.



Operation Committee

Meetings are held every two weeks to review the implementation of the Company's business strategies and the achievement of operational goals. The meetings are chaired by the President, and reports are presented by the business units and production management units after consolidation. Assess and provide countermeasures for potential risks that could significantly impact the operational plan, and report to the Board of Directors after consolidation by the Chairman of the Operation Committee.

Operation Committee 2023 Annual Operations Report:

- The division level of the Company have reported to the Operation Committee on the risk control situation related to their respective responsibilities, in accordance with the annual plan.
- The President of our company reported to the board of directors on February 2, 2023, regarding the company's long-term plans and significant potential risks, as well as the corresponding measures to address them.
- The Company's legal director reported to the board of directors on October 26, 2023 regarding the Company's contract risk management policy and intellectual property management plan.



ESG Committee

The main responsibilities of the ESG Committee are: (1) Propose a mission or vision for sustainable development and to formulate policies, systems, or relevant management guidelines for sustainable development.(2) Incorporate sustainable development into the company's operational activities and development direction, and establish specific plans for promoting sustainable development.(3) Ensure the timeliness and accuracy of disclosure of information related to sustainable development.



Net Zero Committee

To effectively manage the business risks brought about by climate change, GUC established the Net Zero Committee in 2022, convening meetings twice a year. The main responsibilities include planning and implementing greenhouse gas inventory, energy conservation and carbon emission reduction, establishment and procurement of renewable energy, and guidance on carbon emission reduction in the supply chain based on international standards such as CDP, SBTi, and TCFD. The goal is to achieve net-zero emissions by 2050, with continuous monitoring and control using scientific methods.

Results of GUC's 2023 Risk-Related Training

Risk Scope	Content	Frequency	Trainees
Risk Management of Confidential Information Leakage	Information Security Training	Twice a year	All employees, training completion rate 100%
Legal Compliance Risk Management	Ethical Corporate Management and Code of Conduct	Once a year	All employees, training completion rate 100%
	Emergency Evacuation Drill	Once a year	A total of 382 employees from the Hsinchu headquarters participated in the training.
Environmental Safety Risk Management	Self-Defense Firefighting Unit Drill	Twice a year	A total of 38 employees from the Fire Brigade participated in the training.
	Prevention of Workplace Unlawful Infringement Training	Once a year	All employees, training completion rate 100%

3.4.2 Various Risk Management Measures

To effectively identify and manage operational risks, GUC has established the Risk Management Policy, Risk Management Procedures, Subsidiary Supervision Procedures, Internal Control Statement, and Group Enterprise, Specific Company, and Related Party Transaction Procedures to establish a risk control mechanism with affiliated companies. In addition, the Company has also established the GUC's "Procedures for Ethical Corporate Management and Guidelines of Conduct", which prohibits internal personnel from trading securities with undisclosed information in the market.

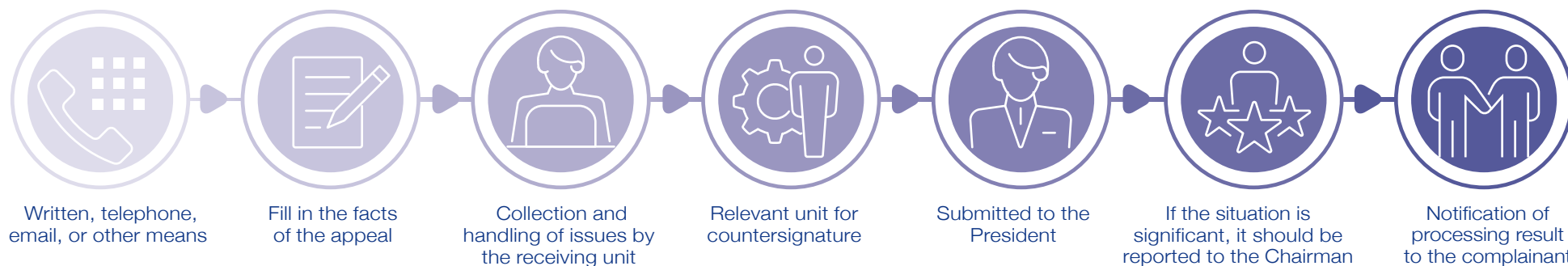
To enhance employee cohesiveness and company atmosphere, GUC has established the "Global Unichip Corp. Grievance Policy" to safeguard the legitimate rights and interests of employees, develop a sound labor-management relationship, and improve the management system. We have also established the "Global Unichip Corporation Whistle Blowing Policy" to clearly establish the company's whistleblowing channels and investigation procedures, and to safeguard the company's legal rights and interests.

In terms of protecting information security and personal data, GUC has established the Proprietary Information Protection (PIP) Policy, which outlines the management procedures and regulations for protecting confidential information within the company. This policy ensures the proper control of the Company's trade secrets and undisclosed confidential information to safeguard the best interests of the Company, shareholders, employees, customers, and suppliers.

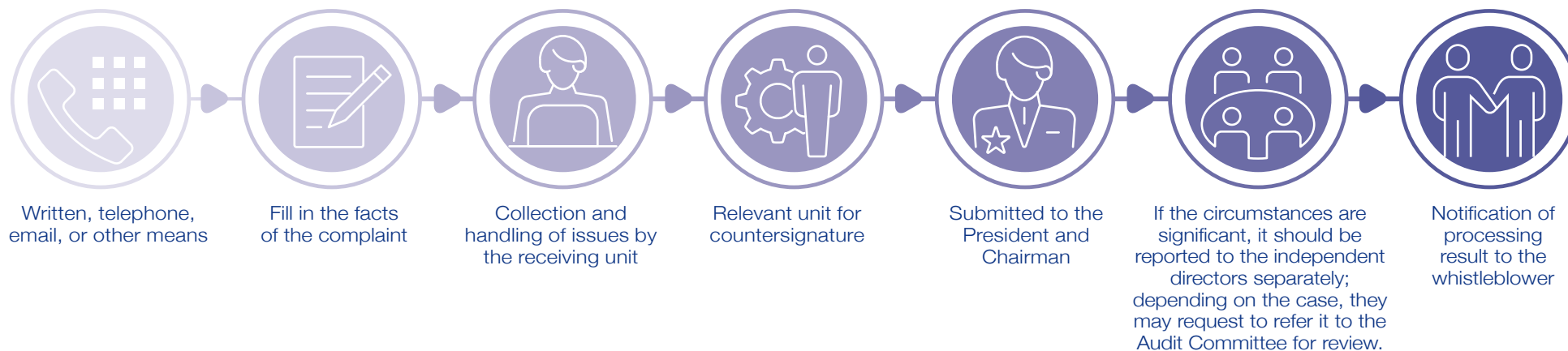
Critical Event Communication

To protect the rights and interests of employees, promote legal compliance, and implement honest business practices, GUC has established written Grievance and Whistleblower Management Policies. Both employees and external individuals can make complaints and reports under protected conditions. After receiving complaints or reports, the Company takes strict measures to protect the personal information of the complainants and informants, and does not impose any adverse actions on them because of the complaints or reports.

GUC Employee or External Stakeholder Grievance Process



GUC Employee or External Stakeholder Whistle-blowing Process



The Data Compilation of Grievance, Reports, and Investigations Received from 2021 to 2023 Summary

Channel	2021	2022	2023
Independent Director Mailbox (Audit Committee)	0	0	1 case ^{Note 1}
Ethical Conduct Reporting	0	0	0
After Investigation, It Was Determined that There Was A Violation of Professional Ethics	0	0	0
Employee Complaint	2 case	4 case	2 case ^{Note 2/Note 3}
Complaints of Sexual Harassment and Unlawful Infringement	0	0	0
Investigated and Established Cases	2 case	0 case	0 case

Note 1: The investigation found that the anonymous report made through regular mail was not based on factual information.

Note 2: Due to the complainant's refusal to participate in the investigation activities, the investigation team was unable to proceed with any procedures or investigations to clarify the contents of the complaint, and therefore, the case was closed.

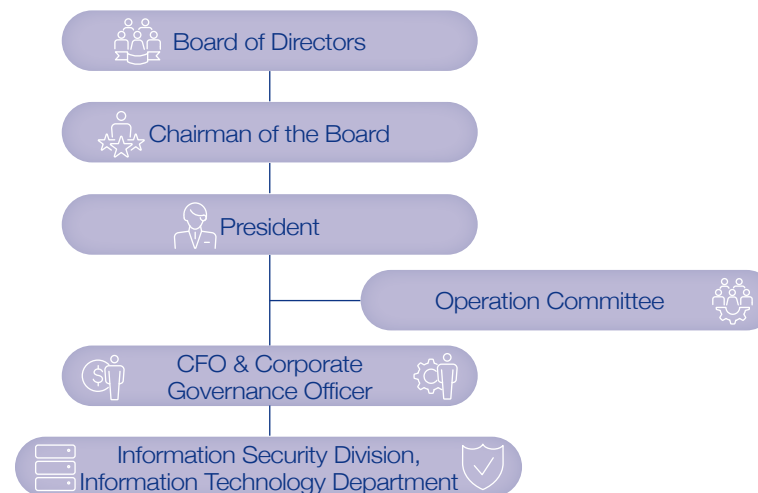
Note 3: The complaint is about convenience in daily life and is not a major complaint case. The responsible department has strengthened the current practices and has got a satisfactory response from the employee.

3.4.3 Information Security Management

GUC's vision for information security is to build a comprehensive defense capability based on the consistency of information security governance, gradually enhancing the ability to protect against all aspects of threats, and creating a robust and effective security defense network. The goal is to become an outstanding company in terms of information security governance maturity. The Information Security Department coordinates the information security system and compliance, and promotes the implementation of related operations, such as establishing information security management standards that comply with regulations and customer requirements, fully implementing the consensus on awareness of information security protection for all employees, protecting the confidentiality, integrity, availability, and legal compliance of company and customer information, and continuously striving to enhance information security awareness and professional capabilities.

Through the use of technology, the Company's Information Security Department identifies information security risks and vulnerabilities, and implements effective strengthening measures to establish a comprehensive governance system and all-round information security protection capabilities. Meanwhile, we are committed to cultivating a strong sense of information security awareness among our colleagues to ensure the organization's collective attention and participation in information security. This will help ensure that GUC maintains a robust and reliable cybersecurity defense system in an ever-changing information security environment.

Information Security Management



Information Security Committee

"Information Security Committee" is responsible for implementing information operation security management planning, establishing and maintaining an information security management system. The information security supervisor oversees the execution of information security operations and the effectiveness of the information security risk management mechanism throughout the Company. They report to the Chief Financial Officer and the Governance Director, and must present the overall effectiveness of information security management organization, related information security management operations, and system execution results at the quarterly senior management meeting and the annual board of directors meeting. The "Information Security Representative Conference" is held annually to review the development plans, implementation results, and communication of relevant information security policies and implementation guidelines.



Committee for Confidential Information Protection (PIP Committee)

The PIP Committee is composed of representatives appointed by department heads from the entire Company, including global subsidiaries. The committee is chaired by a vice president-level executive and holds quarterly meetings to discuss, establish, audit, and promote the Company's confidential information control operations. Protecting confidential information is GUC's commitment to customers, shareholders, and colleagues' recognizes that the protection of confidential information is critical to the Company's current and future competitive advantages. Therefore, the Company has formulated the "Proprietary Information Protection (PIP) Policy," which outlines the management procedures and regulations for protecting confidential information within the Company. This policy ensures the proper control of trade secrets and other confidential information not disclosed to the public, thereby safeguarding the best interests of the Company, shareholders, employees, customers, and suppliers.

The protection of confidential information at GUC is continuously strengthened through the management cycle of Plan-Do-Check-Act (PDCA), which includes planning, execution, auditing, and action. This approach aims to enhance the ability to protect confidential information, improve employees' understanding and awareness of confidential information protection, and reduce the risk of information leakage. In addition to incorporating relevant content on confidential information control into the mandatory training program for new employees, all staff members are required to undergo two annual information security education refresher courses to continuously enhance and elevate their awareness of information security. To enhance employee awareness and capabilities in information security, GUC implements comprehensive training programs. Through daily work and various occasions, the concept of confidential information and compliance measures are advocated. Additionally, management methods are established to incorporate information security and integrity into employee performance evaluations, thereby emphasizing the importance of protecting confidential information.

PIP Training	2021	2022	2023
Total Number of Employees for the Year	757	759	819
Completion Ratio	100%	100%	100%

Note: The number of employees refers to the total number of employees who should receive training during the year, not the total number of employees at the end of the year.

The PIP Committee conducts regular audit activities every quarter to ensure the implementation of the Company's measures for protecting confidential information. In response to PIP violations, management regulations will be established, a reporting system will be implemented, and investigations and disciplinary actions will be conducted according to the nature and severity of the violations. Necessary corrective measures will be taken, and continuous promotion and training will be conducted. The following table lists the PIP violations over the years. Information Security and Privacy Protection: The overall violation rate of employees due to non-compliance with confidential information protection procedures is 0.122% in 2023. The Company did not incur any losses due to significant information security incidents in 2023

Violation of PIP	2021	2022	2023
Number of Employee Violations	6	1	1
Number of Violations by Outsourcing Vendors	0	0	0

Response Strategies for Information Security Risk Management Framework

To address the increasingly complex and evolving challenges of information security, GUC has carefully designed four key strategies within its information security risk management framework. These strategies include enhancing security defense capabilities and maturity assessment, improving security management processes, providing security education and training, and remaining vigilant against emerging risks. The following provides a more detailed description of these four strategies.

G 1. Enhancing Cybersecurity Defense Capability and Maturity Assessment

To ensure the robustness of the information security system, GUC regularly conducts security system testing and reinforcement. It also conducts at least two operational contingency drills every year to ensure that in the event of abnormality in critical systems, prompt recovery can be achieved, minimizing the impact on operations. At the same time, establish a network security incident response plan and take corresponding notification and recovery actions. Simultaneously, conducting risk analysis and enhancing the information security management system based on objective results and threat

intelligence verified by third parties. The expected target for the 2023 Security Scorecard was 95 points. The score increased from 99 points to 100 points starting from January 2023 and will be maintained at this target every month.



The frequency of external vulnerability scanning has increased from once a month since the end of 2022 to once a week as of the current year 2023. High-risk vulnerabilities are patched within one week of discovery. From the 7th week of 2023 until the end of the year, there have been no external vulnerabilities detected.

2.Enhancing Information Security Management Process

GUC has complied with the ISO27001 international standard for information security in 2021 and obtained certification. Through annual review operations, continuous improvement has been conducted. The ISO 27001 review for the year 2023 has also been successfully completed. In response to the International Organization for Standardization (ISO) officially announcing the ISO/IEC 27001:2022 standard on October 25, 2022, GUC is preparing for the transition of the Information Security Management System (ISMS) and expects to complete the new version certification process in October 2024.



3.Information Security Training

GUC continues to implement employee cybersecurity training to enhance their awareness and capabilities to reduce risks. In addition to including the content related to the control of confidential information as a mandatory training course for new employees, we also hold various drills and awareness campaigns every year to continuously strengthen and

enhance employees' awareness of information security. The following are the Company's drill and awareness initiatives.

- Conduct two social engineering attack simulation drills annually, targeting colleagues who have not passed or have failed twice consecutively. They must participate in additional cybersecurity training to enhance employee awareness of email protection.
- Quarterly cybersecurity awareness campaigns are conducted for all employees, with the topics planned based on current internal and external threat situations.
- All employees are required to undergo PIP cybersecurity education refresher training twice a year.

4.Be Alert to Emerging Risks

ChatGPT emerged on November 30, 2022, as a generative AI with powerful learning capabilities. With its vast database, it can provide many convenient services, such as automatically generating reports and correcting code errors. The model is continuously trained using user input data. However, there are concerns about the potential leakage of sensitive company information if colleagues input confidential data into ChatGPT.

Due to ChatGPT's powerful data aggregation and analysis capabilities, the semiconductor industry has experienced several instances of data leakage, such as uploading program source code to ChatGPT for error fixing, inadvertently exposing highly confidential application code; inputting test modes for identifying defective chips and requesting ChatGPT to improve, but the test sequences for identifying defects must be strictly confidential; converting meeting records into files and handing them over to ChatGPT to generate report documents.

To prevent the leakage of confidential information, GUC has implemented a restriction on the maximum number of input characters for company computers connecting to ChatGPT to prevent the massive leakage of data. Meanwhile, we are evaluating the Microsoft Open AI commercial version to ensure that customer data is not used to retrain the models. We will also implement a dedicated web page for querying to prevent the possibility of data leakage. In addition, we are also evaluating open-source large-scale language model solutions, such as Meta Llama 2 LLM, to establish an internal proprietary AI system, further enhancing our control and protection of data.

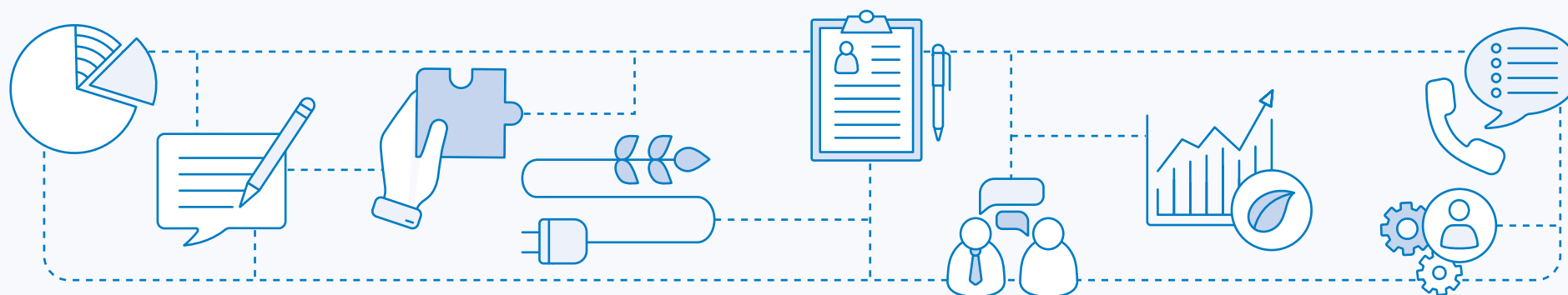


Innovation R&D and Green Product Manufacturing 4

- 4.1 Creative Future, Sustainable Innovation
- 4.2 Continued Investment in Innovative Research and Development
- 4.3 Performance of Innovation R&D
- 4.4 Patents and Silicon Intellectual Property
- 4.5 Green Product Design Services
- 4.6 Product Quality and Competitiveness
- 4.7 Management and Practices of Hazardous Substances
- 4.8 Customer Service and Satisfaction

Key Results and Strategies

Strategic Approach	Commitment	KPI	2023 Goals and Performance
R&D and Innovation	To become a world-leading provider of customized IC solutions employing advanced technologies, while consistently identifying significant growth opportunities in target markets and addressing sustainability concerns. Collaborating with world-class customers and partners to collectively achieve sustainable objectives.	<ul style="list-style-type: none"> Year-on-year increase in the number of patent applications. 	<ul style="list-style-type: none"> Over the past two years, approximately NT\$1.5 billion was invested in research and development. The allowance rate for patents across different countries was as high as 99%. In the past three years, the total number of patents across different countries reached 168. The HBM3 IP, recognized for its outstanding development technology and specifications, was awarded the prestigious 2023 EE Awards Asia Gold Selection Award for Best IP of the Year.
Quality and Customer Relationship Management	<p>By adhering to the PDCA cycle of quality management, we ensure the effective implementation of our quality management system, continuously improving corporate performance, and striving towards becoming a world-leading provider of IP and ASIC solutions.</p> <p>In our strategies for customer relations and communication, we utilize various forms of two-way communication to establish seamless collaborative relationships.</p>	<ul style="list-style-type: none"> ISO quality management system certification Maintain a record of zero penalties Customer satisfaction rate over 90%. 	<ul style="list-style-type: none"> Sustained ISO 9001 management system certification. Maintained IECQ QC 080000 management system certification, verified by an impartial third-party organization. Attained international recognition from renowned customer Sony for green product certification, becoming a Sony supplier partner. In 2023, GUC products had no significant penalties for violations of relevant regulations in supply and usage, and experienced no complaints or returns due to hazardous substances. Achieved a 97% customer satisfaction rate in 2023.



4.1 Creative Future, Sustainable Innovation

Since its establishment in January 1998, GUC has faced the challenges and opportunities brought about by the rapid changes in technology and the shifting landscape of the supply chain. With the increasing complexity of advanced process application chip design, GUC has remained vigilant. The objective of GUC is to become a world-leading provider of customized IC solutions utilizing advanced technologies, encompassing leading IP, design and packaging solutions. The Company aims to consistently identify significant growth opportunities in target markets and address sustainability concerns, collaborating with world-class customers and partners to achieve sustainable goals.

With the development of technologies such as Cloud computing, Artificial Intelligence (AI), Augmented Reality/Virtual Reality (AR/VR), Automotive electronics, and 5G

communication, coupled with the exponential growth in data generated by the Internet of Things (IoT), data centers and communication infrastructure are required to provide immense data transmission and computer processing. High-Performance Computing (HPC), combining high-density computing units with high-capacity memory units, significantly reduces the time required for processing massive amounts of data. To assist customers in developing real-time, efficient, and reliable high-performance data processing chips, GUC not only continues to advance its forward-looking technologies down to 5/4/3/2nm but also relentlessly pursues innovation. In 2023, the Company remains committed to providing the most competitive 2.5D/3D solutions, offering small-chip architectures such as CoWoS and InFO to meet market demands.



GUC offers related silicon intellectual property and advanced packaging solutions for the CoWoS and InFO small-chip architectures



GUC integrates TSMC's most advanced processes with advanced packaging technologies to provide comprehensive solutions

4.1.1 Technology Development Status

Product Application Fields



High Performance Computing (HPC)

HPC integrates high-density computing units with large-bandwidth, high-capacity memory units, significantly reducing computation time for processing massive data. In recent years, governments have collaborated with the technology industry, academia, and the healthcare system to monitor the COVID-19 pandemic. They have utilized HPC and structured drug design systems to simulate the behavior of viral proteins, understand the virus's genetics and variations, and develop effective drug compounds to curb the spread of the coronavirus.

As the post-pandemic era sees a flourishing global application of big data, the utilization of data centers has diversified. This includes cloud servers, high-performance computing units, AI/ML, ChatGPT, and autonomous driving, etc. These novel applications will significantly alter people's work and lifestyle. To assist customers in developing real-time, efficient, and reliable high-performance data processing chips, GUC not only continues to 5/4/3/2nm advanced technologies but has also closely collaborated with semiconductor foundries since 2018. They have developed advanced process design platforms and 2.5D/3D advanced packaging technologies, providing leading-

edge, system-level design solutions to support the advanced packaging requirements of small-chip architectures necessary for high-performance computing processing.

Artificial Intelligence

As artificial intelligence algorithms and big data analytics mature, it is anticipated that AI will create an intelligent healthcare world for human society. With the continuous accumulation of big data, AI can accelerate medical diagnosis, drug development, epidemic control, and human genomics research, providing comprehensive answers to diseases, deepening the understanding of human health, and thereby improving medical services, reducing costs, and improving outcomes, making significant contributions to society.

Artificial intelligence can also address major issues of global environmental sustainability, applying to climate change, water security, healthy oceans, clean air, biodiversity conservation, weather, and disaster resilience. It helps human society cope with environmental changes, reduce natural disaster risks, provide food and water security, protect natural resources and biodiversity, and enhance the well-being of all humanity.

GUC meets the demand in the artificial intelligence market by assisting customers in developing advanced AI ASIC chips. From product concept to specification, development, verification, manufacturing, production, and final product stages, customers can flexibly choose to utilize our services at any semiconductor design phase. To meet the high-performance requirements of AI chips, GUC offers system-level IP solutions, aligning with the increasing trend of AI applications. In parallel with promoting energy efficiency and carbon reduction, GUC provides ultra-low-power design service solutions, significantly reducing the power consumption of AI SoC chips to meet the ultra-low-power requirements of edge computing.

5G Communication

The fifth-generation mobile communication (5G) technology offers advantages such as high bandwidth, high density, and low latency. It provides faster and higher-capacity millimeter-wave communication networks (mmWave) and diverse application services for low-power and energy-efficient smart Internet of Things (IoT) devices (sub-5G). By enabling society to enter the era of ubiquitous connectivity, 5G communication will lead to the flourishing development of various innovative applications:

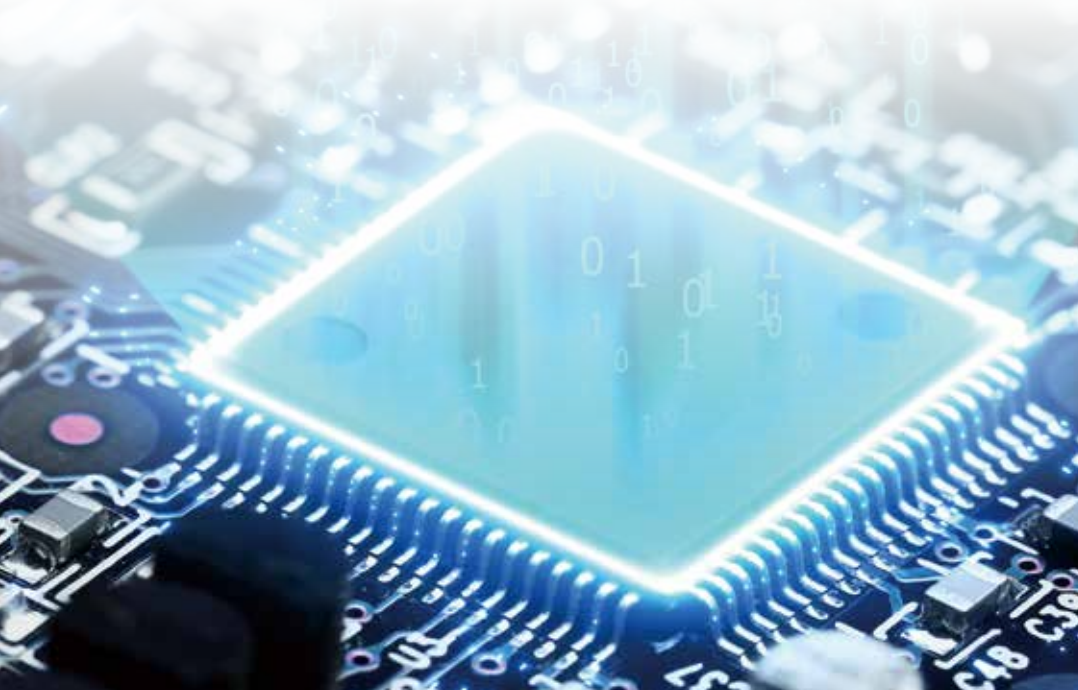
Smart Cities: Through 5G integration, managing various facilities in cities such as buildings, energy, transportation, and air pollution can enhance energy efficiency, contributing to national energy conservation and carbon reduction goals.

Smart Living: The application of 5G technology breaks spatial limitations, covering areas such as healthcare, education, culture, entertainment consumption, and smart homes, thereby enhancing social welfare and making life more convenient.

GUC has been committed to the development of 5G technology. This includes providing solutions for SerDes and high-speed ADC/DAC IP. Customer products in the sub-6G frequency band have successfully entered the commercial stage, indirectly driving the popularization and commercialization of 5G technology. Since 2020, GUC has been offering solutions that support both sub-6G and mmWave communication frequency bands, assisting customers in finalizing designs. In 2021, these solutions underwent verification by multiple telecommunications operators, enhancing the quality of existing 5G communication services and making mobile communication life faster and more convenient.

4.1.2 Innovation Achievements

GUC's small chip architecture using CoWoS and InFO have become mainstream in infrastructure products, and the GUC R&D team, working closely with key partners, has extensive experience in the development of HBM and GLink IP and the mass production of CoWoS products. To support our customers in gaining a head start in 2.5D/3D advanced packaging while helping them maintain their market leadership, GUC continued to firmly demonstrate our long-term commitment to provide the most competitive 2.5D total solutions, including the industry's first silicon certified HBM3 PHY and controller, GLink 2.5D and 3D small chip interfaces, electrical and thermal simulation, package design, DFT and production testing, CoWoS and InFO fabrication expertise, and more.



2023 Technology and Development Success and Innovation Achievements

1. GUC combined with TSMC's InFO/CoWoS packaging technology to migrate to the third generation 5nm chip interconnect IP "GLink 2.3" to 3nm, which can provide customers with a complete multi-chip interconnect solution.
2. In the first quarter of 2023, GUC successfully taped out the 3nm HBM3 8.6G (PHY & Controller) IP, supporting TSMC's CoWoS-S and CoWoS-R packaging.
3. Leveraging TSMC's 3DFabric chip stacking technology, GUC and its customers completed the first-ever 7nm + 7nm WoW (wafer on wafer) 3D verification chip design and tape-out in March 2023.
4. In the third quarter of 2023, GUC successfully completed the design specification for a 6nm high-performance computing client.
5. In November 2023, GUC led the industry by tape out HBM3 (PHY & Controller) IP with DRAM manufacturers' 12Hi HBM3 and HBM3E memory.
6. Combining TSMC's CoWoS-R packaging technology, GUC introduced the UCle/32G 3nm chip interconnect IP GUCle 1.0, providing customers with a complete multi-chip interconnect solution compliant with the UCle interoperability standard.
7. GUC successfully developed a 5nm long-distance communication optical communication chip for customers, integrating 56G high-speed SerDes. Simultaneously, they completed the design and tape-out for the next-generation 3nm chip.
8. Utilizing TSMC's advanced process, GUC integrated AI/HPC chips designed by customers for large-scale cloud data centers with 2.5D CoWoS packaging technology.
9. Leading the industry, GUC began 3nm development, completing the design flow development for the enhanced N3P version in the fourth quarter of 2023. Additionally, they completed the tape out for HBM3, GLink, and UCle IP in January and November 2023, meeting customer product design requirements.
10. GUC successfully cooperated with 5nm AI clients, designing AI chips for large-scale cloud data centers with 2.5D InFO packaging technology. Furthermore, they completed the tape out for GUCs' GLink chip interconnect IP in the fourth quarter of 2023.
11. GUC provides leading industry spec-in services, assisting 5nm data center-grade AI chip clients and 16nm automotive chip clients in chip design in 2023.

4.2 Continued Investment in Innovative Research and Development

In addition to the development of advanced processes such as 5/4/3/2nm, ultra-high speed interface chip interconnect IP GUCle, GLink, GLink 3D, HBM2 / 2E / 3Controller and PHY, and high speed ADC/DAC, our Company continues with develop key components such as Power Management Solution, Clock Generator, etc. to interface to higher-end processes. We have also established an R&D team to develop our own memory IP (TCAM, SFIAM), custom standard cells, diverse libraries and our own IP to provide customers with more complete solutions.

To meet future growth demands, our Company will continue to invest in research and development resources to optimize the design process for 5/4/3/2nm technologies. Additionally, we will continue to develop ultra-high-speed interface chip interconnect IP GUCle, GLink, GLink 3D, HBM PHY & Controller, High-speed ADC, and TCAM. We estimate that approximately NT\$1.5 billion will be allocated to research and development expenses over the next two years.

4.3 Performance of Innovation R&D

Wafer Products ASIC Design Services

GUC's primary business is to provide Application-Specific Integrated Circuit (ASIC) design services to meet the market demand for complete wafer design, fabrication, packaging, and testing services.

ASIC and wafer products: We provide customers with complete services from design to wafer fabrication, packaging and testing.

- **NRE (Non-Recurring Engineering):** NRE provides the circuit design components database and various IP required for product design, and the circuit diagram for the photomask set, and commissions the foundry to produce the photomask, wafers, cutting, and packaging. Our engineers do the product testing and then deliver the samples to the customer for trial production.
- **MPW (Multiple-Project Wafer):** We provide low-cost and time-efficient wafer validation services by integrating different customers' designs and sharing the manufacturing cost of the same set of photomasks and the same batch of wafers (Engineer Run), so that design engineers can achieve low-cost and fast validation with advanced process technology before mass production. This allows the design engineers to use advanced process technology to achieve low-cost and rapid pilot production verification before mass production.
- **Intellectual Property (IP):** An IC design that has been designed and validated to be reusable and have specific functions. With the advancement of IC manufacturing technology, multi-functional chips and even SoCs have become the mainstream of IC design, and Reusable IP can reduce customers investment in design duplication and design resources.

GUC introduced a high-capacity emulator to speed up SoC hardware development and verification (over 700 times faster than workstation emulation) and to enable early software/firmware development and verification, reducing time-to-market.

Provide Advanced Custom ICs (Advanced ASIC Services)

The supply chain of the semiconductor industry can be divided into four major groups, including design, manufacturing, packaging, and testing, depending on the upstream, midstream, and downstream. GUC provides upstream IC design services. The design flow of a chip is not only about hardware design, but also requires the assistance of design software and high automation integration to design high efficiency low power consumption chips in the smallest nanometer size. In response to the rapid changes in the semiconductor industry and the ever-changing needs of our customers, our Advanced ASIC Services framework provides customers with the flexibility to choose to enter the semiconductor design chain at any stage from "product concept, specification, development, verification, production, to final product".

Advanced ASIC Services consists of four cores:

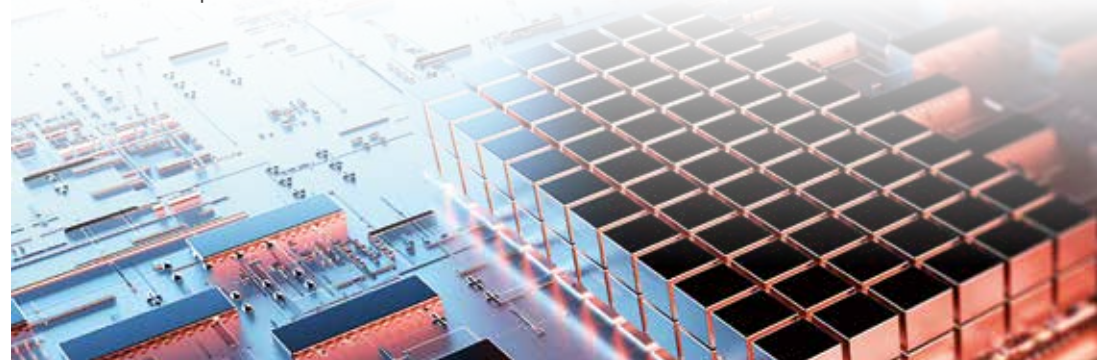
1. **IP Solution:** Help customers reduce design time cost and SoC development risk to meet their customized IC needs.
2. **Chip Implementation:** We work closely with TSMC and have a high level of information mastery in advanced manufacturing processes. We are able to establish early knowledge of advanced process technologies, shorten the time for customers to enter advanced manufacturing processes, and help customers to quickly enter mass production, improve yields, and strengthen market competitiveness.
3. **ASIC Manufacturing:** GUC provides professional and high quality manufacturing services to customers by partnering with world-class foundries, package and test houses, and other support suppliers to minimize barriers to entry and technical risks, shorten time-to-market and time-to-volume, and ensure high quality, high yield, and on-time delivery, allowing our customers to accurately invest their valuable resources in their core competencies.
4. **Advanced Packaging Technology:** GUC lays out advanced process design platform solutions and advanced packaging technologies in collaboration with TSMC. GUC completes the design and verification of CoWoS, InFO, and 3DIC, meeting the demands for high performance, low latency, and low power consumption. GUC continues to develop IP such as HBM, GLink, and UCIe on advanced packaging platforms.

AI Artificial Intelligence Technology Applied to IP Design and Design Service

In recent years, the rapid development of artificial intelligence (AI) has become an indispensable technical tool for enterprise research and development. Proper utilization of AI can enhance efficiency and reduce resource waste. GUC's IP design team has prioritized the adoption of AI technology for Monte Carlo simulations. This approach saves computational resources and shortens simulation time, allowing for the allocation of limited resources to more design projects.

In 2020, GUC introduced an Engineering Change Orders (ECO) tool with machine learning technology, enabling a 15-30% reduction in schedule for leakage optimization in design services. Furthermore, in 2022, the integration of AI-based automated layout and routing technology was successfully achieved and applied to multiple projects in the advanced process design. This not only saves manual effort and increases speed but also results in a 2-8% improvement in power efficiency. We will continue to collaborate with advanced Electronic Design Automation(EDA) companies to introduce AI-related EDA technologies, strengthen design processes, enhance efficiency, and apply them to customer chip projects to achieve higher performance and lower power consumption.

In addition to adopting AI-related technologies from EDA companies, GUC continues its annual collaboration with universities to establish AI and machine learning techniques in the EDA design process. We aim to integrate these technologies into the design service process in the future to enhance design quality, efficiency, and optimization, and apply them to customer products.



4.4 Patents and Silicon Intellectual Property

GUC provides comprehensive ASIC (Application-Specific Integrated Circuit) design services, offering design and production services for customers' end-use application products. In terms of ASIC design services, these include: SoC spec-in design & verification, chip implementation methodology, low-power solutions, design for testability, flagship SoC design solutions, etc. Regarding ASIC production services, these encompass advanced packaging technologies, testing, product engineering, quality and reliability, supply chain management, etc. Additionally, GUC possesses the capability to develop silicon intellectual property (IP) independently, acting as an IP provider. To this end, the Company is dedicated to innovating and developing various competitive silicon IP, including: High Bandwidth Memory (HBM) IP, Die-to-Die (GLink-2.5D/3D) IP, Mixed-Signal Front-End IP, Embedded Memory IP, and others.

In order to ensure the protection of innovative research and development outcomes, GUC submits patent applications for competitive technical solutions generated during the ASIC design and production service stages. Additionally, the Company actively pursues patent layouts for its proprietary silicon intellectual property (IP). Through the protection of patents, the Company can safeguard the maximum benefits and competitive advantages brought by its R&D achievements, while providing customers with enhanced security for

ASIC products. Recognizing the significance of patent rights, the Company has been offering engineers courses on intellectual property rights annually since 2016, in order to strengthening awareness of patent rights and promoting momentum for patent proposals. GUC has accumulated a total of 168 patents worldwide in the past three years, also actively submitting patents in technical fields such as CoWoS, HBM, G-Link, etc., to maintain our leading position and competitive edge.

Patent Numbers in Various Countries for GUC in the Past 3 Years

Patents Granted from 2021 to 2023

Countries	Number of Patents
Taiwan	64
United States	51
China	48
Japan	5



Intellectual Property Rights Management

To encourage invention and innovation, maintain competitive advantage, and protect research and development achievements, GUC established the "Intellectual Property Management Regulations" in 2016 and initiated intellectual property related management plans since 2000. The Company also formulated the "Patent Proposal Application Procedure" as a guideline for patent application, maintenance, utilization, and incentive related matters. To ensure careful evaluation of patent proposals, an internal patent review mechanism, the "Patent Committee," was established. The committee comprises senior executives from relevant departments within the Company and distinguished professors from the IC design field, serving as external consultants. Through internal deliberation and feedback from the committee, the technical content of invention proposals is refined, effectively ensuring patent quality and increasing the likelihood of patent allowance. In the past three years, the Company has filed a total of 171 patent applications worldwide, with 66 applications completing examination. Among these, 65 patents were granted, 1 was abandoned, and the rest are pending examination, demonstrating an impressive patent allowance rate of 99% (65/66=99%). Moreover, for patent proposals not suitable for public disclosure yet possessing technical value, the Patent Committee may decide to protect them as trade secrets to prevent the leakage of proprietary technology.

In addition, to effectively enhance management efficiency, GUC introduced the "Patent Management Information System" in 2015 as a platform for managing patent proposals, applications, maintenance, bonus distribution, technical classification, and product applications. With the assistance of this information system, the protection level of confidential patent information can be enhanced, while the efficiency of personnel can be improved, and the occurrence of human errors in patent application affairs can be reduced.

Furthermore, GUC conducts regular patent inventory operations to review the application status of patents and their relevance to related products, serving

as an assessment of patent value. Meanwhile, to strengthen R&D personnel's awareness of patent rights and respect for them, and to avoid inadvertently infringing on patents with research and development results, the Company mandates that new R&D personnel must take basic patent courses. In addition to basic patent courses, the Company regularly invites patent industry lecturers to provide R&D personnel with practical courses on intellectual property, including patent search, infringement verification, and design around. As of 2023, a total of 223 individuals have attended these advanced courses.

To maintain its leadership position in the industry, GUC adopts a strategy that combines key operational development objectives with intellectual property protection. Specifically targeting certain developed silicon intellectual properties (IP), such as CoWoS, HBM, and G-Link, patent engineers, along with relevant R&D personnel, regularly review the research, design processes, and outcomes. They evaluate the feasibility of patent applications and actively pursue patent applications for cases with valuable patent layouts, continuously monitoring the progress of related proposals. In the past two years, GUC has systematically pursued patent layouts for specific silicon intellectual properties (IP). This not only strengthens the Company's competitive advantage in specific areas but also implements "IP project/IC product potentization" to achieve the goal of "patent protection of IP projects/IC products." Regarding the management of patent right and silicon intellectual property (IP), the patent technology inventory operation also serves as a basis for evaluating the value of the Company's patent right.

To ensure that senior management fully understands the execution of the Company's intellectual property management plan, the legal affairs supervisor reports on this matter to the Board of Directors at least once a year.

4.5 Green Product Design Services

During the chip fabrication process, GUC generates energy consumption data for the chips and provides energy consumption models. This enables design engineers to conduct more energy optimization in the chip design process, effectively controlling the overall energy consumption of the chips. Additionally, we are committed to providing customers with the best power consumption solutions in packaging design.

Silicon Intellectual Property (IP)

GUC continues to develop advanced process technologies such as 5/4/3/2nm, in addition to silicon intellectual properties (IP) including ultra-high-speed interface chip interconnect IP GUCle, GLink, GLink 3D, HBM2E/3 Controller and PHY, and high-speed ADC/DAC, our Company continues with develop key components such as Power Management Solution, Clock Generator, etc. to interface to higher-end processes. We have also established an R&D team to develop our own memory IP (TCAM, SRAM), custom standard cells, and a rich portfolio of library and our own IP to provide customers with more complete solutions.

High Bandwidth Memory (HBM3) IP

GUC has developed the latest 3nm product for the new generation of 8.4~8.6G High Bandwidth Memory (HBM3), leveraging process advancements and the efforts of its R&D team. Compared to the 5nm technology, it is expected that the speed of the latest product will increase to 8.6Gbps, with a reduction in power consumption of approximately 16.4%. This advancement not only assists in developing more powerful features but also conserves energy. This IP is scheduled to complete silicon validation in the first quarter of 2024. GUC's HBM3 IP, distinguished by its outstanding development technology and specifications, was honored with the Best IP of the Year award at the 2023 EE Awards Asia.



Ultra-High-Speed Interface Chip Interconnection IP GLink 2.5D

GUC successfully integrated TSMC's InFO packaging technology to validate the first generation 7 nm Glink 1.0 ultra-high speed interface chip interconnection (IP) in 2020. The second generation 5 nm GLink 2.0 IP was validated in Q3 2021. With an 85.7% increase in beachfront efficiency and only a 20% increase in power consumption, it enables customers to significantly reduce energy consumption with the same Beachfront efficiency requirements. In the same year, GLink 2.3, a 5 nm chip interconnection IP, was finalized and then silicon proven in Q3 2022. The test results showed a 92.3% improvement in beachfront efficiency at the same power consumption level, resulting in mass inquiries and usage among several different customers. In 2023, the GLink 2.3LL IP is being advanced to 3 nm, with testing and validation expected to be completed by 2024, anticipating further reduction in power consumption at the same transmission speed. GUC's GLink-2.5D product was awarded "The Annual Innovation Product Award" at the 2022 International Integrated Circuit Exhibition and Symposium (IIC) for its outstanding development technology and forward-looking specifications.

Universal Chip Interconnect IP UCle

The UCle 1.0 was launched at March 2022 with the aim of standardizing the chip-to-chip interface for both standard and advanced packaging, fostering collaboration in the multi-chip integration ecosystem. GUC has made thorough preparations for this medium to long-term trend, leveraging its experience and expertise in GLink-2.5D to develop the next-generation GUCle, the highest specification of UCle (32Gbps per channel). The design proposal was finalized in the fourth quarter of 2023. Compared to GLink-2.5D, it is expected to significantly increase the Beachfront efficiency by more than double.

Low Power TCAM Entity Silicon Smart IP

GUC is committed to expanding the support range of its 5 nm TCAM. The original design could read, write, and search up to 512 data entries, with each entry consisting of 160 bits. Now, it has been upgraded to support up to 1,024 data entries, with each entry widened to 240 bits. This enhancement not only improves efficiency for customers but also eliminates the engineering hassle of integrating multiple small TCAM blocks.

Moreover, the Company has completed the silicon verification for this design version and has progressed to 4 nm (N4P) technology in 2023, completing the TCAM IP compiler design. These series of updates and upgrades will provide customers with more robust and flexible TCAM options, helping them address evolving application demands.

GLink-3D Chip Stacking Interface IP

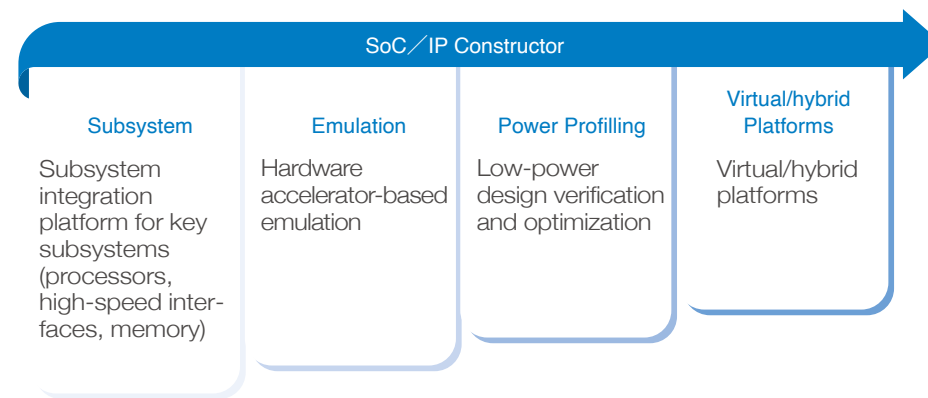
2.5D and 3D packaging are two advanced packaging technologies aimed at increasing transistor density. In April 2023, GUC obtained SoIC packaged chips produced in collaboration with TSMC, and has been continuously verifying the performance of GLink-3D 1.0 in TSMC's testing laboratories. Currently, samples of the chips are operational in various process corners, with data being measured and collected for various electrical characteristics. The verification report is expected to be completed by 2024. GLink-3D 1.0 was recognized with the EE Awards Asia Golden Selection Award for Best IP in 2022, injecting significant momentum into GUC's technical prowess and innovation capability.

Building on this success, GUC will continue to advance GLink-3D 2.0, further enhancing data bandwidth and reducing power consumption. The Company plans to introduce a 2GHz low-latency solution, presenting a stronger technological advantage in the market.

Single-chip (SoC)

As technology enters the era of Internet, wireless communication, smartphones, Internet of Things, automotive electronics, and high-performance computing with artificial intelligence, system-on-chip (SoC) that integrates more functions has become the mainstream trend in IC design. However, the complexity of highly integrated designs and the design timeline, cost, and specifications resulting from advanced manufacturing processes are inevitable challenges.

To help customers achieve their market goals, SoC RD continues to refine design integration and validation techniques to shorten project execution time and achieve optimal power/performance/boost solutions.



Since 2021, SoC RD has completed the 16 nm Automotive and 12 nm 5G Networking chips, along with 7 nm Metaverse chip in 2022. By 2023, we will further complete the 5 nm Datacenter AI chip and a 16 nm automotive chip in test production versions. Simultaneously, we have actively collaborated with suppliers to conduct test consulting for automotive chips. These achievements underscore the SoC RD department's diverse design capabilities across different domains.

Over the years, the Company's SoC RD department has leveraged its increased R&D capacity and industry-leading design integration verification process. According to the results of the project, it can effectively shorten lead time by 30-50%. In addition, performing critical debugging tasks at the early stage of design integration, save 30-50% of the resources for extensive functional simulation and verification debugging at the later stage, and optimize the chip specifications according to the process evolution. This includes 20-30% performance improvement, 15-20% power reduction, and 20-30% chip area reduction.

In the future, SoC RD will continue to work on advanced design integration and verification technologies based on this green design concept to optimize the resources required for system-on-a-chip and contribute to the advanced semiconductor field.

Design Services

GUC has continuously improved its advanced design technology processes, completing the N3E v1.1 and N3P v0.9 design processes in 2023. These advancements assist customers in swiftly adopting more advanced and efficient processes. Under the same design verification conditions, the overall design process achieves optimal energy consumption and performance. Compared to N5, it can further reduce power consumption by 28.1% and 29.56%. We will continue to develop the N3P 1.0 and future 2 nm design processes to assist our Company in using lower-power processes, enhancing competitiveness, and applying them to customer projects. We will continue to assist customers in advancing towards greener products.

Process - Component	N5 – H210	N3E v1.1 – M143	N3P v0.9 – M143
Power (uW/MHz)	27.40	19.70	19.30
Power Reduction Ratio (Compared to N5-H210)		28.10%	29.56%

4.6 Product Quality and Competitiveness

GUC encourages all employees to provide customers with high quality design services, silicon intellectual property, and competitive products in the spirit of innovation and continuous improvement, and is committed to listening to our customers and building a trustworthy and mutually beneficial partnership with them. Through the spirit of PDCA quality management, we ensure the effective execution of our quality management system, continuously improve our corporate performance, and strive to become the world's leading IP and ASIC supplier.

GUC is committed to providing outstanding ASIC IC design services. Our quality and reliability organization continuously improves the ISO quality management system, maintaining ISO 9001 certification annually to identify opportunities for comprehensive quality management improvements to ensure customer satisfaction. Additionally, we have obtained the internationally renowned Sony Green Product Certification, becoming a partner supplier to Sony.

GUC is deeply committed to green products, starting from the implementation of green design. Through continuous technological innovation, we meet our customers' strict requirements for hazardous substances, striving to reduce and regulate the use of harmful substances. We maintain IECQ QC 080000 management system certification annually, verified by third-party impartial organizations, to ensure the effectiveness of green product management. Our relentless efforts have been fairly evaluated and certified, with the latest certificate valid until August 2025. GUC's green ICs comply with the requirements of the EU RoHS Directive and the EU REACH regulation, ensuring the non-use of restricted substances. In response to specific customer requests, GUC conducted

265 compliance surveys commissioned by customers in 2023, including international regulations such as IPC 1752 and chem SHERPA material declaration statements, and provided survey results to customers. Furthermore, to ensure that the production process of green ICs complies with regulatory requirements, we conduct quarterly business reviews (QBR) with seven designated suppliers. We have added HSF (hazardous substances free) compliance item and regularly evaluate the execution results each quarter.

GUC obtained ISO 13485 certification for medical device quality management system in 2017 in response to SDG 3 "Ensure healthy lives and promote well-being for all at all ages." This certification ensures that the Company has effective mechanisms for designing medical chips. Each year, third-party verification is conducted to ensure compliance, and the certification was renewed in 2023, assisting in the launch of products in the medical device market that comply with regulations and market requirements.



ISO 9001 Certificate



IECQ QC 080000 Certificate



GUC Sony Green partner

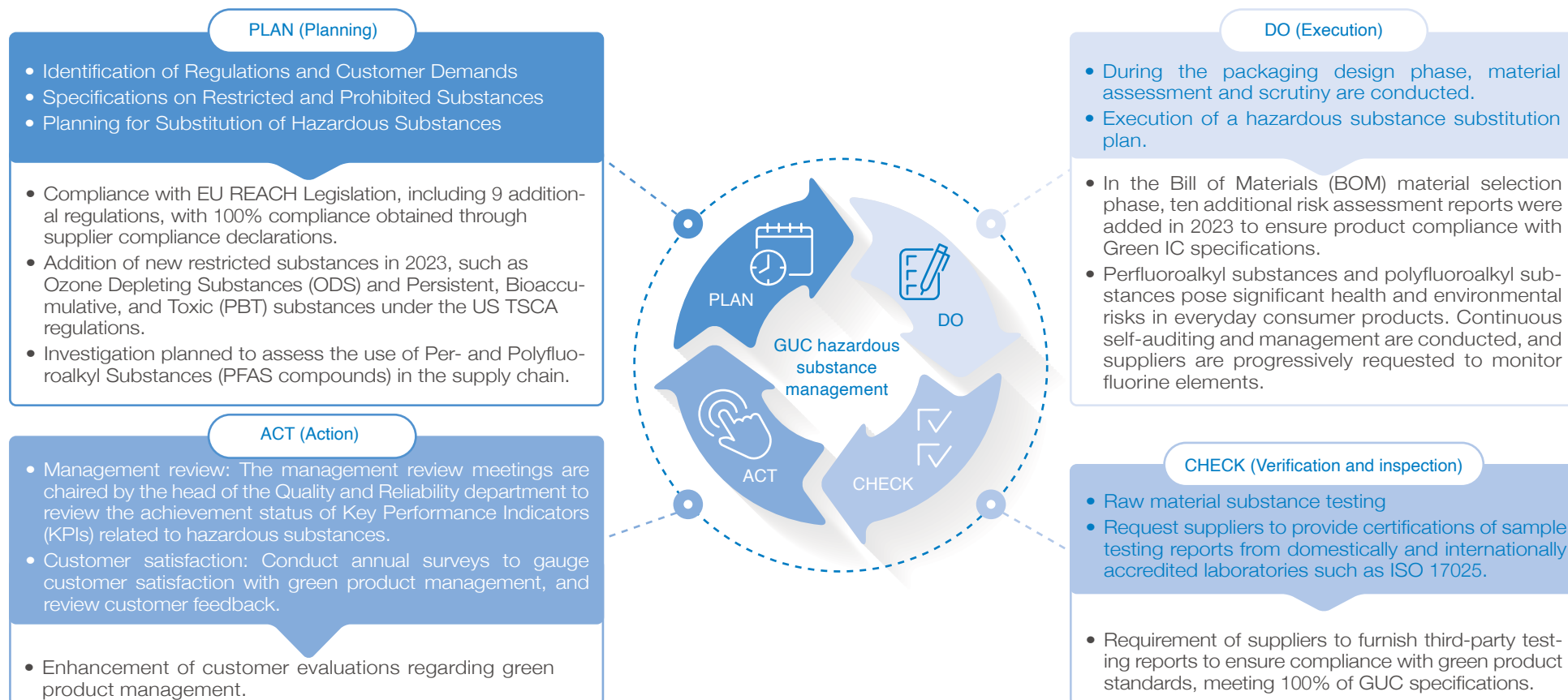


ISO 13485 Certificate

Green Product Management Model and Practices

GUC has implemented a PDCA management process for green substance management to address regulatory risks. By surveying suppliers, we propose improvements and work with members of our supply chain to reduce the use of hazardous substances. These efforts are aimed at improving the competitiveness of GUC's products in advance of international regulatory trends. In order to ensure compliance of the green IC production process with regulatory requirements, we conduct Quarterly Business Review (QBR)

processes for 7 designated suppliers, incorporating new assessment criteria for hazardous substance compliance, and regularly evaluate the execution outcomes each quarter. In 2023, GLOBAL UNICHIP CORP. (GUC) products had no significant penalties for violations of relevant regulations in supply and usage, and experienced no complaints or returns due to hazardous substances.



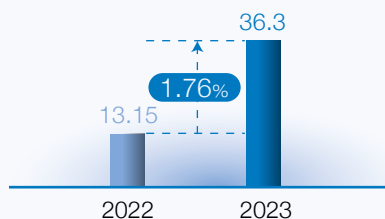
4.7 Management and Practices of Hazardous Substances

- Green IC Design:** GUC is committed to follows green procurement procedures to select materials that fully comply with international regulations, including RoHS, EU Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals (EU REACH) and customer requirements on restricted hazardous substances. In 2023, there were additions and revisions to Ozone Depleting Substances (ODS), as well as Persistent, Bioaccumulative, and Toxic (PBT) substances under the United States' TSCA. To ensure materials compliance of HSF(hazardous substances free) property and active efforts to seek alternative green materials.
- Green Material Selection:** During the Bill of Materials (BOM) material selection phase, GUC actively conducts risk assessments. In 2023, ten additional risk assessment summary reports were added to ensure product compliance with green IC specifications. Simultaneously, material restrictions are established to exclude hazardous substances, aiming to mitigate potential environmental impacts throughout all stages of production, such as global warming and ozone layer depletion.
- Green IC Manufacturing:** GUC strengthens its hazardous substance management mechanisms by requiring suppliers to monitor hazardous substances in raw materials. Simultaneously, suppliers are required to provide third-party testing reports to ensure compliance with the spirit of green products and international regulations. In 2023, a total of 265 customer-commissioned investigations were conducted, all of which fully complied with the customers' requirements.

Ink to Laser Marking

GUC is committed to reducing environmental impacts at every stage of the product lifecycle through sustainable thinking. GUC ICs have changed to Laser marking from Ink process. We make strong efforts for reducing environmental impacts associated with our product lifecycle. This change not only saves resources such as ink volume, wiping cloths, ink heads, acetone, but also reduces oven energy consumption.

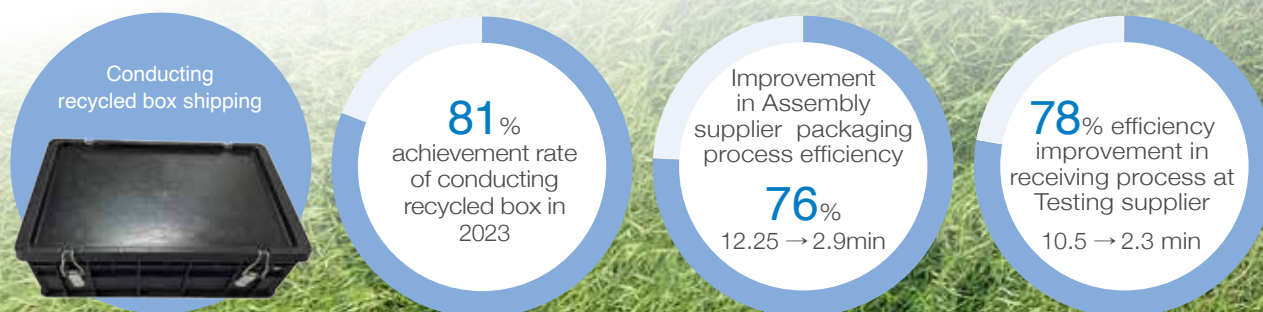
The energy-saving benefits resulted in a reduction of 36.3 tCO₂e/year in greenhouse gas emissions in 2023, compared to 13.15 tCO₂e/year in 2022, representing a growth of 1.76%. Simultaneously, it reduces environmental pollution and energy consumption. Through such practices, we not only ensure s green and low-carbon supply chains but also safeguard the environment on which we depend for survival.



4. Green IC Packaging: GUC complies with current international trends in non-toxic green regulations for packaging materials, as stipulated by the Packaging Directive (94/62/EC):

- Lead (Pb), hazardous substance in electronic product processes, is both reproductively toxic and carcinogenic, may damage to human body. Since 2018, GUC has fully implemented lead-free bumps, achieving a 100% lead-free bump target in 2022, aligning with international regulatory trends.
- Green production imposes restrictions on harmful substances in packaging materials. In 2023, France Packaging Mineral Oil Act 2020-105 was added, regulating mineral oil substances in ink packaging materials. Mineral oil saturated hydrocarbons (MOSH) and mineral oil aromatic hydrocarbons (MOAH) have been proven to be carcinogenic and bio-accumulative. To comply with international regulatory trends and safeguard customer health, we rigorously assess and monitor the compliance of 14 suppliers. Currently, following GUC's guidance in 2023, five more suppliers are compliant, and we also take the initiative to help other suppliers to improve their capabilities.
- Recycled, environmentally-friendly boxes: Considering the environmental impact of packaging material disposal, GUC adopts recycled environmentally-friendly boxes to replace single-use cardboard boxes, thereby reducing waste (Reduce), reusing conductive boxes in the factory (Reuse), and promoting recycling (Recycle) to minimize environmental impact. Additionally, simplification of packaging procedures from packaging plants to testing facilities enhances packaging and unpacking efficiency, including saving on inner box packaging procedures, reducing operational time waste. In 2023, the adoption rate of recyclable conductive boxes reached 81%.

5. Waste Management and Recycling: In 2023, GUC commissioned authorized suppliers for waste disposal, adhering to waste clearance regulations for sorting and processing. Special categorization and management were implemented for gold wire products, which were subsequently recycled and reused by the suppliers.



4.8 Customer Service and Satisfaction

In terms of customer relationship and communication planning, GUC aims to establish a seamless cooperative relationship through regular and irregular meetings and visits, as well as quarterly and monthly performance reviews or audits, in order to achieve consistent and cooperative results in the short-, medium- and long-term development goals and social responsibility planning of both parties. To serve our customers nearby, we have set up customer service offices in six regions, including Taiwan (our headquarters), China, Japan, Korea, the United States, and Europe, and set up a dedicated service window to provide support to both sides on planning and implementing policies related to environmental management, social responsibility, hazardous substance control, conflict minerals, and ISO 9001 compliance. We not only accept third-party verification to provide necessary and sufficient information immediately to meet the needs of downstream customers and public authorities, but also cooperate with our customers' CSR programs to implement the necessary activities, investigations, confirmations, audits, and related data collection.

In order to confirm customer satisfaction with GUC's service quality, GUC conducts customer satisfaction surveys in the first quarter of each year or at the completion of a project. GUC's customer satisfaction team not only tracks the specific responses from customers, but also identifies the problems through precise data analysis and reports them to the senior management as a guideline for the medium- and long-term operation plan.

The customer satisfaction survey for the past five years to 2023 has received a response rate of above 80%, and those who are "satisfied" with GUC have exceeded 90% for the past five years, with a rate of 97% in 2023. This shows that GUC continues to improve its customer service performance to achieve customer satisfaction despite the evolution of technology and increasing business competition. In the 2023 customer satisfaction survey, a total of 20 customers left compliments such as "immediate response", "proactive in dealing with problems", "reliable supply chain protection system", "professional technical team", and "reliable technology and service, which is the greatest encouragement to GUC.

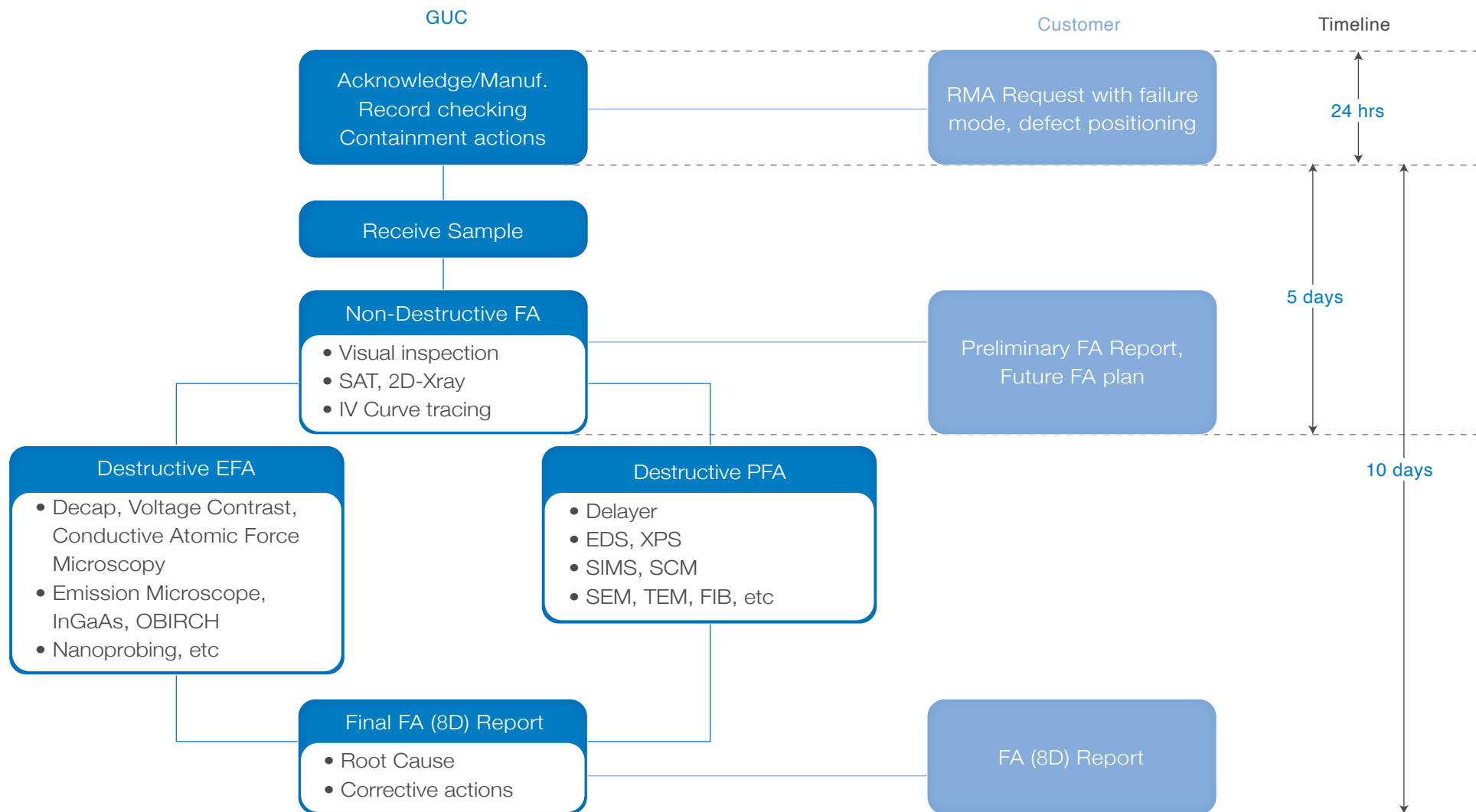
For customer complaints, we have established a "Customer Complaint Management Procedure", which requires the relevant departments to reply to customers within 24 hours after receiving a customer complaint and provide a preliminary analysis report within 5 working days. We achieved an on- time response rate of 90% in 2023.

Customer Satisfaction Survey Statistics

Year	2021	2022	2023
Average Customer Satisfaction	94%	95%	97%



GUC Customer Complaint Handling Process





Partnership Prosperity 5

5.1 Green Supply Chain

5.2 Supplier Sustainability
Management Principles

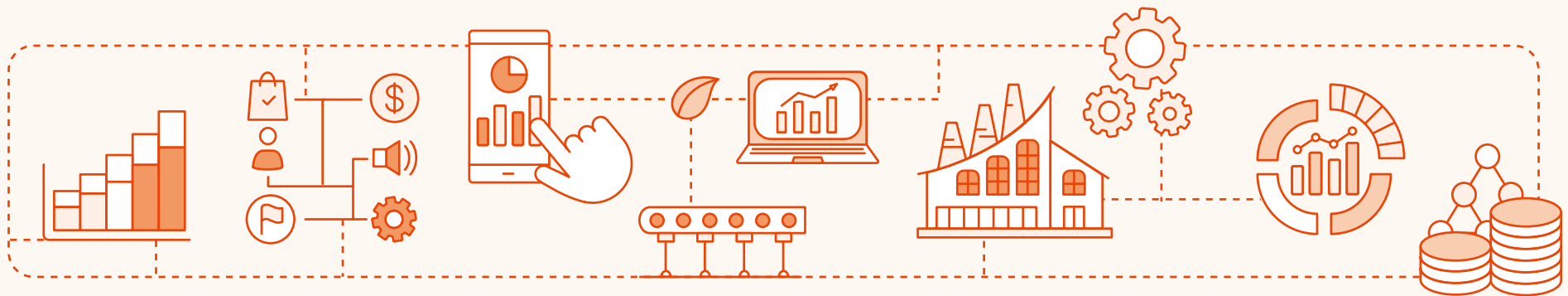
5.3 Supplier Risk Management

5.4 Supplier Evaluation and
Development

5.5 Supply Chain and Environment

Key Results and Strategies

Strategic Approach	Commitment	KPI	2023 Goals and Performance
Green Supply Chain	Localization procurement plan: Local procurement amount ratio (%)	80%	<ul style="list-style-type: none"> 88.6% Local procurement amount: NT\$156 billion
Supplier Sustainability Management Principles	Tier-1 supplier completion rate of RBA Code of Conduct signing (%)	100%	<ul style="list-style-type: none"> 100% Tier-1 Supplier Completion of RBA Code of Conduct signing
Supplier Risk Management	Assessment of geopolitical risk key management principles and political resilience to strengthen supply chain sustainability	100%	<ul style="list-style-type: none"> 100% Tier-1 significant suppliers address geopolitical risks by expanding manufacturing facilities beyond China and Taiwan, thereby achieving risk diversification objectives.
Supplier Evaluation and Development	Tier-1 significant suppliers completion rate of esg sustainability management & risk assessment survey and evaluation (%)	100%	<ul style="list-style-type: none"> 100% Tier-1 significant suppliers Completion of ESG Sustainability Management & Risk Assessment Survey and Evaluation, with no significant risks identified
Supply Chain and Environment	Establish "Biodiversity Commitment" as a performance indicator and goal for both the company and Tier-1 significant suppliers.	100%	<ul style="list-style-type: none"> 100% All Tier-1 significant suppliers sign a Biodiversity Commitment survey document.



5.1 Green Supply Chain

Climate change and global warming are global issues impacting humanity, ecosystems, and the Earth's environment. Therefore, GUC manages and responds to these challenges by promoting and implementing initiatives such as "Planning and conserving energy resources to reduce greenhouse gas emissions" and "Waste reduction management." By fulfilling corporate social responsibility, we enhance the overall image of the Company, reduce operational costs, and ensure sustainable development.

GUC systematically implements environmentally friendly sustainable business principles through management systems. We not only internalize the RBA Code of Conduct as internal behavioral guidelines but also establish the Responsible Business Alliance (RBA) Code of Conduct Committee, which reports directly to the Operations Committee. The RBA Committee convenes regular meetings to assess, review, and implement the code of conduct.

Through the operation of the Environmental and Safety Department and the RBA Committee, GUC is committed to reducing its impact on natural resources and minimizing environmental pollution. The Company quantifies and discloses environmental information, recording the procurement of electricity, renewable energy, water resources, and the use of various raw materials. Long-term information recording and disclosure help us annually review our environmentally friendly measures and progress towards our established goals. Furthermore, the Company actively responds to climate change by implementing action plans to reduce natural resource consumption. These actions include improving product energy efficiency, green supply chain management, raw material and waste management, reducing product packaging and promoting recycling, cloud-based office solutions, reducing carbon dioxide concentrations at operational headquarters, and enhancing energy efficiency.

5.1.1 Value Chain Greenhouse Gas Emissions

As the issue of global climate change continues to escalate, GUC is actively paying attention to the greenhouse gas emissions and related management in supply chain, and has adopted with taking action. When conducting an inventory of greenhouse gas emissions, GUC pays attention to the emissions of products, and have implemented verification measures to cooperate with the supply chain to carry out actions. For example: GUC ICs have changed to Laser marking from Ink process. In the future, GUC will continue to play our role influencing suppliers to reduce their greenhouse gas emissions and will help create a green and sustainable supply chain.

Value chain greenhouse gas emission intensity

Project	2020	2021	2022
Supply Chain Greenhouse Gas Emission Intensity (Unit: tCO ₂ e/Revenue (NT\$M))	3.0	2.0	4.0
Total annual revenue (NTSM)	13,569	15,108	24,040

Note 1: The carbon intensity of suppliers (OSAT and TSMC) is calculated as "CO₂ emissions / GUC revenue" = 96760 / 24040 = 4.0. The purpose of calculating carbon intensity is to observe the trend of carbon intensity "CO₂e / NT\$ million" and continuously request suppliers to take carbon reduction actions. Under the condition of revenue growth, the carbon emission growth rate will be smaller than the revenue growth rate, thereby achieving the goal of gradually reducing greenhouse gas emissions intensity in the supply chain.

Note 2: The increase in greenhouse gas emissions intensity in the supply chain in 2022 was due to suppliers changing the calculation method for greenhouse gas allocation. In addition to production units, non-production units such as research and development centers and support units were included in the calculation, expanding the scope of greenhouse gas emissions data coverage. This change better reflects the actual carbon emissions situation of advanced processes and has been verified by third parties.

5.1.2 Supply Chain Biodiversity Commitment and Zero Deforestation Declaration

GUC, in its commitment to ecological resource conservation, has formulated the "Biodiversity Commitment and Zero Deforestation Declaration," setting it as a performance indicator and goal for both the Company and Tier-1 significant suppliers. The aim is to enhance the positive impact of the entire value chain on biodiversity conservation, encouraging suppliers to assess biodiversity risks at their operational sites to reduce negative environmental impacts. Together, we seek to mitigate potential harm to biodiversity and implement best practices for zero deforestation. Through the Biodiversity Commitment survey, Tier-1 significant suppliers are required to adhere to the following commitments for protecting ecological resources:

- Pledge to refrain from conducting operational activities in or near significant biodiversity areas in the future.
- If existing operational activities or products and services provided involve forest clearing, commit to implementing compensatory measures for forest restoration and terminating any future development activities.
- Commit to ensuring that operational activities and products and services provided meet the standards of zero deforestation, and supervise compliance with regulations through the operation of internal environmental management systems.
- If areas surrounding existing operational activities are identified as biodiversity hotspots, commit to proposing mitigation measures (including avoidance, mitigation, restoration, and compensation).
- Conduct periodic ecological surveys and impact assessments around operational activity sites.
- Collaborate with external partners to fulfill these commitments.

5.2 Supplier Sustainability Management Principles

GUC strives to promote environmentally sustainable development and lead by example in protecting the environment by complying with third-party verification and regulations, and we also extend this principle to our suppliers so that we can grow steadily with environmental sustainability in mind. We require our suppliers to act in accordance with

the supplier compliance guidelines established by GUC to improve labor, human rights, safety and health, environmental protection, business ethics and management system performance, and to continuously reduce the risk of business interruption.

Objective	Short-term	<ul style="list-style-type: none">• Work with Tier-1 significant suppliers to reduce greenhouse gas emissions by more than 2% annually.• 100% signatory code of conduct for Tier-1 significant suppliers by 2023 (based on RBA specifications)	Specific Achievements	<ul style="list-style-type: none">• Code of Conduct 100% of Tier-1 significant suppliers complete the signing of the Supplier Code of Conduct.
	Medium to long term	<ul style="list-style-type: none">• Rspnd to domestic and international green and carbon reduction initiatives, exert influence on suppliers, and take stock of suppliers' greenhouse gas emissions and management measures.		<ul style="list-style-type: none">• Supplier Social Responsibility Assessment (CSR) 2023 Audit all Tier-1 significant suppliers to achieve Level B or higher, and conduct counseling and communication
How to Manage	Responsibility	<ul style="list-style-type: none">• Authority: Operations Department• External Responsibility: Cooperating suppliers		<ul style="list-style-type: none">• Conflict Minerals Ensure that suppliers provide products from reliable
	Resources	<ul style="list-style-type: none">• The Vice President of Operations is the commander. In addition to the direct staff of the responsible unit, the Human Resources Department and the Employee Facility Services Department will also send staff to assist in the auditing needs.		<ul style="list-style-type: none">• Local Procurement Local purchases will account for 88.6% of the total purchases in 2023 and amount to NT\$15.6 billion
	Communication Pipeline	<ul style="list-style-type: none">• Monthly meetings with suppliers to exchange ideas, and at the end of the year, the ESG Excellence Contribution Award is presented to recognize and reward outstanding contributions.		<ul style="list-style-type: none">• GUC Influence GUC will set targets and include them in the annual supplier CSR assessment, with continuous communication and encouragement to guide suppliers to continuously improvements. At the end of the year, the ESG Excellence Contribution Award will be presented to recognize and reward outstanding contributions.
	Evaluation Mechanism	<ul style="list-style-type: none">• Code of Conduct Compliance Rate• Supplier ESG risk assessment results• Field audit ratio• Supplier response ratio		

As a global leader in IC design services, we have introduced a series of green and energy conservation activities to our direct suppliers to avoid environmental pollution caused by raw materials or components. As of 2023, of the 6 suppliers of GUC, 100% have obtained ISO 14001 environmental management system certification or IECQ QC 080000 hazardous material process management system. In addition to ISO 9001, GUC incorporated ISO 14001 certification into its supplier selection criteria in 2022. To achieve a responsible supply chain, 100% of Tier-1 significant suppliers have signed the Declaration of Non-Usage of Harmful Substances. Additionally, all newly added suppliers are required

to achieve 100% completion of the declaration signing. During the reporting period, no significant actual or potential negative environmental impacts from the supply chain occurred.

GUC's main product is wafers, and its main supplier is Taiwan Semiconductor Manufacturing Corporation (TSMC), TSMC is also our largest shareholder and has a long-standing relationship with us, so we have a stable supply of raw materials. In addition, GUC also cooperates with other suppliers. The wafers and packaging materials from

our suppliers must comply with EU RoHS Directive 2011/65/EU and 2015/863 (which bans four additional substances, DEHP, BBP, DBP, DIBP) and the new EU chemical policy (Registration, Evaluation, Authorization, and Restriction of Chemical substances [REACH]). GUC extends the green policy and concept to the whole supply chain. All new suppliers must meet GUC's RBA requirements and sign a declaration of compliance to become a qualified supplier.

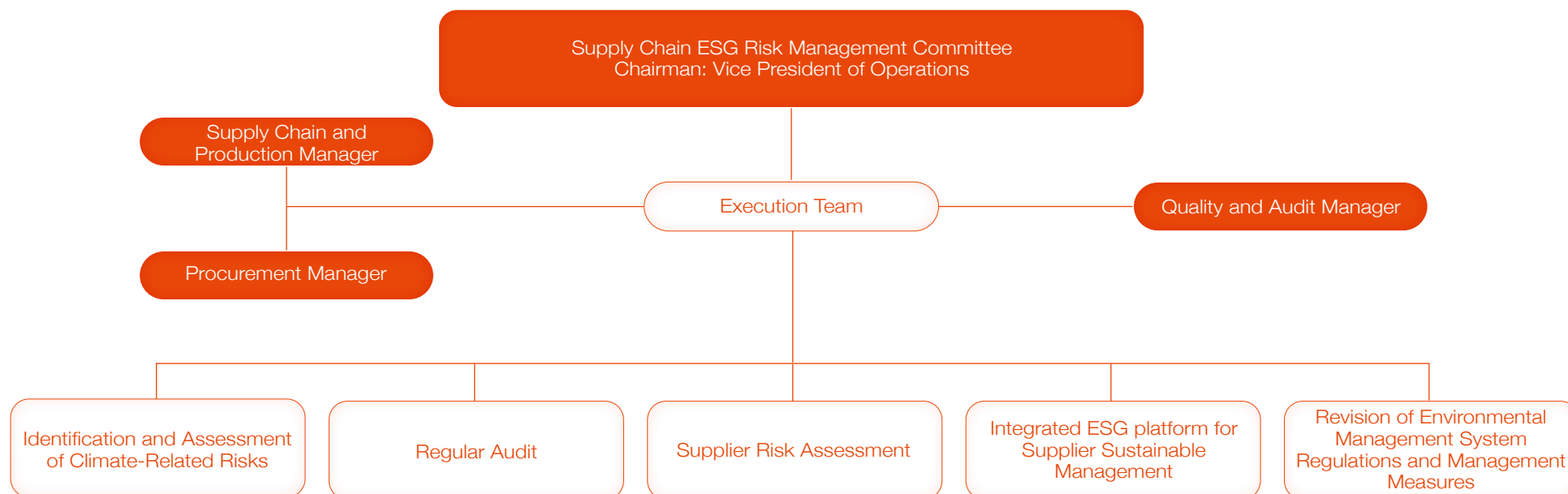
GUC also requires suppliers to use recycled materials and reduce the use of consumables, both in the factory and in transit. For example, reusing plastic trays for IC products, or using reusable packaging materials such as anti-static "black boxes" to transport products during production to reduce the use of cardboard boxes. Through close cooperation upstream and downstream of the supply chain, GUC has taken various environmentally friendly actions and adopted green materials in all aspects of product

design, manufacturing, and packaging, and has fully integrated environmental awareness into its production and quality management systems.

Concrete Implementation of Responsible Procurement and Enhanced Risk Awareness Measures:

To further deepen ESG risk management in the supply chain, the "Supply Chain ESG Risk Management Committee" has been established, led by the highest operational executive, who heads an execution team to promote and coordinate the implementation of risk plans across various operational units. The execution team is responsible for convening regular meetings of the risk management committee, formulating supply chain sustainability management strategies, setting medium- and long-term management goals and action plans, and reporting on the implementation status of various risk management initiatives to the risk management committee.

Organizational chart of GUC Supply Chain ESG Risk Management Committee



5.3 Supplier Risk Management

5.3.1 Supply Chain Sustainability Management

GUC conducts risk assessments of suppliers on a regular basis each year to confirm the risk level of our partner suppliers. Suppliers are required to pass engineering assessments and system audits, especially for Tier-1 significant suppliers. In addition to regular QBR reviews on quality, delivery, service, technical support, information interaction, etc., ESG sustainability issues are also added to assess each supplier's risk level. If a supplier's risk assessment level is D, the supplier is classified as a "high-risk supplier" and is required to have countermeasures and follow-up control and review.

The annual audits of Tier-1 significant suppliers were conducted in accordance with the regulations, and the survey results all reached the level of B (Good) or above.

Suppliers Audits - Regular Evaluation Operation

Category	Major Audit Deficiencies	Key Improvement Results
Supplier audits	<ul style="list-style-type: none"> The New Product Introduction (NPI) checklist does not fully comply with the Standard Operating Procedure (SOP) document specifications. 	<ul style="list-style-type: none"> The supplier has updated documents to comply with the actual operating procedures for NPI.
	<ul style="list-style-type: none"> The Corrective Action Request (CAR) omitted updating/uploading to the ECAR system, failing to enforce Rule for relevant department review and closure. 	<ul style="list-style-type: none"> The supplier has added the omitted CAR to the ECAR for completion of review and closure according to specification requirements.
	<ul style="list-style-type: none"> The laser power for laser engraving diminishes with increasing production time, but the specification document does not define the requirement for regular power calibration. 	<ul style="list-style-type: none"> The supplier has completed specification OI-00-325, adding the execution of laser power calibration cycle.
	<ul style="list-style-type: none"> Alignment plates are used for confirming the alignment of heat sinks, but there are no defined specifications for the alignment fixtures (alignment plate & base). 	<ul style="list-style-type: none"> The supplier has established the alignment plate PM rule in the system.

Supplier Audit and Evaluation System

Grade	Score	Levels	Handling
A	≥ 90	Excellent	Can be adjusted to audit once every two years
B	80 ~ 89	Good	Annual audits and coaching
C	70~79	Normal	Annual auditing and requesting suppliers to improve by the deadline
D	< 70	Bad	The quality management department and the relevant departments will discuss whether to continue to use this supplier, and if it necessary to continue to use it, the supplier will be asked to make improvements immediately. If there is no demand, the qualified supplier qualification will be cancelled.

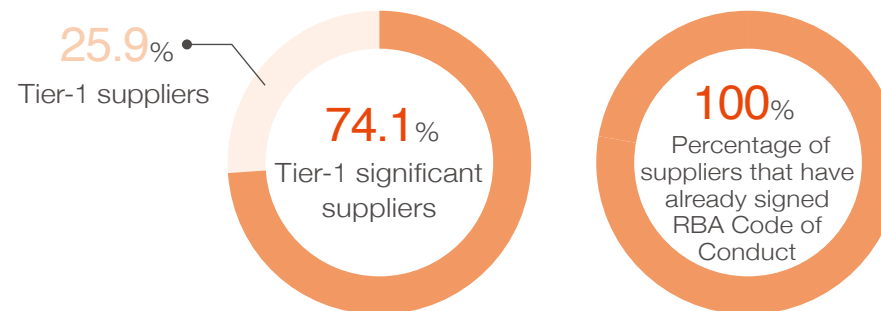
5.3.2 Supplier Screening

To manage the sustainability risk of suppliers consistently, GUC adopted measures to verify supplier's annual procurement amounts, quantities, and content, suppliers are classified into 3 categories. We have defined the criteria for Tier-1 significant suppliers as those whose processing payment amounts account for the top 80% or whose quarterly shipment quantities reach 1 million units. For both Tier-1 and non-Tier-1 suppliers, we have established standards and requirements that align with their processing items or service responsibilities. As of December 2023, we also performed sustainability risk assessment to 6 Tier-1 significant suppliers, response rate reached 100%

Considering the various risks that might occur during operation, GUC shall follow up on the risk status of these suppliers and perform further risk control, additionally, the non-Tier-1 significant suppliers were identified as required, and the definition of non-Tier-1 significant suppliers is (note 1). We will continue to monitor the risk status of non-Tier-1 significant suppliers and establish comprehensive risk management measures.

2023 Supplier Screening & Total number of Suppliers and Supplier Distribution by annual procurement amount

Type of Supplier	Number of suppliers	Supplier Distribution by annual procurement amount	Percentage of suppliers that have already signed RBA Code of Conduct
Total Tier-1 suppliers	40	25.9%	100%
Tier-1 significant suppliers	6	74.1%	100%
non-Tier-1 significant suppliers	12	-	100%



Note 1 Supply to more than two Tier-1 significant suppliers or the supplier who transact through agents.

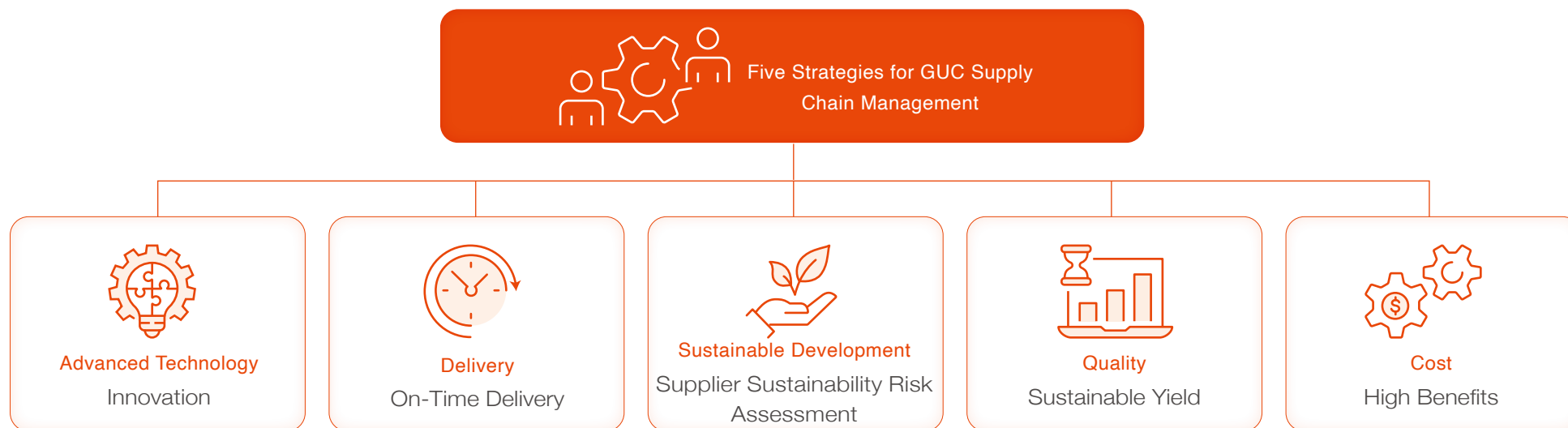
GUC Supplier Identification and Supplier Sustainability Risk Assessment Process

Management Procedure	Risk Levels and Targets for Sustainability Risk Investigations	Sustainability Assessment Mechanism	Execution Content
① Supplier Implementation	New Supplier Establishment	Proactive assessment, conducting initial risk identification based on supplier region and procurement amount	<ul style="list-style-type: none"> Ensuring supplier operations comply with RBA Code of Conduct Supplier operational management Technical capabilities
	Supplier Risk Assessment	Define supplier risk matrix and classification measures based on the results of the Tier-1 supplier SAQ survey, supply chain resilience, and transaction amount	<ul style="list-style-type: none"> Signing of the "GUC Supplier Code of Conduct" RBA Code of Conduct Ethical Practices
② Sustainability Assessment	Risk assessment of Tier-1 significant suppliers	Tier-1 significant suppliers are defined as those whose processing payment amounts account for the top 80% or whose quarterly shipment quantity reaches 1 million units	<ul style="list-style-type: none"> Regular QBR evaluations Signing of the "GUC Supplier Code of Conduct" RBA Code of Conduct Ethical Practices Supplier ESG Sustainability Management Risk Assessment Questionnaire Form
③ On-site Audits and Regular Meetings	Continuous Improvement by Suppliers	Through on-site or written audits, we verify the implementation results of suppliers, comparing them with the validity of various standard certificates, tracking their self-assessment reports and closure follow-ups to ensure that their operational practices meet the requirements of sustainable management	<ul style="list-style-type: none"> Review is conducted on aspects such as quality, delivery time, service, technical support, and information interaction ESG Sustainable Management Assessment Suppliers who pass the risk assessment (≥ 70 points) are classified as preferred procurement targets. Excellent suppliers are selected and awarded the "Annual Excellent ESG Supplier Award."
④ Implementing evaluation management and exit mechanism	High-risk suppliers	Suppliers who fail the on-site audit twice	<ul style="list-style-type: none"> Suppliers who fail the re-examination of issues identified during on-site audits or commit major violations will have their transaction volume reduced or their transactions terminated.

5.3.3 Supplier Sustainability Risk Assessment to Tier-1 Significant Suppliers

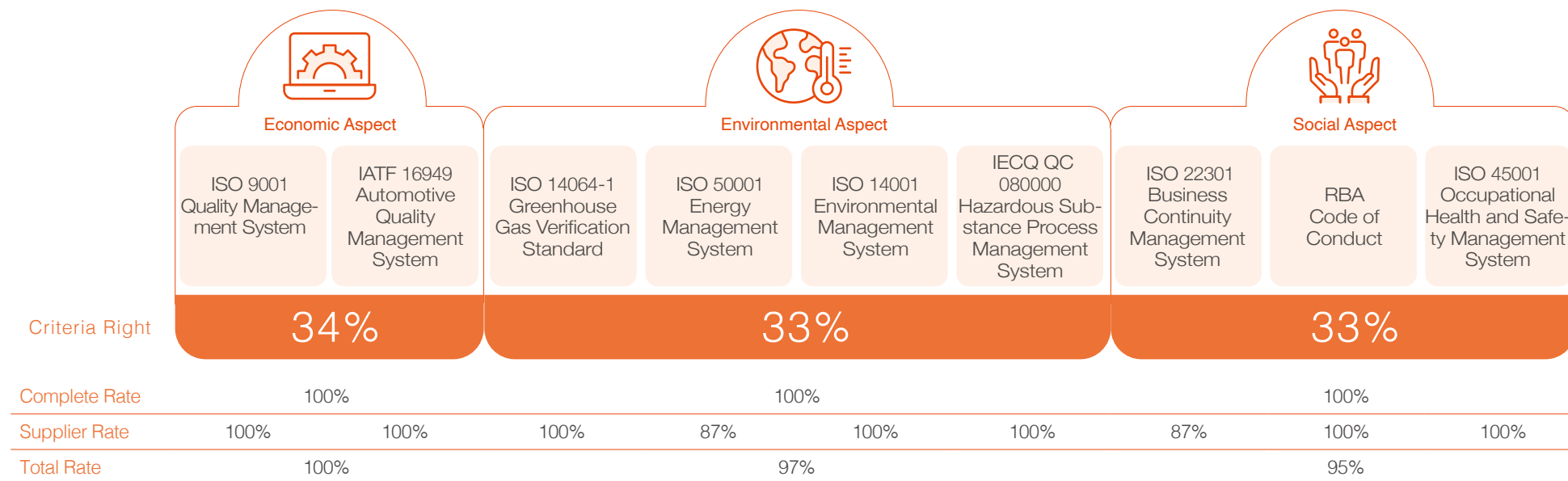
In 2023, GUC conducted assessments on 6 Tier-1 significant suppliers. Based on the results of the supply chain sustainability risk investigation and evaluation, none of the Tier-1 significant suppliers were classified as level D high risk suppliers in the 2023 audit.

Five Strategies for GUC Supply Chain Management



Supply Chain Certification

GUC implements the following management systems to address potential risks across economic, environmental, and social dimensions during ESG risk assessments:

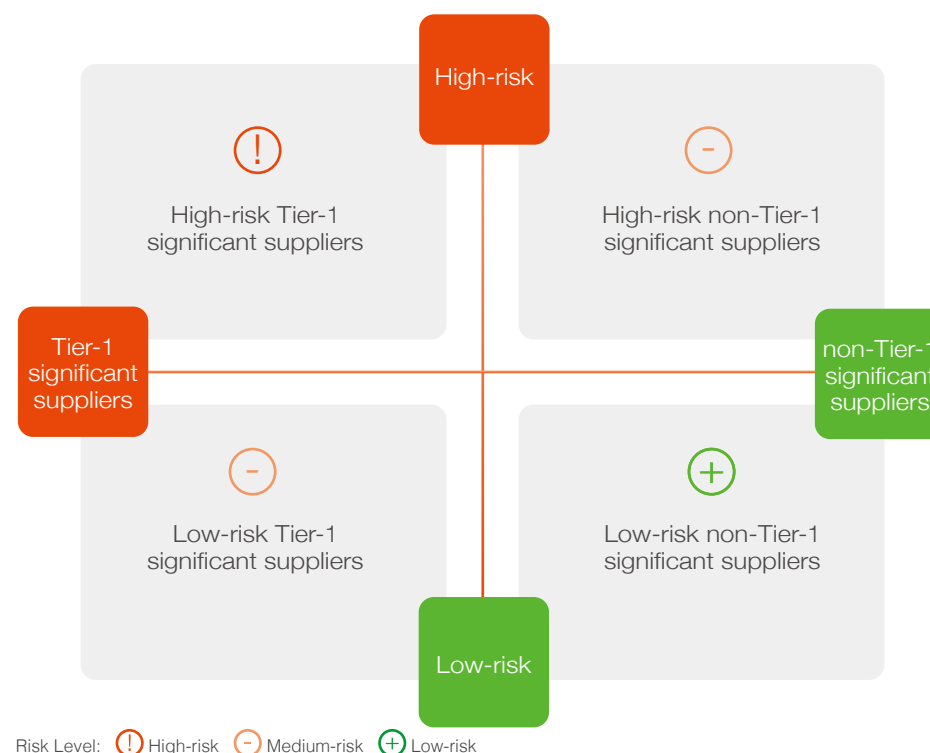


RBA SAQ Risk Assessment

GUC is a member of the Responsible Business Alliance (RBA). The risk of GUC is assessed through the RBA Online platform to prevent potential risks from occurring. In 2023, GUC completed the Self-assessment Questionnaire (SAQ), and the assessment results indicated a "low-risk" level. Additionally, its significant suppliers were requested to complete the RBA self-assessment questionnaire for risk assessment purposes. Every year, the risk ratings obtained by suppliers are regularly reviewed to incorporate them into the overall supply chain risk assessment of GUC.

Supplier Risk Matrix and Classification

GUC utilizes a "Supplier Risk Matrix" to map the probability and impact of risks to the corresponding risk levels. Audits, either onsite or remote, are conducted in six major areas: Supply Chain Operational Risk Management, Quality, Occupational Health and Safety Management, Water/Carbon/Energy Management, Hazardous Substances and Waste Management, and Labor Protection. Potential risks are identified, and suppliers are requested to propose improvement plans and schedules to enhance their awareness of self-management. Through comprehensive strategies, GUC can more effectively address risk challenges.



Supplier Operational Risk Management and Classification	High-risk Tier-1 significant suppliers	Low-risk Tier-1 significant suppliers	High-risk non-Tier-1 significant suppliers	Low-risk non-Tier-1 significant suppliers
Signing of the "GUC Supplier Code of Conduct"	●	●	●	●
Supplier Self-Assessment Questionnaire (SAQ) Evaluation	●	●	●	●
Annual Business Continuity Plan (BCP) Survey	●	●	●	●
Regular Supplier Audits	●	●		
Supplier ESG Sustainability Management & Risk Assessment Questionnaire Survey	●	●		

Performance of Supplier Risk Assessment

GUC invites its Tier-1 significant suppliers partners to work together on the vision of sustainability with a particular focus on the GUC Supplier Code of Conduct, the Non-Use of Conflict Minerals Pledge, the Supplier ESG Sustainability Management & Risk Assessment Questionnaire, among other important issues. In 2023, we completed the first phase of the survey and 100% of Tier-1 significant suppliers signed, indicating their full support the RBA requirements, and pledging that they will not use conflict minerals among other commitments and goals




Supply Chain Monitoring and Responsibility Assessment Survey

"Supply Chain Monitoring and Responsibility Assessment Survey" is a part of GUC's implementation of sustainable supply chain risk management. Our sustainability team identifies 12 main themes based on various trends in sustainability issues and incorporates them into the "Supplier ESG Sustainability Management & Risk Assessment Questionnaire." These themes are categorized into three dimensions: economic, social, and environmental. This strengthens the establishment of supplier management systems, assesses and audits the risks suppliers may face in sustainable development, and then acts appropriately to address them.


From the ESG risk assessment questionnaire, the performance of suppliers is evaluated based on three risk management dimensions: economic, environmental, and social. We compare supplier performance according to weighted criteria, and through auditing, investigation, and improvement measures, we enhance the resilience of the supply chain. We strengthen close cooperation for mutual benefit and prosperity, working together to create sustainability.




12 Sustainable Supply Chain Risk Control Themes

Evaluation Weights	Supplier Management System Dimension	12 Sustainable Supply Chain Risk Management Themes	Annual Audit Items
34%  Economic Aspect	1. Sustainability Management		<ul style="list-style-type: none"> Dept/Org set up for sustainability management Corporate Social Responsibility or Issuance of ESG Reports Response to Carbon Disclosure Project (CDP)
		2. Operation Sustainability	<ul style="list-style-type: none"> ISO 22301 or Business Continuity Management System (BCMS) Related Verification Identification of operational continuity-related risks and formulation of emergency responses Reporting of operational threat incidents
	3. Operation Sustainability Risk Management		<ul style="list-style-type: none"> Policies Related to Risk Management Policies Related to Anti-Corruption and Annual Internal Advocacy and Establishment of Independent Inspection Mechanism Policies Related to Information Security Management
		4. Supply Chain Sustainability Management	<ul style="list-style-type: none"> Verification of Suppliers to Ensure No Violations of Relevant Regulations in the Past 3 Years (e.g., Violation of Company Law, Securities and Exchange Act, etc., Excluding Environmental, Health and Safety, and Labor Rights Events) When selecting suppliers, sustainability (ESG) is considered as a selection criterion. Supplier Code of Conduct or relevant norms are established. Procedures for identifying supplier sustainability risks are defined. The management performance of supplier sustainability risks is audited. Suppliers are required to make improvements regarding the deficiencies identified during audits. Reporting of supplier/supply chain disruption events is conducted.

12 Sustainable Supply Chain Risk Control Themes

Evaluation Weights	Supplier Management System Dimension	12 Sustainable Supply Chain Risk Management Themes	Annual Audit Items
<div>33%</div> <div>  </div> <div>Environmental Aspect</div>		5. Conflict Minerals	<ul style="list-style-type: none"> Commitment to not using conflict minerals, including conducting CMRT (Conflict Minerals Reporting Template) and CRT (Cobalt Reporting Template).
		6. Environmental management	<ul style="list-style-type: none"> ISO 14001 or relevant environmental management system verification Reporting of violations of environmental protection regulations
		7. Carbon management / Energy management (Greenhouse Gas (GHG)) / Energy Management	<ul style="list-style-type: none"> ISO 14064-1 greenhouse gas verification standard verification Greenhouse gas Scope 2 emissions in the most recent year (unit: tCO₂e)
			<ul style="list-style-type: none"> Scope 3 emissions for the previous year (unit: tCO₂e) Carbon reduction goals and related measures for the current year
			<ul style="list-style-type: none"> ISO 50001 Energy Management System verification Ratio of green electricity or renewable energy usage in product-related manufacturing facilities or research centers
		8. Water Management	<ul style="list-style-type: none"> Is the operating location located in an area with moderate or higher overall water risk? Effectiveness of water resource recycling Water resource reduction targets for the current year Control measures for wastewater discharge or disposal (such as classification, monitoring, control, and treatment)
		9. Hazardous Substance Process Management	<ul style="list-style-type: none"> Verification of IECQ QC 080000:2017 Hazardous Substance Process Management System Implementation of hazardous substance process management education and training
			<ul style="list-style-type: none"> Effectiveness of waste recycling Reduction of waste achieved in the current year
			<ul style="list-style-type: none"> Are waste disposal facilities licensed and legally registered by the competent authority?

12 Sustainable Supply Chain Risk Control Themes

Evaluation Weights	Supplier Management System Dimension	12 Sustainable Supply Chain Risk Management Themes	Annual Audit Items
33%	 Social Aspect	10. Human Rights	<ul style="list-style-type: none"> Human rights risk assessment/due diligence procedures to identify labor-related impacts/risks Policies/regulations regarding anti-discrimination (including gender, race, religion, etc.) and inhumane treatment (including harassment, abuse, corporal punishment, etc.) Policy/regulation prohibiting the use of child labor Policy/regulation protecting young workers Policy/regulation prohibiting forced labor Policy/regulation allowing workers the freedom of association Identification of significant (salient) human rights issues Identification of vulnerable groups susceptible to human rights impacts (such as women, minorities, disabled persons, indigenous peoples, etc.) Annual execution of human rights education and training
		11. Labor Security	<ul style="list-style-type: none"> Payment of wages compliant with locally established minimum wage regulations Establishment of communication channels or anonymous complaint mechanisms for workers, such as suggestion boxes, complaint hotlines, etc. Proper explanation of labor rights and regulations to employees Incidence of penalties for violations of labor or human rights-related regulations
		12. Occupational Health and Safety Management	<ul style="list-style-type: none"> ISO 45001 certification or verification related to Occupational Health and Safety Management Systems Reporting of occupational injuries or illnesses Reporting of incidents violating labor health and safety regulations

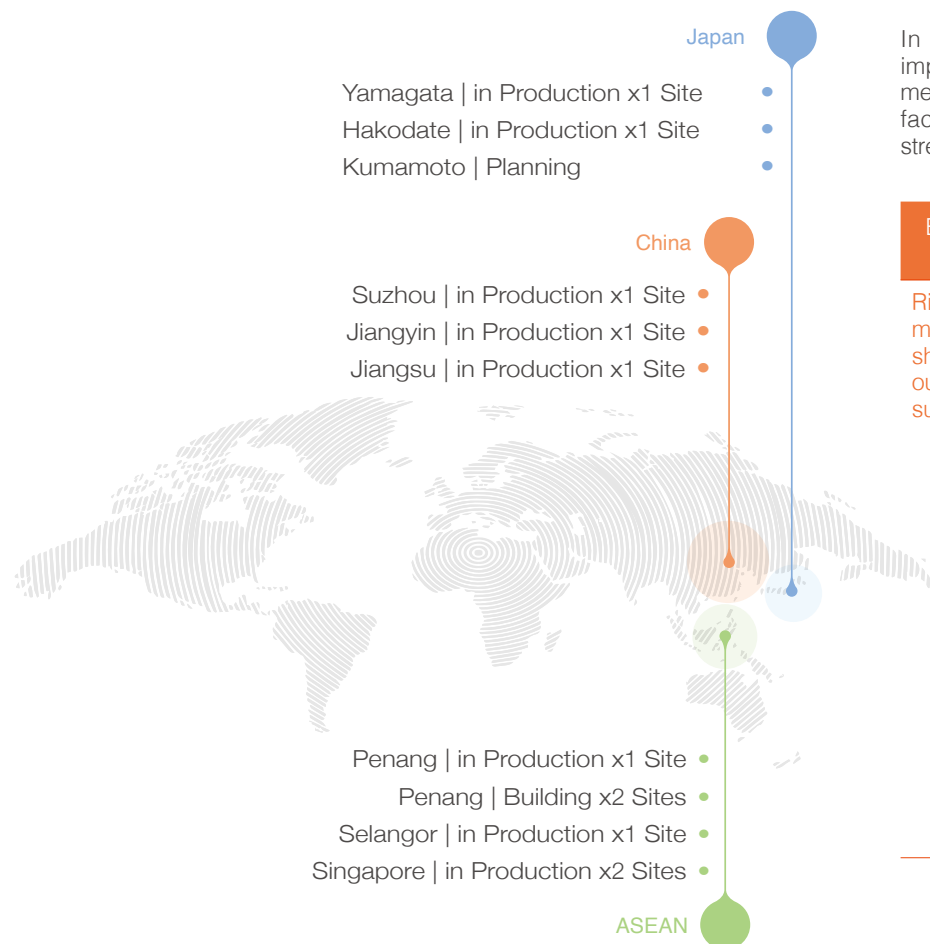
5.3.4 Global Geopolitical Risk Key Management Strategies

Based on this year's Global Risks Perception Survey Ranks, war-induced shortages in raw materials, supply chain disruptions, and high inflation have rapidly escalated the "cost-of-living squeeze" to become the most threatening global crisis in the short term (within the next 2 years). "Natural disasters and extreme weather events" have retained their ranking from last year as the second-most pressing issue, while "geopolitical-economic conflicts" have surged into the top 3 for the first time due to pandemic and war-related factors. Taking a comprehensive view, the World Economic Forum (WEF), based on the survey results, has distilled future global risks into 5 key risk themes (economic, environmental, geopolitical, social, and technological).

In response to these key risk themes and challenges, GUC adheres to the TCFD reporting framework and continuously assesses political, economic, and social risks in emerging markets through the Supply Chain ESG Risk Management Committee. By utilizing regional risk maps, we precisely identify potential risk areas. The Operations Vice Manager, serving as the Chair of the Committee, reviews and evaluates the vulnerability of the Company's operations in different scenarios, and collaborates with suppliers and partners to promote environmental sustainability. We have compiled the types of risks that currently pose potential negative impacts and disruptions to the Company's future operations, as shown in the table below:

Emerging Risks	Risk Description	Potential Impact	Corresponding Strategy
Geopolitical-Economic Conflicts	<ul style="list-style-type: none"> Challenges persist amidst regional disruptions caused by the Russia-Ukraine conflict and tensions in the Middle East. The United States continues to expand its Entity List scope and export control regulations concerning China. Political risks in the Taiwan Strait situation Regional political conflicts leading to trade restrictions and import/export limitations, increasing the complexity of cross-border operations. 	<ul style="list-style-type: none"> Geopolitical risks may introduce policy uncertainties, affecting the Company's long-term strategic planning. Political turmoil can lead to increased trade barriers, adding complexity to cross-border operations. 	<ul style="list-style-type: none"> Conduct comprehensive geopolitical risk assessments, covering factors such as political stability, trade policies, and regional conflicts. Diversified supplier strategy: Adapt to regional risks by establishing a diversified supplier strategy to mitigate risks. Propose a "Global Supply Chain Extension Strategy and Assessment Plan" to reduce reliance on specific regions.
Digital Inequality	<ul style="list-style-type: none"> In high-risk areas, limited access to digital education restricts the application of digital technologies, widening the digital divide and constraining the Company's digital transformation. 	<ul style="list-style-type: none"> Widening technology gap: Digital inequality may result in a widening technology gap, posing a threat to the Company's competitiveness in global markets. Talent shortage: Affecting the Company's digital transformation process. 	<ul style="list-style-type: none"> Technology collaboration: Actively engage in cross-border technology collaboration to promote balanced application. Internal training: Strengthen internal digital technology training for suppliers.
Natural Disasters and Extreme Weather Events	<ul style="list-style-type: none"> Earthquakes, hurricanes, and other natural disasters can potentially damage production facilities, leading to production interruptions. Global warming may result in fluctuations in natural resource prices, increasing production and transportation costs. 	<ul style="list-style-type: none"> Production Interruptions: Natural disasters can lead to production interruptions, impacting supply chain stability. 	<ul style="list-style-type: none"> Climate Risk Assessment: Implement climate risk assessments and develop contingency plans. Green Infrastructure: Promote investments in green infrastructure to enhance environmental sustainability of the Company.
Economic Crisis and Social Turmoil	<ul style="list-style-type: none"> Due to economic instability and social unrest, suppliers are unable to operate normally, leading to supply chain disruptions. This results in decreased consumer confidence, leading to reduced product demand. 	<ul style="list-style-type: none"> Supply chain disruptions: Economic crises may lead to disruptions in certain supply chains, especially those reliant on specific regions. Decreased demand: Social unrest may cause a decline in market demand, impacting performance. 	<ul style="list-style-type: none"> Diversified risk management: Mitigate the direct impact of economic crises and social unrest on the Company through diversification of markets and suppliers. Market monitoring: Expand monitoring mechanisms to anticipate market changes in advance.

Global Supply Chain Extension Strategy and Assessment Plan



5.3.5 Risk Assessment and Management of Key Raw Materials

In order to meet the challenges of supply chain risk assessment and management, GUC has implemented multiple alternative supply chain arrangement, and launched a material preparation mechanism to continuously disperse risks, so as to avoid the impact of political, epidemic and other factors on material shortages and disruptions in the supply chain. Meanwhile, GUC continues to strengthen supply chain control to ensure the supply chain stability.

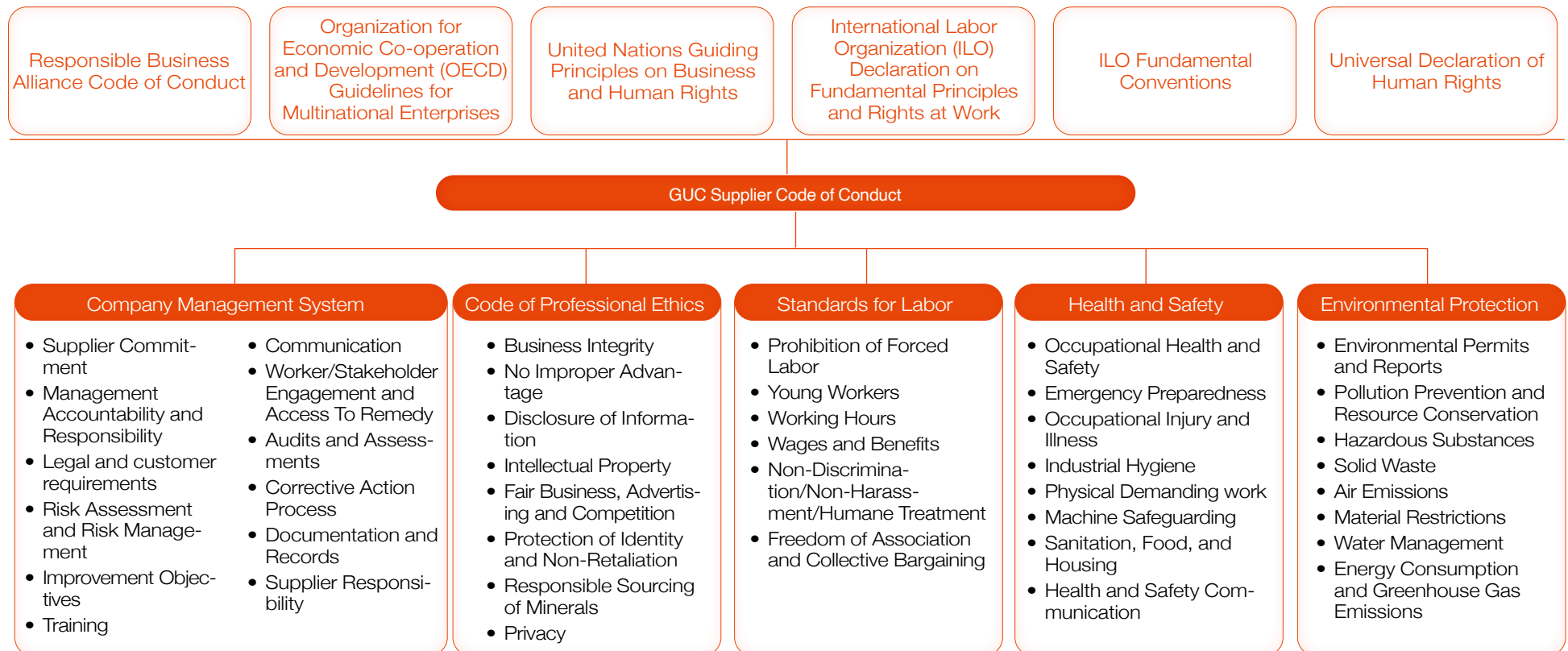
Emerging Risks	Risk Description	Potential Impact	Corresponding Strategy
Risk of material shortage and outage in the supply chain	<ul style="list-style-type: none"> Factors such as political turmoil and epidemics may have a huge impact on the supply chain, causing material shortages and interruptions, which in turn have a major impact on the Company's operations. 	<ul style="list-style-type: none"> The risk of material shortages and disruptions can be increased without proper supply chain risk management 	<ul style="list-style-type: none"> Adopt alternative chain arrangement to have multi-source supply solutions. Conduct strict screening for new suppliers and continuously increase the list of qualified suppliers to diversify maternal sources. Sign long-term capacity assurance contracts with key suppliers for critical raw materials to ensure long-term supply security. Establish a raw material supply chain tracking mechanism to accurately grasp the delivery progress of raw materials, and conduct real-time adjustment of production capacity allocation in a timely manner. Implement second source to disperse supply chain interruption risks.

5.4 Supplier Evaluation and Development

5.4.1 Signing the "Supplier Code of Conduct"

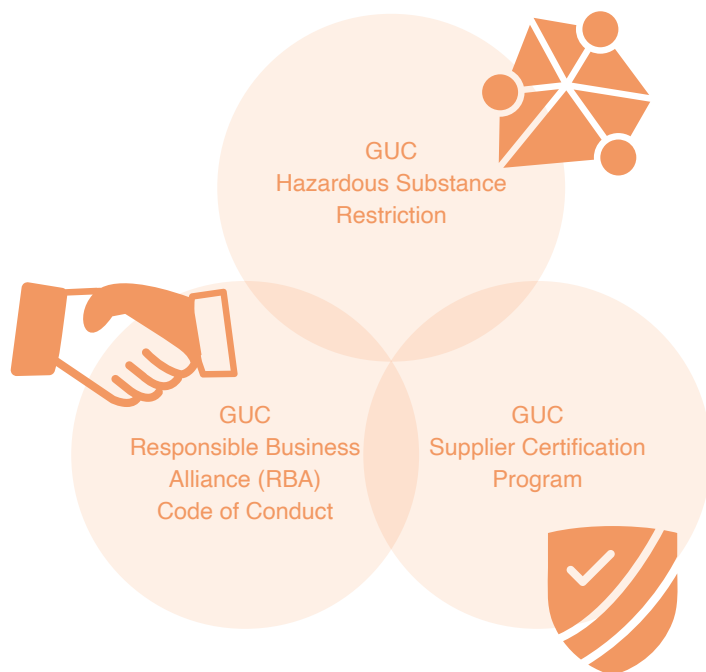
To enable suppliers to understand and gradually implement corporate sustainability, we have developed the "GUC Supplier Code of Conduct and conducted a survey and among all major suppliers, with 100% signing. The Code of Conduct contains the rules and requirements of the Responsible Business Alliance Code of Conduct (RBA 8.0 Code of Conduct). The Supplier Code of Conduct covers five major aspects: labor rights, health

and safety, environmental protection, ethical standards, and corporate governance, comprising a total of 42 corresponding indicators, following internationally recognized social responsibility standards. Suppliers are required to commit to comply with the social responsibility requirements presented within the RBA Code of Conduct.



5.4.2 Supplier Social Responsibility Requirements

GUC regularly audits the suppliers we work with under the following three codes. If we find any violations of environmental regulations, we will issue a warning and impose a deadline for improvement and will terminate our partnership with repeat offenders or serious cases.



5.4.3 ESG Sustainability Education and Training

Sustainable talent is an important part of the Company's future core competitiveness. We hope to enhance the ESG mindset of all employees at GUC through various forms of educational training and encourage employees to combine the concept of sustainability with technology expertise to create a positive cycle of sustainability and business performance. We also provide a variety of volunteer activities for our employees to participate in sustainability issues on a regular basis, to enhance ESG thinking, and to work with our employees toward sustainable development.

In addition, the Company has invited sustainability experts to provide training to colleagues responsible for supply chain management. The training covers various topics, including global ESG and SRI trends, GRI reporting standards, Taiwan's sustainability classification criteria, evaluation focus of international ESG rating agencies, and case studies of ESG in the semiconductor supply chain and quality management.



5.4.4 Supply Chain Cooperation and Exchange

Through annual evaluations, GUC not only convenes seminars to advocate for relevant sustainability issues but also has ESG executives directly communicate sustainability supply chain goals and requirements to suppliers. In December 2023, three "GUC ESG NET ZERO SUPPLY CHAIN SUSTAINABILITY FORUMS" were successfully held, inviting the partners of Tier-1 significant suppliers with a total of approximately 40 participants.

The goal of these forums was to provide in-depth explanations of GUC's annual ESG policies, including vision, mission, and execution policies, and to refine various goals such as green production, the "GUC Supplier Code of Conduct," and energy conservation and emission reduction. We aimed to bring together stakeholders from the semiconductor industry to explore and promote the development of sustainable supply chains and collectively address sustainability issues. Professionals and executives from the supply chain field shared insights, experiences, and best practices to facilitate exchanges and collaboration, focusing on the following three major topics.



GUC ESG NET ZERO SUPPLY CHAIN SUSTAINABILITY FORUM

G GUC established Outstanding ESG Supplier Awards.

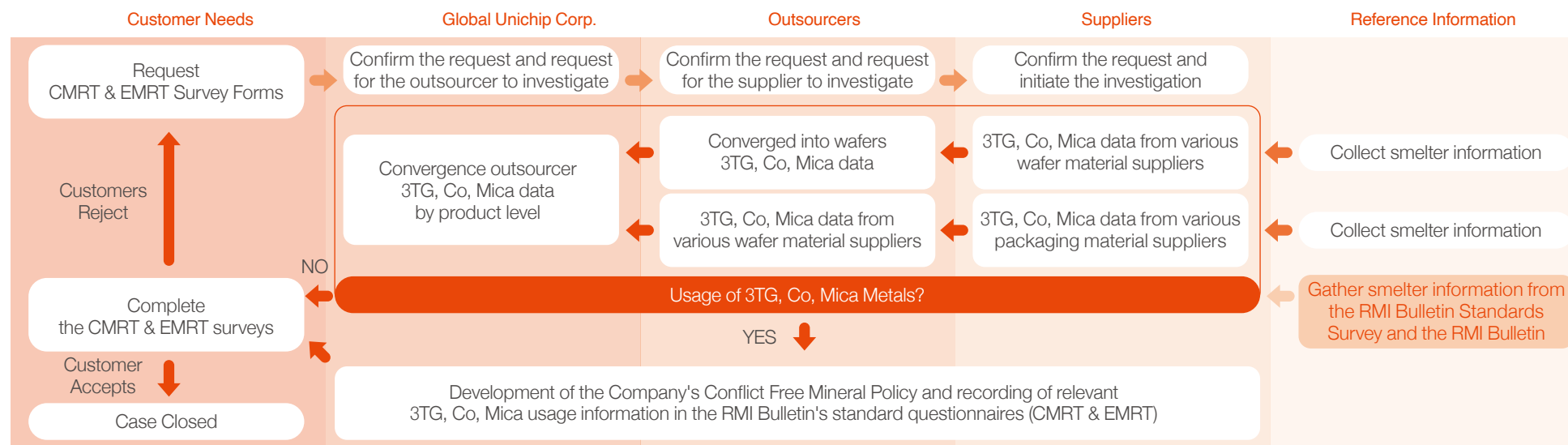
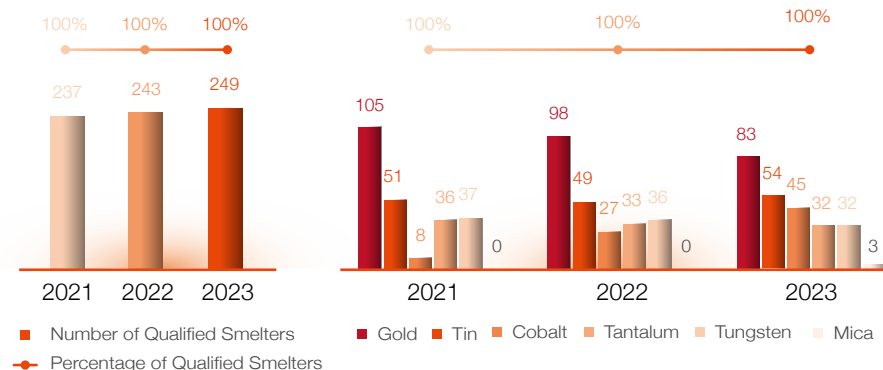
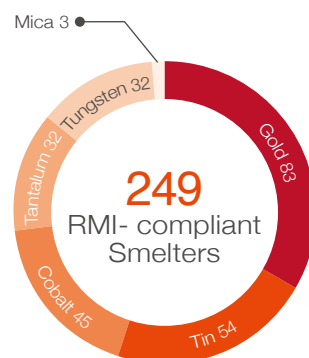
In December 2023, GUC presented the Annual Outstanding ESG Supplier Award to recognize the unwavering commitment of our supplier partners to green procurement, resulting in outstanding environmental contributions within the GUC supply chain. This award acknowledges the delivery of high-quality products including the dedication to environmental sustainability. Through the practice of green procurement, our exceptional supplier partners collaborate with GUC to establish a more sustainable business ecosystem. These efforts not only meet the procurement needs of GUC but also reflect the suppliers' concern for global environmental issues.



5.5 Supply Chain and Environment

5.5.1 Raw Materials Management - No Conflict Minerals

In line with the global trend of human rights protection, customers insist on not using minerals from areas commonly considered to be "conflict mines" or those known to produce "conflict minerals" to produce their products. GUC currently has 249 Responsible Minerals Initiative smelters that use 100% Responsible Minerals to source raw materials such as gold, tungsten, tin, tantalum, and cobalt. We will continue to actively manage supplier conflict mineral due diligence as the CMRT (Conflict Minerals Reporting Template), and CRT (Cobalt Reporting Template) survey versions are updated.



5.5.2 Green Procurement

GUC adheres to the principle of green procurement, and has established comprehensive supplier due diligence and hazardous substance management. Through the Raw Material Procurement Regulations: (1) GUC Responsible Business Alliance (RBA) Code of Conduct, (2) GUC Hazardous Substance Restriction, (3) GUC Supplier Certification Program, we ensure that our products comply with international labor and human rights and environmental management substance regulations, and confirm that our suppliers meet various requirements for environmental protection, safety, and health.

Green Purchasing Initiative

100% of GUC's paper is certified by PEFC, an international non-profit, non-governmental organization based in Switzerland that promotes sustainable forest management through certification by an independent third-party organization. By purchasing paper that meets this certification, GUC supports forest conservation and echoes the SDG 15 "Terrestrial Ecology Conservation" initiative.

GUC is committed to promoting electronic invoicing to replace traditional paper invoices and to improve the efficiency of major suppliers' invoicing operations, resulting in significant savings in paper invoicing. In 2023, we saved about 6,000 paper invoices and reduced carbon emissions by 76.8 kgCO₂e, continuing to move towards paperless.

(Note: Each invoice is calculated based on 2 sheets of A4 paper, and the carbon reduction is calculated based on the Carbon Footprint Information Website of the Environmental Protection Administration, Executive Yuan, Taiwan, which is 3.2 kgCO₂e per pack of 500 sheets of A4 paper)

Local Green Procurement

GUC cares about local economic development and considers timely and local procurement. We are committed to reducing transportation costs, reducing carbon emissions from material transportation, and upholding the principle of local procurement. In 2023, we placed orders for more than NT\$15.6 billion of procurement in Taiwan. At the same time, we are actively working with suppliers to set targets for water, electricity, waste, and carbon reduction to enhance the sustainable development of the local supply chain.

Strengthen Supply Chain Resilience - Develop International Production Strategies

Due to various factors such as accelerated climate change and rising international political tensions, GUC has been expanding its overseas production base, including Japan, Korea, Philippines, and China, considering the resilience of the supply chain and responding to market changes quickly. As a result, the ratio of local procurement decreased slightly in 2023, but the Company continued to maintain a reasonable proportion of local procurement.

GUC's Five Year Local Procurement Data

	Local raw material purchases (Unit: NT\$ million)	Total raw maternal purchases (Unit: NT\$ million)	Percentage of raw materials purchased locally (%)
2019	7,496	7,531	99.5%
2020	9,615	9,744	98.7%
2021	11,850	12,078	98.1%
2022	17,911	19,050	94.0%
2023	15,673	17,681	88.6%



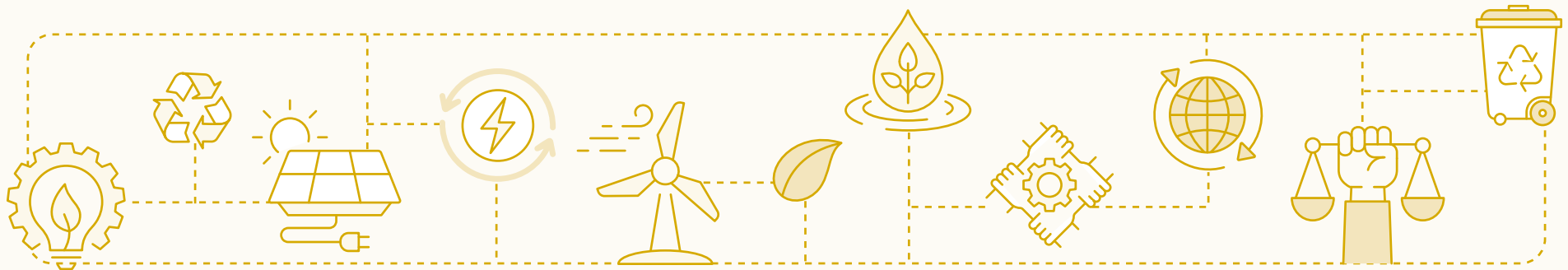


Environmental Sustainability 6

- 6.1 Task Force on Climate-Related Financial Disclosures
- 6.2 Completion of Setting SBTi Targets, Submission of Net Zero Commitment
- 6.3 Environmental Management
- 6.4 Environmental Protection Expenses

Key Results and Strategies

Strategic Approach	Commitment	KPI	2023 Goals and Performance
Climate Change Response Strategies	<ul style="list-style-type: none"> Preparation of TCFD report 	<ul style="list-style-type: none"> Preparation of TCFD report 	<ul style="list-style-type: none"> Utilizing the framework provided by the Task Force on Climate-related Financial Disclosures (TCFD), identifying climate risks and opportunities for the Company, and devising response strategies and measures.
Carbon Management and Commitment to Net-Zero Emissions	<ul style="list-style-type: none"> SBTi target setting 	<ul style="list-style-type: none"> SBTi Target Setting 	<ul style="list-style-type: none"> SBTi target setting GHG Protocol Greenhouse Gas Verification Statement
Environmental Management	<ul style="list-style-type: none"> Annual energy savings of 1% Annual water savings of 1% Waste disposal compliance with regulations 	<ul style="list-style-type: none"> Annual energy savings of 1% Annual water savings of 1% Compliance with regulations, no violations of regulations 	<ul style="list-style-type: none"> Annual energy savings of 3.2% Water intensity decreased by 0.25 (despite an increase in total employee count, resulting in no decrease in total annual water usage) Waste disposal complies with regulations, with no violations of regulations Signed a green energy procurement contract and began using green energy, with a total of 1,469 kWh of green energy supplied Implemented four energy-saving measures at a cost of NT\$5.04 million, resulting in a total energy saving of 208,456 kWh across all four projects, equivalent to a reduction of approximately 103.2 metric tons of CO₂ emissions The Hsinchu headquarters has been certified under the ISO 14001 Environmental Management System
Environmental Regulations	<ul style="list-style-type: none"> Compliance with regulations 	<ul style="list-style-type: none"> Compliance with regulations, no violations of regulations 	<ul style="list-style-type: none"> Compliance with regulations, no violations of regulations The environmental investment expenditure in 2023 amounted to approximately NT\$5.614 million.



6.1 Task Force on Climate-Related Financial Disclosures

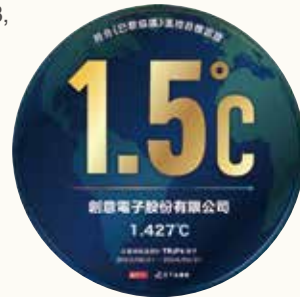
To effectively address climate change risks and fulfill corporate social responsibility, GUC adheres to the framework of Task Force on Climate-Related Financial Disclosures (TCFD). We actively examine the potential impacts of our products and services on society, the environment, and the economy, integrating climate-related opportunities and risks into our assessments. In 2023, we published our first climate-related financial disclosures report (please refer to the "[Download TCFD Report](#)" section on our company website). Additionally, the management team at GUC has completed a climate risk assessment and formulated concrete plans for achieving net-zero carbon emissions. Regular progress reports on the implementation of our carbon reduction plans are submitted to the Board of Directors.

Annual Achievement



GUC Honored with "Temperature Rising Index for Pathways" 1.5°C Temperature Control Certification

GUC is committed to environmental sustainability and actively promotes net-zero emissions. In June of 2023, we were awarded the "Temperature Rising Index for Pathways" 1.5 °C Temperature Control Certification by Common Wealth Magazine, recognizing our adherence to the 1.5 °C temperature control target set forth in the Paris Agreement. The "Temperature Rising Index for Pathways" (TRIPs) is a platform jointly launched by Common Wealth Magazine and academic partners such as Tunghai University. It scientifically evaluates the carbon reduction commitments and pathways of 725 companies in Taiwan that have submitted sustainability reports. Among these companies, 94 are in compliance with the 1.5 °C temperature control target outlined in the Paris Agreement, and GUC is honored to be among them.



6.1.1 Climate Change Governance Framework

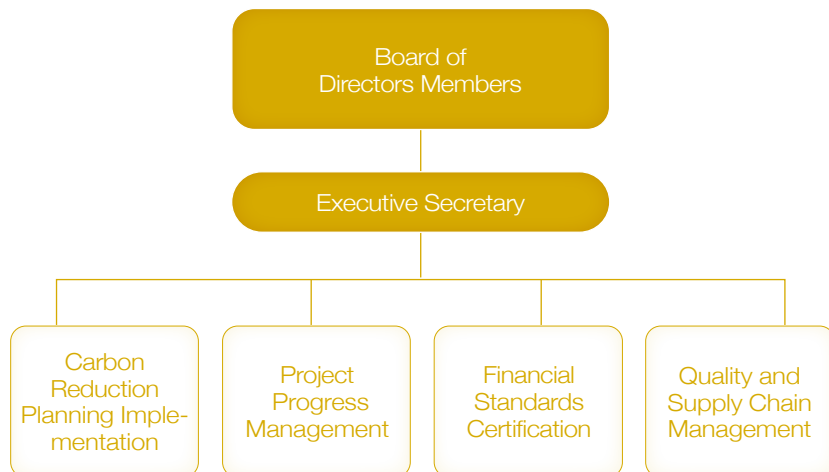
GUC has incorporated climate change and environmental risk management into its risk management policy. Additionally, the Company has established the ESG Committee (as detailed in Section 1.2 of this report) and the Net Zero Committee, led by President who also serves as a director of the Company. These committees assist in promoting corporate sustainability and climate change-related management initiatives. An Executive Secretary has been appointed to regularly report the progress or outcomes of annual climate change risk improvements to the Board of Directors, with at least one annual report submission.

Net Zero Committee

To continuously enhance sustainable governance principles, GUC established the Net Zero Committee in 2022, with President Sean Tai serving as the Chairman to oversee related matters. The committee's main responsibilities are as follows:

1. Establish detailed schedules for each initiative, regularly track and supervise progress. Key responsibilities include:
 - Energy Management: Initiatives related to energy conservation, generation, and procurement.
 - Supply Chain Management: Collaborate with key suppliers to reduce carbon emissions across the entire supply chain.
 - Certification Management: Align with international standards, implement carbon reduction efforts according to SBTi standards, and publish TCFD reports.
2. Develop training programs, strategic objectives, control mechanisms, internal audits, and external verification plans, as well as plans for greenhouse gas inventories and reporting.
3. Assist the Board in supervising and controlling interim targets.

The Organizational Structure of the Net Zero Committee



G The GUC Net Zero Committee convened a total of three meetings, all of which were chaired by President Sean Tai in 2023.

Key conclusions and progress are as follows:

1. Completion of goal setting for achieving 2050 Net Zero emissions, along with corresponding interim targets.
2. Submission of the commitment letter to the SBTi in August, followed by the submission of the comprehensive SBTi plan in October.
3. Issuance of the first TCFD report in November, further enhancing the Company's transparency.
4. Initial implementation of externally procured green energy in December, marking the commencement of environmentally friendly practices.

6.1.2 Climate Change Response

The Board of Directors of GUC reviewed the progress of ESG initiatives in 2022 and formulated the ESG execution objectives for 2023 on February 2, 2023. In addition to aiming for significant progress in the 2023 ESG assessment, the Company intends to enhance information disclosure regarding the TCFD to assess and address the impacts of climate-related risks and opportunities, along with corresponding measures. Regarding the establishment of carbon reduction targets, the Company actively participates in the Science-Based Targets initiative (SBTi). Based on the 2022 base year, the Company sets the goal of reducing Scope 2 emissions by 42% and Scope 3 emissions by 25% by 2030 under a scenario where the average global temperature rise does not exceed 1.5°C. Additionally, the Company aims to reduce total greenhouse gas emissions by 90% by 2050. These targets will be periodically reviewed by the Board of Directors.

Climate Change Scenario Setting

GUC has conducted scenario setting based on the identification of significant risks and opportunities. Given that climate-related risks and opportunities will impact future strategies and financial planning, the Company has adopted the SSP5 baseline scenario to analyze and assess the resilience of climate strategies. Additionally, as physical risks were not identified as significant risks in the identification process, they are omitted from this report. However, proactive risk assessments have been conducted through the following scenarios, detailed in the "3.1 Climate Risk Scenario Setting - Physical Risks" section of the Company's TCFD report.

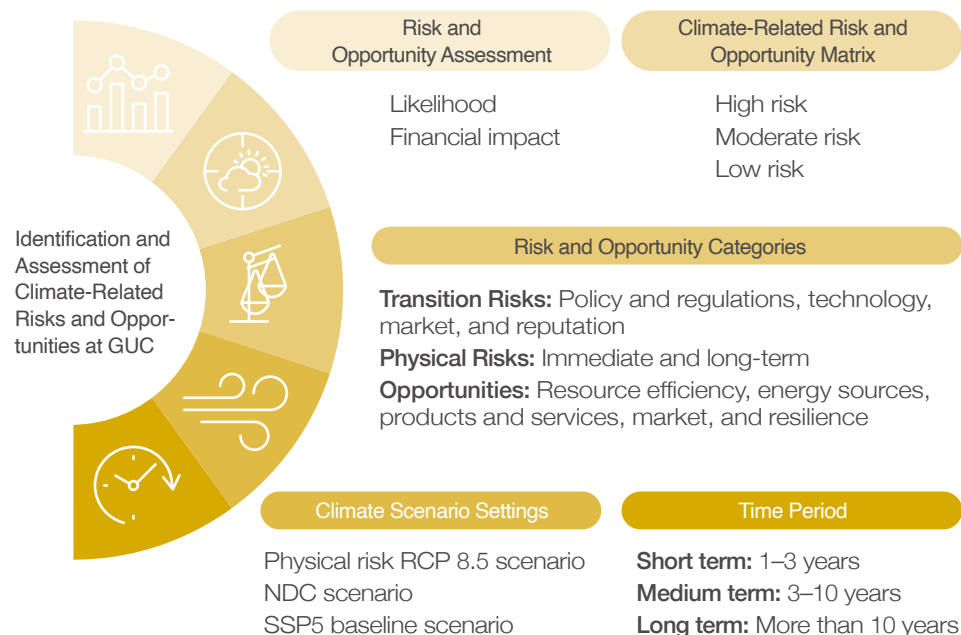
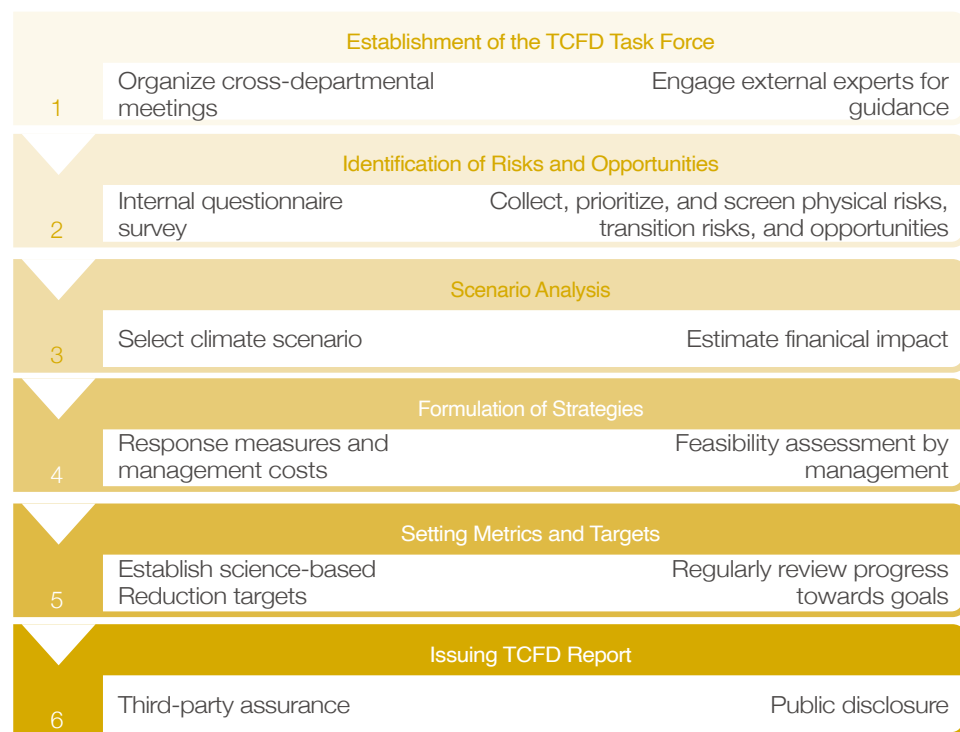
Types of Climate-Related Risks	The Company Assesses Risks and Strategies	Scenario Content
Transition Risks	<ul style="list-style-type: none"> 1.5°C Scenario Taiwan's 2050 Net Zero Emissions Pathway and Strategy Taiwan's 2030 Nationally Determined Contribution (NDC) Estimating Carbon Emission Growth Rate based on SSP5 Baseline Scenario Calculating Carbon Fee at NT\$300 per metric ton as estimated by the Environmental Protection Administration; NT\$1,500 per metric ton for calculating the cost of excess carbon emissions 	<p>In December 2022, the National Development Council announced the interim goals and key strategies for the 2050 net-zero transition. They proposed a 25% reduction target in greenhouse gas emissions by 2030 as part of the Nationally Determined Contribution (NDC). According to the reduction target, the Global Unichip Corporation assessed potential operational impacts.</p> <p>Additionally, a simulation under the SSP5 baseline scenario was conducted to estimate the growth rate of carbon emissions under the worst-case scenario.</p>

Risk and Opportunity Identification and Assessment Process

GUC has established a TCFD cross-departmental task force under the coordination of the Net Zero Committee to mitigate the impacts of climate change. This initiative involves convening senior executives from various units for interdepartmental communication regarding climate change issues, company characteristics, and relationships within the subordinate supply chain. Drawing upon categories of transformational risks, physical risks, and opportunities under the TCFD framework, the task force identifies significant risks and opportunities. Subsequently, different scenario analyses are conducted to

evaluate and formulate response strategies to mitigate potential financial losses resulting from risks. Moreover, these strategies aim to transform crises into opportunities, thereby creating greater benefits for the Company. It is noteworthy that climate change risk management has been integrated into the Company's risk management policy, ensuring that the process of identifying risks and opportunities complies with established policies. The process for identifying risks and opportunities adopted by GUC is outlined as follows:

The process for identifying risks and opportunities related to climate change



The Outcomes of Climate Change Risk and Opportunity Identification

Following deliberation by the TCFD cross-departmental task force and external experts, considering the Company's characteristics and relationships within the supply chain, two significant transformational risks and two major climate opportunities have been identified after removing and consolidating risks and opportunities.

GUC will subsequently conduct financial impact data simulations through scenario analysis and carbon pricing models to formulate response strategies and short medium and long-term goals accordingly. The Net Zero Committee, in principle, will reidentify significant climate risks and opportunities every three years. However, if there are indications or information suggesting potential changes to the originally identified significant climate risks and opportunities, the Net Zero Committee may initiate the TCFD task force to re-execute the identification process as necessary.

Identification Results of Climate Risks and Opportunities for GUC

Category	Impact Timeline	Risk and Opportunity	Description of Risk and Opportunity	Related Response Measures
Transition Risks	Medium term	Policy and Regulation: Renewable Energy Regulations and Carbon Fees	According to Article 12 of the Renewable Energy Development Act, large electricity consumers are obliged to increase their use of renewable energy. Electricity consumers with contract capacities exceeding a certain threshold are required to install renewable energy or energy storage facilities of a certain capacity. If they are unable to comply with this requirement, they can fulfill their obligation by purchasing green electricity (renewable energy certificates) or paying a fee. Our Company's contract capacity is 800 kilowatts, which does not meet the requirement of 5,000 kilowatts as stipulated in the Renewable Energy Development Act. However, there are proposals from advocacy groups to lower the threshold from 5,000 kilowatts to 800 kilowatts. Additionally, local governments may set their own thresholds for large electricity consumers based on local autonomy regulations. For example, under the Taichung City local autonomy regulations, enterprises with contract capacities exceeding 800 kilowatts are required to install renewable energy facilities equivalent to 10% of their electricity consumption within three years from the date of announcement. Therefore, similar measures may still need to be implemented in the future.	<p>The Company has actively implemented risk response measures to reduce organizational carbon emissions. The details are as follows:</p> <ul style="list-style-type: none"> • Commencing from 2023, we have aligned with the SBTi to set carbon reduction goals and have begun procuring green electricity. • Upgraded or replaced existing equipment with more energy-efficient alternatives to reduce energy consumption. • Every year, we conduct the inventory of our carbon emissions and undergo third-party external verification. As the Company has submitted a reduction target to the Science Based Targets initiative (SBTi) in 2023, the Company will use the GHG Protocol to conduct the inventory of greenhouse gas starting in 2023, in accordance with SBTi guidelines.
	Medium term	Market: Shift in Customer Behavior	Customers are demanding carbon monitoring and reduction, requiring a commitment to join SBTi or other climate initiatives. Failure to comply may affect future revenue growth momentum.	Engagement with professional guidance resources for SBTi participation.
Climate Opportunities	Short-term	Energy Source: Utilizing Low-Carbon Energy	Installing solar panels to generate green electricity can reduce the electricity and carbon fees associated with our Company's operational expenses.	In order to further reduce carbon emissions, GUC will continue to assess and establish self-use solar photovoltaic systems based on the size, location, legality, and safety of each office. This initiative aims to increase the use of clean energy sources to reduce carbon emissions. This will contribute to increasing the proportion of clean energy usage and further lowering our carbon footprint.
	Short-term	Resource Efficiency: Utilizing Energy-Efficient Equipment	Continuously promoting various energy performance management initiatives, such as updating building lighting and air conditioning equipment, can reduce the electricity and carbon fees associated with our Company's operational expenses.	<ul style="list-style-type: none"> • Energy-efficient improvements in server room (Replacing HDD storage with SSD) • Replacement of compressed air system adsorption dryers with energy-efficient units • Comprehensive replacement of traditional lighting fixtures with LED fixtures • Energy-efficient improvements in chiller systems

Climate-Related Risks/Opportunities and Financial Assessment

Following the identification of significant climate-related risks and opportunities, GUC conducted a financial impact assessment based on the corresponding scenarios to comprehensively understand the specific effects of these risks and opportunities on the Company's financial position. This assessment process aids GUC in formulating more forward-thinking and sustainable operational policies to address the increasingly complex

challenges of climate change. For detailed information, please refer to the "3.2 Financial Assessment of Climate-Related Risks and Strategies" and "3.3 Financial Assessment of Climate-Related Opportunities and Strategies" sections of the "GUC TCFD Report." The estimated investment cost for 2023 is approximately NT\$152 million.

GUC Financial Impacts of Identified Climate-Related Major Risks

Risk Type	Risk Items	Timeline	Probability of Occurrence	Financial Impact	Risk Position
Transition Risks	Policy and Regulation: Re-newable Energy Regulations and Carbon Fees	Medium term	Normal	Very High	The Company itself
	Market: Shift in Customer Behavior	Medium term	Normal	Very High	Customers

GUC Financial Impacts of Identified Climate-Related Major Opportunities

Opportunity Type	Opportunity Item	Timeline	Probability of Occurrence	Financial Impact	Risk Position
Climate Opportunities	Energy Source: Utilizing Low-Carbon Energy	Short-term	Very High	Low	The Company itself
	Resource Efficiency: Utilizing Energy-Efficient Equipment	Short-term	Very High	Low	The Company itself

6.2 Completion of Setting SBTi Targets, Submission of Net Zero Commitment

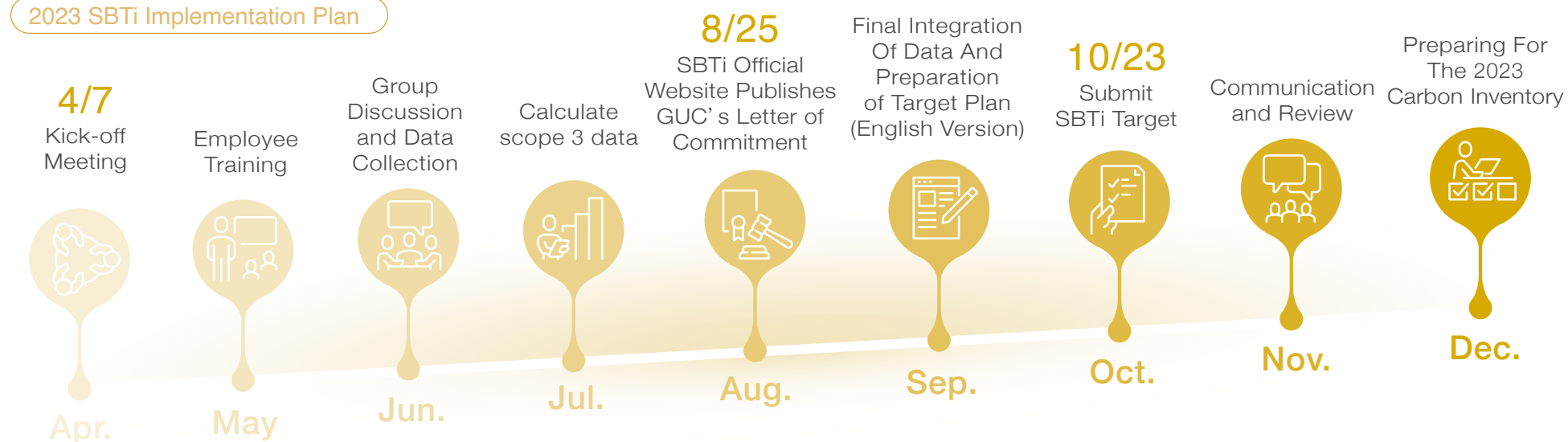
GUC has established the Net Zero Committee with a commitment to achieving net zero emissions by 2050, setting greenhouse gas reduction targets using scientific methods, and submitting related reduction plans to SBTi for review. The company has voluntarily implemented greenhouse gas inventory and management, devised a schedule for achieving net zero emissions, and actively promoted energy conservation, carbon reduction, and the use of renewable energy. These actions demonstrate GUC's dedication and determination towards achieving its commitment to "net zero carbon emissions" and "energy conservation and carbon reduction," advancing towards the goal of corporate and environmental sustainability.

In 2022, the Company completed the roadmap planning for achieving its sustainable development goal of net zero carbon emissions by 2050, including greenhouse gas inventory and net-zero emissions promotion and implementation schedules for all

subsidiary companies in the consolidated financial statements. In 2023, GUC submitted a carbon reduction commitment to the Science Based Targets initiative (SBTi), pledging a 42% reduction in Scope 2 emissions and a 25% reduction in Scope 3 emissions by 2030, with the ultimate goal of achieving net zero emissions by 2050.

The Company's management team has assessed climate risks and formulated specific plans for net zero carbon reduction. Regular progress reports on carbon reduction plans are provided to the Board of Directors. Despite being a small-scale IC design service company without factories, GUC does not reduce its efforts to mitigate climate change. The Company continuously reviews and promotes net zero carbon reduction through internal control processes such as risk management, striving to fulfill its commitment to providing a sustainable future for future generations.

2023 SBTi Implementation Plan



6.2.1 Greenhouse Gas Inventory

GUC is committed to environmental and ecological sustainability. Since 2019, the Company has voluntarily conducted greenhouse gas inventories and management. Starting from 2021, GUC has followed the ISO 14064-1 standard for inventorying and has undergone external verification to ensure that its inventory process meets the highest standards. In 2022, GUC made a concrete commitment to achieve net zero emissions by 2050 and to disclose its future carbon footprint. 2022 served as the base year for the Company's greenhouse gas inventories and management. In 2023, to comply with the SBTi Scope 3 categorization and verification standards, the inventory method was switched to the Greenhouse Gas Protocol. Verification will be completed in the second quarter of 2024.

In 2023, GUC's total greenhouse gas emissions amounted to 205,815.289 tCO₂e. Scope 3 emissions accounted for 94.97% of the total emissions, while the remainder came from energy use (Scope 2). Other emissions sources included stationary sources (emergency diesel generators), mobile sources (company vehicles using gasoline), and fugitive sources (refrigerants, fire extinguishers) (Scope 1). As a company with purely office operations and no manufacturing processes, GUC had no emissions from process sources.

Direct emissions (Scope 1) in 2023 totaled 933.0934 tCO₂e, accounting for 0.45% of the total emissions. These emissions were solely related to employee life necessities (company vehicles, refrigerators, water dispensers, air conditioning, etc.). While the Company is committed to reducing energy consumption and greenhouse gas emissions in these areas, it currently lacks suitable alternative solutions due to technological constraints. However, GUC remains committed to exploring relevant technologies to pursue greenhouse gas reduction efforts.

Greenhouse Gas Emissions and Emission Intensity for GUC Over the Past Three Years

(Unit: tCO₂e)

Total Emissions		2021	2022	2023
Scope 1	Category Subtotals	110.8457	174.8613	933.0934
Scope 2	Category Subtotals	6,618.7579	8,708.6177	9,417.9627
Scope 3	Category Subtotals	776.0102	1,598.0109	195,464.2331
Total Greenhouse Gas Emissions		7,505.6140	10,481.4900	205,815.2890
Annual Revenue (NT\$ million)		15,108	24,040	26,241
Greenhouse Gas Emission Intensity (including Scope 3)		0.000050%	0.000044%	0.000784%

Note 1: The conversion coefficients are sourced from the Environmental Protection Administration's Greenhouse Gas Emission Coefficient Management Table version 6.0.4.(Direct greenhouse gas emission calculation basis)

Note 2: The method for aggregating greenhouse gas amounts is based on operational control, equity ownership ratios, or financial control.

Note 3: The global warming potentials (GWPs) for various greenhouse gases are selected from the IPCC Sixth Assessment Report's estimates. (Latest version or AR4 as required by the Ministry of Environment) (Greenhouse gas conversion to carbon dioxide equivalents is based on this.)

Note 4: The carbon emission coefficient for electricity was 0.509 kg CO₂e/kWh in 2021; in 2022, it was 0.495 kg CO₂e/kWh. The carbon emission coefficient for electricity in 2023 has not been released; therefore, the calculation is based on the 2022 coefficient.

Note 5: Formula for carbon emission intensity: Total greenhouse gas emissions (in metric tons tCO₂e) / Revenue.

Note 6: Data verification: The data for Scope 1 and Scope 2 emissions in 2022 were updated after third-party verification, and information was recompiled in 2023.

Note 7: Scope 3 inventory items include:

Audit Year		2021	2022	2023
Audit Criteria		ISO 14064-1	ISO 14064-1	GHG Protocol
Scope 3 Audit Items	B.4.2(b) Downstream Transportation		B.4.2(b) Downstream Transportation	C1 Procurement of Goods
	B.4.2(e) Employee Travel and Business Trips		B.4.2(e) Employee Travel and Business Trips	C2 Capital Goods
	B.4.2(e) Employee Travel and Business Trips		B.4.2(e) Employee Travel and Business Trips	C3 Upstream Fuel and Energy
	B.5.1 Purchase of Electricity		B.5.1Purchase of Electricity	C4 Upstream Transportation
	B.5.2(a) Purchase of Goods		B.5.2(a) Purchase of Goods	C5 Waste
	B.5.4(a) Waste Disposal		B.5.4(a) Waste Disposal	C6 Business Travel
				C7 Commute
				C8 Upstream Leasing
				C9 Downstream Transportation
				C10 Product Processing
				C11 Product Usage
				C12 Finished Product
				C13 Downstream Leasing

GUC's 2023 Scope 1 Greenhouse Gas Emissions Statistics Table

	CO ₂	CH ₄	N ₂ O	HFCs	PFCs	SF ₆	NF ₃	Total amount
Emissions Equivalent (tCO ₂ e/year)	7.3665	2.7326	0.2127	922.7781	0.0000	0.0035	0.0000	933.0934
Gas Type Distribution (%)	0.7895	0.2929	0.0228	98.8945	0.0000	0.0004	0.0000	100.0000

Note: The Global Warming Potential (GWP) values are referenced from the IPCC 2021 Sixth Assessment Report, and the emission factors are sourced from the Ministry of Environment' s Greenhouse Gas Emission Coefficient Management Table version 6.0.4.

6.2.2 GHG Emission Reduction Action

Specific Measures for Sustainable Energy Conservation

Energy Conservation Guideline

- Encourage taking the stairs more often to reduce elevator electricity usage.
- Turn off the lights, air conditioning and projector in the conference room after the meeting.
- Turn off the computer and switch off the screen when you leave work.
- Turn off the lights in the office area during lunch break.
- The public corridor area by the window utilizes natural lighting, and some areas are constructed skylight cover as the ceiling.
- Energy and water saving slogans are posted on proper spots.

Time Control Management

- The water dispenser is managed by an electronic timer, which controls the dispenser to disinfect water during off-peak hours, reducing electricity consumption during peak hours.
- Fresh air intake, toilet ventilation and exhaust, open office area, and cubicle office air conditioning are set separately. Time control management to reduce air conditioning loss and unnecessary electricity consumption.
- SCADA controls the equipment to start and stop at necessary times to save energy and reduce energy consumption
- Shorten the operation time of the parking lot exhaust fan, and do not turn it on during the rest of the day except for the commuting period.
- The start and stop time of the escape staircase firefighting positive pressure fan is electronically controlled to reduce the use of electricity.
- Parking lot lights are turned off half of them during non-working hours.
- The escape staircase has natural light through windows and is equipped with lighting time control settings.

Performance Maintenance

- Choose home appliances such as air conditioners and refrigerators that comply with the energy-saving label.
- Regular maintenance of air conditioners to maintain high efficiency.
- Set the chilled water temperature of the main unit above 8°C .
- The recommended indoor temperature for air conditioning is 26 °C , taking into account different levels of sunlight and heat load, and appropriate installation of curtains and heat-insulating film.
- Determine the cooling fan of each cooling tower unit according to the return water temperature, and install a control valve for heat dissipation.
- Reduce energy consumption by using high efficiency energy-saving lamps and natural light.
- Office lighting with electronic high-efficiency lighting fixtures and lamps.

6.3 Environmental Management

GUC adheres to relevant government environmental regulations, establishing an integrated management system. Following the PDCA management process, environmental management is integrated into the organization to enhance environmental protection and energy efficiency. The Company devises, advocates, and sustains systems for environmental management and action strategies. It reviews overall operational processes, conducts greenhouse gas inventories and reductions, manages water resources, and implements waste reduction/recycling measures. Improvement measures are implemented at the source to effectively manage greenhouse gas emissions reduction.

6.3.1 Environmental, Safety, and Health Policy

GUC, a SoC (System on Chip) Design Foundry providing design and turnkey services, recognizes environmental protection, safety and health (ESH) issues as an important cornerstone of the company's business and operations. With the continuing drive for quality of services and products, we are therefore committed to achieving "safety and zero accidents, environmental sustainability", and becoming a world-class ESH benchmark enterprise.

To achieve the above ESH goals, we have been implementing and continued the following policies:

1. Ensuring that operations and services comply with or exceed applicable ESH regulations and standards.
2. Operating in a more environmentally-sound manner, so as to realize green designs and provide green products and services.
3. Constructing a safe working environment, preventing occupational injuries and diseases, and maintaining the physical and mental health of employees.
4. Paying attention to global ESH issues, assessing their risks, and taking effective risk management or control measures.
5. Strengthening the awareness and responsibility of all employees in ESH issues, and establish an ESH-friendly culture.
6. Constructing a green supply chain and continuously improving the safety and health management system, and enhancing the overall ESF efficiency through experience sharing and joint cooperation.

7. Strengthening communication and participation with all stakeholders, taking the initiative to disclose and share relevant information and experience, and promoting the benign improvement of the industry and society.

GUC Biodiversity Statement

Biodiversity conservation and forest preservation play crucial roles in maintaining natural ecosystems, and contributing to climate change mitigation and adaptation. They further serve as essential foundations for global agricultural development, food security, public health, and economic prosperity. The primary operational offices of GUC are situated in technology parks or conventional office buildings, which refrain the corporation from conducting business activities in significant biodiversity hotspots.

GUC is committed to actively responding to initiatives such as the United Nations Convention on Biological Diversity (CBD) in safeguarding biodiversity. The company aspires to achieve the United Nations Sustainable Development Goals (SDGs): SDG 7 Affordable and Clean Energy, SDG 9 Industry, Innovation and Infrastructure, SDG 13 Climate Action, SDG 14 Life below Water, SDG 15 Life on Land, and SDG 17 Partnerships for the Goals. Through these commitments, we aim to protect biodiversity, ensure sustainable utilization, advance biodiversity awareness, enhance public environmental consciousness, and foster ecological conservation efforts.

Commitments:

1. Ensure that operational activities comply with international, national, local biodiversity and zero-deforestation laws.
2. Avoid engaging in operational activities near global or national significant key biodiversity areas.
3. Refrain from actions that harm endangered and protected species; actively promote environmental education and ecological restoration.
4. Support and promote nature and biodiversity education, enhance awareness of environmental friendliness and ecological conservation.
5. Dedicate efforts to biodiversity conservation; adhere to international and local forest-related laws or specific regulations to prevent deforestation.
6. Collaborate with supply chain partners to reduce biodiversity damage, and achieve mutual prosperity between business and environment; mitigate and minimize environmental impacts in response to the challenges posed by climate change on ecological environments, collectively safeguarding natural ecosystems.



Introduction of ISO 14001 Verification

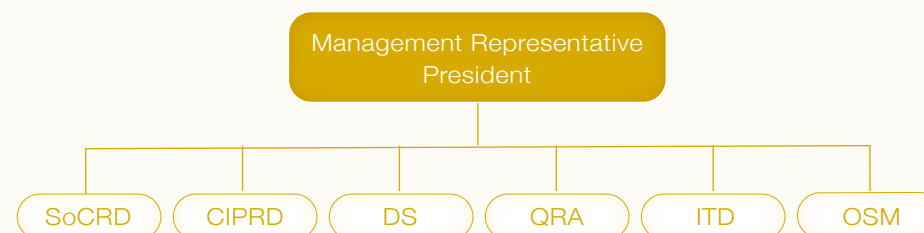
GUC has established an ISO 14001 Implementation Committee to identify major environmental considerations annually and propose solutions for management. The committee is chaired by the President and is responsible for reviewing and approving resolutions. Representatives from various departments are appointed as committee members to ensure the establishment, implementation, and regular review and evaluation of the environmental management system. They also plan and implement internal audit programs in accordance with ISO 14001:2015 Environmental Management System International Standards (including updates to new standards). The committee promotes the participation and awareness of all employees within



ISO 14001 Certificate

the organization. The implementation of the environmental management system and the verification of ISO 14001:2015 were completed in 2023. This management system helps the Company reduce environmental impacts and better manage controls, minimizing fines resulting from environmental responsibilities.

Organizational Chart of GUC's ISO 14001 Implementation Committee



Environmental Education Courses

To enhance employee environmental awareness, GUC initiated environmental education courses starting in 2023. Employees are encouraged to actively participate in these courses to gain a deeper understanding of the importance of environmental protection.

Training Category	Training Courses in 2023	Number of Participants (individuals)	Training Hours (hours)	Person*Hours	Date of Event
Environmental Protection Training	ISO 14001:2015 Internal Auditor Training	11	6	66	June 19 and August 23, 2023
	Climate Change Inception Meeting and Climate Scenario Explanation Course	15	7	105	April 6, 2023
	SBTi Project Introduction Course	15	7	105	April 7, 2023
	SBTi Project Discussion and Greenhouse Gas Data Discussion Course	49	2.5	122.5	May 11, May 25, June 6 and July 25, 2023
	ISO 14001 Management System Introduction Course	8	2	16	June 2, 2023
	ISO 14001 Management System Project Course - Environmental Considerations	11	6	66	July 4, 2023
	ISO 14001 Management System Project Course - Management Objectives, Policy Planning	7	3	21	August 11, 2023
	ISO 14001 Management System Project Course - Internal Audit Workshop	11	3	33	October 2, 2023
	GHG Greenhouse Gas Inventory Course (GHG Protocol)	26	3	78	December 18, 2023
Total		153	39.5	612.5	

6.3.2 Energy Management

In response to the impact of climate change, reducing energy consumption and greenhouse gas emissions has become an issue of concern for companies pursuing sustainable operations today. GUC's energy use is mainly for facility and office equipment, and the main source of energy is purchased electricity (supplied by Taiwan Power Company's grid; Scope 2), accounting for 100% of the total energy consumption. In 2023, the Hsinchu headquarters used 5,930,900 kWh. To reduce greenhouse gas emissions, our Company has set energy-saving and carbon reduction goals, taking more

actions to mitigate climate change. We focused on green innovative design and green office promotion, and continues to raise employees' green awareness and conducts following actions, improving the efficiency of plant equipment, replacing old equipment, and reducing energy consumption by optimizing plant equipment. We also promote energy saving and carbon reduction measures in our offices, and through training and policy regulation, employees will voluntarily undertake energy conservation activities to contribute to the global environment.

GUC Hsinchu Headquarters Electricity Consumption (Scope 2) and Greenhouse Gas Emissions Statistics for the Past Five Years

Year	2019	2020	2021	2022	2023
Electricity Consumption	6,714,000	6,408,300	6,345,500	6,129,100	5,930,900
GJ	24,170	23,070	22,843	22,065	21,351
tCO ₂ e	3,579	3,262	3,185	3,120	2,977

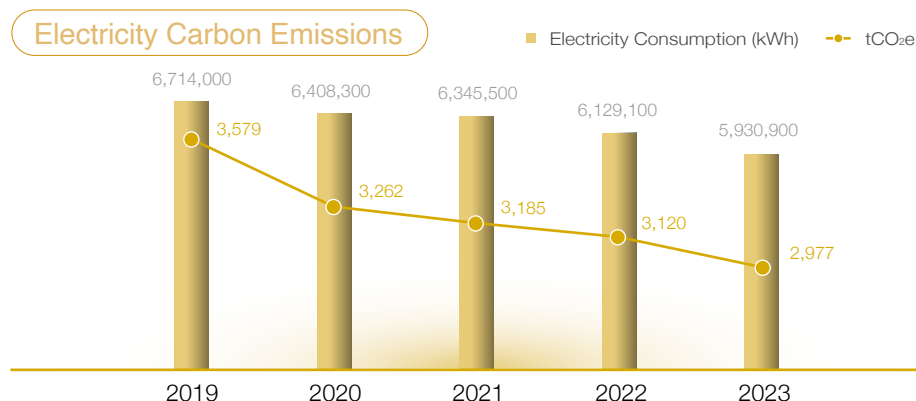
Note 1: The coefficient of electricity carbon emission in 2021 was 0.509 kgCO₂e/kWh; the coefficient of electricity carbon emission in 2022 was 0.495 kgCO₂e/kWh.

Note 2: 1 degree (kWh)=0.0036 G joules

Note 3: Carbon emissions from electricity consumption = (kWh consumption x current year's electricity emission factor)/1,000

Note 4: According to GRI Standards, in units of tCO₂e.

Note 5: Greenhouse gases are aggregated for the operation control method.



Energy Intensity

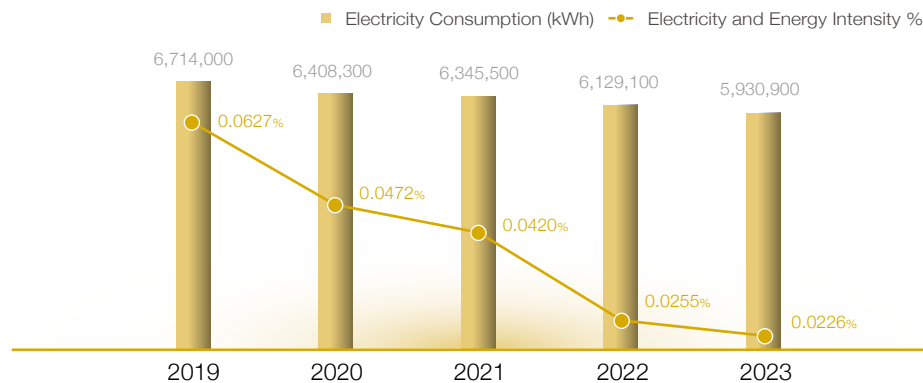
Electricity energy intensity in 2023 was 0.0226%, a decrease of 0.0029% from the previous year (0.0255% in the previous year) and a 3.2% decrease in energy use (198,200 kWh).

GUC Hsinchu Headquarter's Energy Intensity Statistics for the Past Five Years

Year	2019	2020	2021	2022	2023
Annual Revenue (NTS million)	10,710	13,569	15,108	24,040	26,241
Annual Electricity Usage (kWh)	6,714,000	6,408,300	6,345,500	6,129,100	5,930,900
Electricity and Energy Intensity (%)	0.0627	0.0472	0.0420	0.0255	0.0226

Note: Energy intensity calculation formula: Annual electricity usage / Annual revenue

Electricity Energy Intensity



Energy-Saving Accomplishments

In 2023, the total number of investment projects for energy conservation measures was 4, and the amount of investment was NT\$5.04 million. The 4 projects saved 208,456 kWh of electricity and reduced about 103.2 metric tons of carbon dioxide, and the main energy conservation plans were implemented with the following reference: GUC continues to move towards energy efficiency in 2024, with an estimated total investment exceeding NT\$ 7 million.

Measures	Performance	Scope
Energy saving replacement for office lighting	Annual energy conservations of 20.9 kWh (equivalent to 0.078 GJ), with replacement completed in July; reducing CO ₂ emissions by 0.0052tCO ₂ e/ year in 2023.	Scope 2
Ice and water mainframe with additional inverter energy conservation	Annual energy conservations of 81,514.2 kWh (equivalent to 293.45G GJ), were completed in De-cember, reducing CO ₂ emissions by 3.36tCO ₂ e/year in 2023.	Scope 2
Replacement of chilled water system cooling pump set with IE3 high efficiency units	Annual energy conservations of 41,110.8 kWh (equivalent to 148.0 GJ), with replacement completed in December; reducing CO ₂ emissions by 1.7tCO ₂ e/ year in 2023.	Scope 2
Replacement of compressed air system adsorption dryers with energy-efficient units	Annual energy conservations of 85,810 kWh (equivalent to 12.9 GJ), with replacement completed in August; reducing CO ₂ emissions by 17.7tCO ₂ e/ year in 2023.	Scope 2

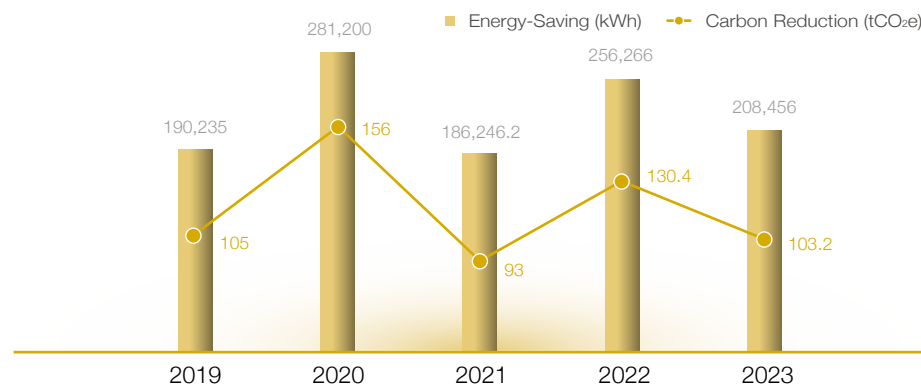
Note 1: 1 kWh = 3,600,000 Joule

Note 2: GUC also participated in ITRI's High Efficiency Motor Application Promotion Project and received a NT\$200,000 energy conservation grant to replace its air compressors.

Note 3: This table uses the 2022 Electricity Emission Factor standard, which produces 0.495 kilograms of carbon dioxide equivalent for every 1 kWh of electricity.

Note 4: In 2022, GUC pledged net-zero emission by 2050, conducted a GHG inventory and set 2022 as the base year.

Energy-Saving and Carbon Reduction



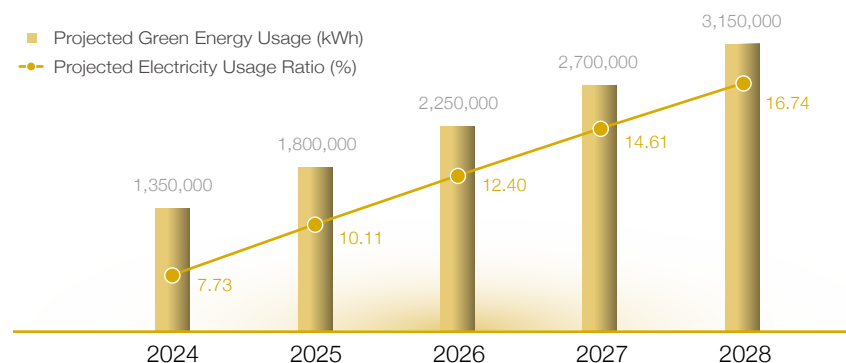
Investment in Renewable Energy: Purchase of Green Electricity - Solar Power Generation

As a member of the global community, GUC is committed to reducing carbon emissions and using sustainable energy. Since 2022, GUC installed self-generated solar photovoltaic systems. In 2023, the solar photovoltaic systems generated a total of 13,499 kWh of electricity. Through the planning and installation of green energy equipment, we contribute our efforts to reduce global warming and environmental pollution.

In order to further reduce carbon emissions, GUC will continue to assess and establish self-use solar photovoltaic systems based on the size, location, legality, and safety of each office. This initiative aims to increase the use of clean energy sources to reduce carbon emissions. This will contribute to increasing the proportion of clean energy usage and further lowering our carbon footprint.

Since December 2023, GUC has been utilizing externally sourced green electricity. In the course of that year, the total consumption amounted to 1,469 kWh. The Company commits to increasing the proportion of externally purchased green electricity each year, aiming to achieve the RE20 target by 2030. We will continue to promote the application of renewable energy to achieve more environmentally friendly energy usage.

Green Energy Usage Plan



6.3.3 Water Management

Assessment of Water Resources Risk

GUC's main water source is 100% from the Taiwan Water Company. We do not use groundwater, surface water, rainwater, or other water sources, and have no negative impact on the surrounding environment or water quality. Water consumption is mainly for air conditioning and domestic use by employees (including drinking, washing, and cleaning surrounding environments), and we keep long-term records of water consumption statistics to monitor our use of local water resources and calculate carbon dioxide equivalents based on these records. By implementing water conservation measures, the water intensity in 2023 decreased by 0.25 compared to 2022. All wastewater from GUC Headquarters is domestic sewage. Wastewater discharge is legally treated through sewage drains, complying with the management standards regulated by the Hsinchu Science Park.

In 2023, the discharge volume amounted to 13.268 million liters (13,268 cubic meters), no pollution occurred and there was no significant impact on environmental water sources.

GUC Hsinchu Headquarter's Water Withdrawal and Greenhouse Gas Emission Statistics for the Past Five Years

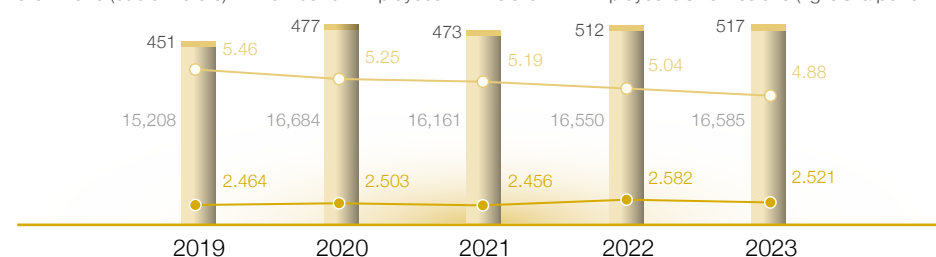
Year	2019	2020	2021	2022	2023
Water intake (cubic meters)	15,208	16,684	16,161	16,550	16,585
tCO ₂ e	2.464	2.503	2.456	2.582	2.521
kgCO ₂ e/per employee	5.46	5.25	5.19	5.04	4.88

Note 1: Taiwan Water Company announced the emission coefficient of water consumption in 2022, which is estimated to produce 0.156 kg of carbon dioxide equivalent per unit of water.

Note 2: According to GRI Standards, the unit is tCO₂e.

Note 3: The information has been revised due to updates in employee headcount from 2019 to 2022 and water intake volumes for 2022.

■ Water intake (cubic meters) ■ Number of Employees ● tCO₂e ○ Employee CO₂ emissions (kg CO₂e/per employee)



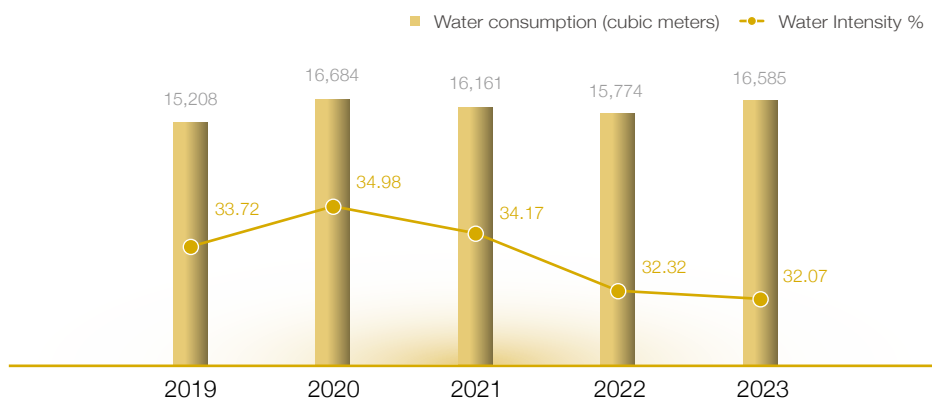
Water Consumption Intensity

GUC Hsinchu Headquarter's Water Consumption Intensity Statistics for the Past Five Years

Year	2019	2020	2021	2022	2023
Annual Use of Water Resources (cubic meters)	15,208	16,684	16,161	16,550	16,585
Number of Employees (Hsinchu Headquarters)	451	477	473	512	517
Water Intensity (%)	33.72	34.98	34.17	32.32	32.07

Note 1: In 2023, the water intensity standard was recalculated according to the number of employees.

Note 2: Water Intensity = Annual Water Usage (cubic meters) / Number of Employees



Effectiveness of Water Saving and Use of Recycled Water

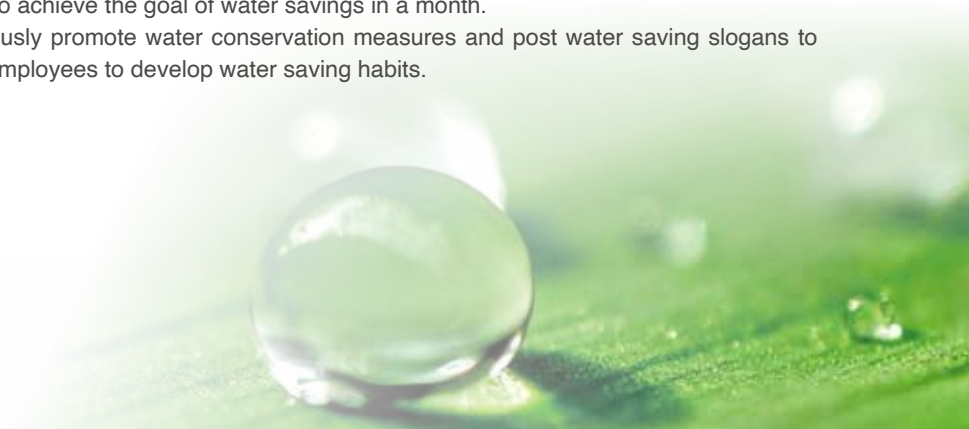
In order to truly save the earth's precious water resources, GUC has developed and implemented the following measures to sustainably conserve water, reducing water consumption intensity by 0.25 in 2023 compared to 2022.

Water Saving Measures:

- Reduce the drainage of air conditioning cooling water tower to reduce air conditioning water consumption.
- Reduce the water discharge from the faucet to reduce the consumption of domestic water.

More Measures:

- Set up rainwater recycling system to water landscape plants and trees.
- Ensure the proper rate of automatic sensor faucets in toilets, and control the amount of water discharged from the faucets to save water and increase levels of sanitation.
- Ensure the proper rate of two-stage water-saving toilets in toilets, and control the water source without leakage.
- Strengthen the regular inspection of water facilities to improve the rate of proper operation and repair the damage in time.
- Strengthen water saving measures during the water saving period in accordance with the policy of the Hsinchu Science Park Bureau and keep daily water consumption records to achieve the goal of water savings in a month.
- Continuously promote water conservation measures and post water saving slogans to remind employees to develop water saving habits.



6.3.4 Waste Management

Waste Management and Regulation

GUC continues to reduce the environmental impact of its operations, including the transportation of products, other commodities, raw materials, and employee traffic, in accordance with the principles of sustainable business operations. In 2023, GUC did not violate any environmental regulations and did not receive any formal complaints from stakeholders regarding environmental impact. GUC will continue to conduct audits of the raw material supply process and strengthen its internal raw material control mechanism as a long-term goal to prevent the infiltration of conflict metals into the production process in order to protect the rights of stakeholders and to be environmentally responsible in the production process. GUC's electronic raw material supply and waste control systems are in compliance with international environmental regulations and customer requirements. We are a signatory to and advocate for the following environmental policies and regulations established by outside organizations

- Deceleration of Non-Use of Conflict Minerals
- EU RoHS Compliance
- EU PFOS Directive
- EU New Chemical Policy (Registration, Evaluation, Authorization & Restriction of Chemicals, REACH)
- Regulations on the Restriction of Hazardous Substances in Electrical and Electronic Products (China RoHS Compliance)

Waste Recycling and Reduction Accomplishment

GUC recognizes the concept of green production and responsible manufacturing, and adopts a product lifecycle management approach by examining the factors related to environmental impacts at each stage of product design, from manufacturing to final disposal, and investing significant R&D resources and innovative energy- saving technologies. The 3R green design concept of Reduce, Reuse, and Recycle is incorporated into the initial product design. Ensuring that our Company's products have minimal environmental impact throughout the lifecycle is imperative.

The services we provide include parts and intangible design/IP services. Packaging materials include cartons, cushion foam, wafer carrier boxes, and wafer carrier trays. Additionally, all products are outsourced, and suppliers are required to use qualified recycled packaging materials.

GUC's Waste Disposal in the Past Five Years

GUC is a custom IC design-service company, responsible for the design and sales of chips, and does not manufacture, package, or test them. The hazardous waste disclosed in the report is not generated from the manufacturing process, but mainly from the samples of wafers provided by the vendor for testing. The resulting defective ICs are sent

to a waste disposal vendor that has received the Ministry of Environment Class A rating for disposal plants and has obtained the ISO 14001 and ISO 9001 system certifications and other international environmental management system certifications for garbage disposal.

Hazardous Business Waste (unit: metric tons)		General Business Waste (unit: metric tons)			
Year	Waste IC	Paper	Iron	Plastics	Waste PC
2019	0.227	1.473	0.074	0.109	0
2020	1.070	0.690	0.060	0.080	0
2021	1.062	0.520	0	0.010	0
2022	1.036	1.532	1.008	0	0
2023	0.932	0.94	0	0	0
Total	4.327	5.155	1.142	0.199	0
Processing Method	Entrusted Removal (Recyclers recycle and reuse)	Entrusted Removal (Recyclers recycle and reuse)	Entrusted Removal (Recyclers recycle and reuse)	Entrusted Removal (Recyclers recycle and reuse)	Entrusted Removal (Recyclers recycle and reuse)

Note 1:The entrusted removal companies are all citizen-operated waste removal and treatment organizations that are permitted by the competent authorities to remove and treat such waste, and there has been no violation of the laws and regulations from 2018 to 2023.

Note 2:GUC hazardous business waste is entrusted to the removal company approved by the competent authority.

Note 3:In 2023, as the waste contained a high amount of gold, there were no expenses incurred for the treatment of business waste.

Product and Activity Reduction and Recycling

We provide eco-friendly cutlery to newcomers after on-boarding to reduce the use of disposable bamboo chopsticks, thereby reducing waste generation; at the same time, we use recycled tableware in the staff cafeteria to reduce waste generation.

6.4 Environmental Protection Expenses

In 2023, GUC incurred zero instances of non-compliance with environmental laws and regulations, resulting in significant fines, as well as zero occurrences of sanctions beyond fines. No formal complaints were lodged, processed, or resolved through the environmental impact complaint mechanism.

GUC allocated approximately NT\$5.613 million in environmental expenses in 2023, as detailed in the table below:

GUC's Environmental Expenses in 2023

Environmental Expenses Items	Amount (NTD)
Environmental Management System Verification	406,000
Municipal Waste Disposal	12,000
Office Cleaning and Floor Maintenance	3,413,000
Landscape Maintenance	1,453,000
Pond Cleaning	30,000
Vector Control	39,000
Cleaning Supplies	260,000
Total Expenses Cost	5,613,000





Inclusive Workplace and Social Engagement 7

7.1 Talent Diversity and Inclusion

7.2 Occupational Safety and Workplace Health Management

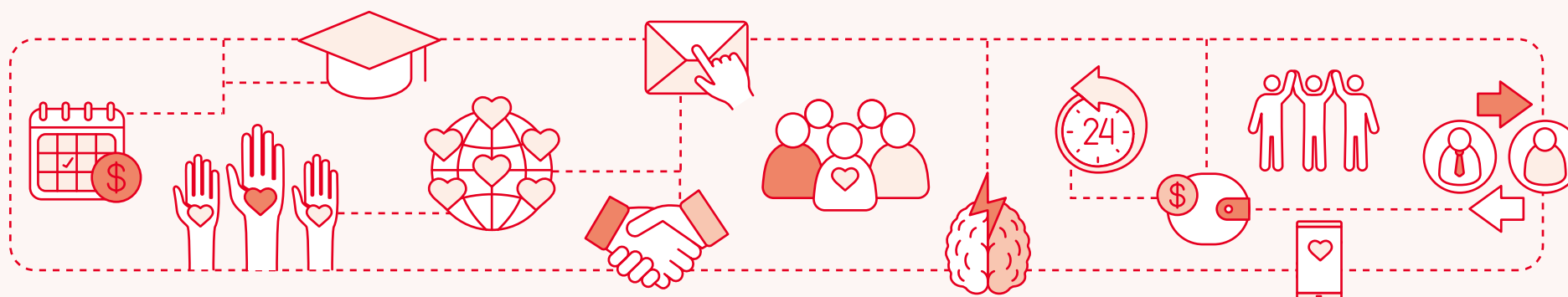
7.3 Human Rights Policy

7.4 Employee Communication and Engagement Survey

7.5 Social Engagement

Key Results and Strategies

Strategic Approach	Commitment	KPI	2023 Goals and Performance	
		Project	Objective	Actual Achievement
Inclusive Workplace	Create a high-quality work environment and a competitive compensation policy to attract outstanding talents and enhance employer brand.	Annual Turnover Rate	Lower than 13%	7.9%
		Median of Base Pay to Engineers	Top 25%	Top 25%
		Percentage of Female Employees	30%	28.1%
Occupational Safety and Workplace Health Management	Provide a safe working environment and promote employee well-being.	Occupational Injury Case	0	0
		ISO 45001 certification	Certified	Certified
Human Rights	Adhering to the company's human rights policy; eliminating all discrimination, harassment, and bullying; and implementing the Code of Conduct of the Responsible Business Alliance	Human Rights Violation Cases	0	0
Social Engagement	We are committed to investing in environmental conservation, helping the vulnerable groups, and supporting cultural industries and education so that our whole society can live and work together for good.	Public Welfare Activities	6 (Events)	9 (Events)
		Nurturing Youth Students (Industry-Academia Collaboration)	6 (Project)	Achieved



7.1 Talent Diversity and Inclusion

GUC upholds the core values of sustainable development of talent and society, implements a culture of diversity and inclusion, and strives to create an open management model that attracts and retains talent from diverse backgrounds and expertise. We provide competitive compensation and benefits systems; a learning organization, and a safe, healthy, and enjoyable work environment where all employees can take pride in being a GUC employee.

GUC prioritizes R&D and design services as a key development strategy. Therefore, we actively deploy global talents, embodying the spirit of DEI (Diversity, Equity, and Inclusion) and adopt diversified talent recruitment strategies to efficiently serve global customers. We aim on steady operations, strengthening the resilience of human capital. As of the end of 2023, GUC had a total of 885 employees worldwide, with overseas operations in North America, Europe, Japan, mainland China and South Korea. Additionally, the Company expanded its operations to Vietnam in 2023. The number of employees in overseas operations increased compared to the previous year, accounting for 19.2% of our total global workforce.

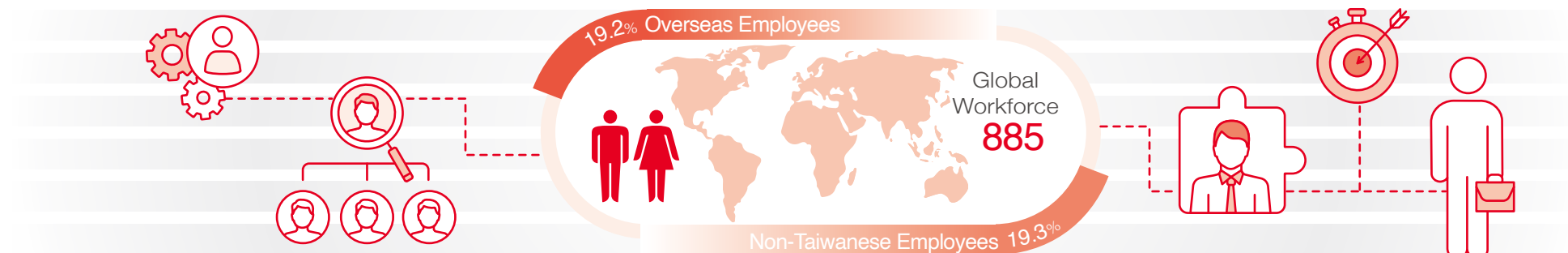
Aligned with the principles of International Labour Organization Conventions, the Responsible Business Alliance, and DEI, GUC practices talent management without incidents of child labor, forced labor, or employment discrimination during the reporting period. The Company advocates for equal employment opportunities, ensuring no differentiation in treatment based on employees' race, class, thought, ideology, religion, political orientation, place of birth, gender (biological sex and gender identity), sexual

orientation, age, marital status, appearance, facial features, physical or mental disabilities, horoscope, blood type, or past membership in labor unions. GUC's workforce composition includes not only local residents at its primary operating locations but also citizens from 12 different countries, fostering a diverse, equitable, and inclusive workplace environment.

In terms of global talent management, GUC adheres to local regulations at each site globally when hiring foreign nationals and expatriates. This includes procedures such as obtaining work visas, providing social insurance, and tax compliance. In 2023, the number of foreign nationals employed by GUC is as follows. GUC also comply with local laws and regulations while doing global workforce assignments, including expatriates, business trips, or local hires. There were a total of 2 Taiwanese employees stationed abroad, accounting for 0.2% of the Taiwanese workforce in 2023.

Operating Locations	Number of Employees of Non-Local Base Nationality	Total Number of Employees of Local Base	Percentage of Employees of Non-Operational Base Nationality to The Total Number of Employees at Local Base
Taiwan	11	715	1.5%
Non-Taiwan	11	170	6.5%

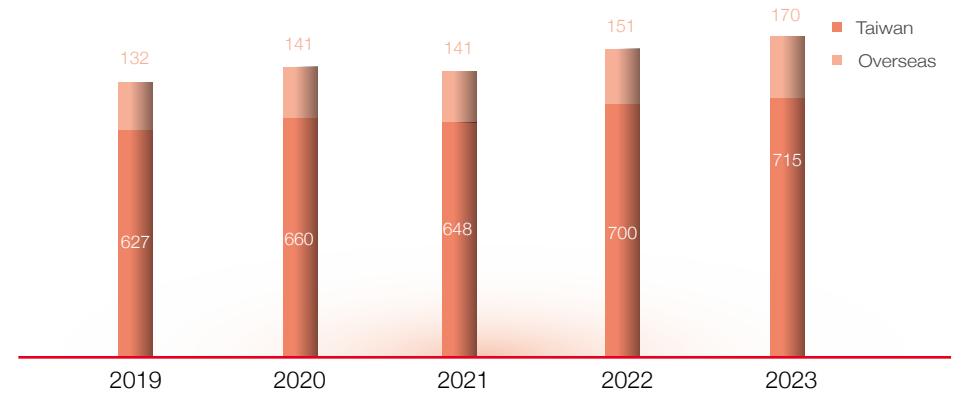
In addition, GUC actively recruits local talents for senior management positions, aiming for the Company's global localization. This approach contributes to sustainable development in talent management and operations. As of the end of 2023, senior management positions responsible for actual management at major overseas sites have all been filled by local talents.



7.1.1 Human Capital Portfolio

In the context of GUC's stable operations, it takes the strategy of strengthening employer brand and thickening R&D capabilities to align with operational needs. The number of GUC employees has been steadily increasing in recent years along with the steady growth of operations. Furthermore, facing competition in the external talent market, GUC references internal human resources analytics to adjust overall recruitment strategies as needed. This proactive approach aims to mitigate potential internal and external impacts on human resources issues and reduce operational risks. As of the end of 2023, the total number of employees in GUC was 885, which increased by 34 from the previous year, representing a growth of approximately 4%.

Following the Company's overall strategy for development of human resources, GUC promotes innovative services and outcomes with high-quality R&D and engineering talents account for approximately 86% of the total number of employees, and among them, the majority (over 61%) hold a master's degree or above. In terms of employee age distribution, GUC has a workforce dominated by young and middle-aged workers aged 30-49, under the age of 50 accounting for 83% of employees. This helps to avoid



the problem of an aging workforce in key operational locations. In addition, GUC also fosters opportunities for young professionals to flourish and encourages mid to senior-level workers to continue contributing their expertise. This approach reflects a diverse and resilient human resources structure.

Category	Employment Type	Male		Female		Subtotal	Percentage
		Number of People	Percentage	Number of People	Percentage		
Gender		636	71.9%	249	28.1%	885	100%
Nationality	Domestic Workers	503	70.4%	211	29.6%	714	80.7%
	Foreign Workers	133	77.8%	38	22.2%	171	19.3%
Job Categories	Research and Development	446	80.7%	107	19.3%	553	62.5%
	Engineering and Technical	144	67.6%	69	32.4%	213	24.1%
	Marketing and Sales	30	57.7%	22	42.3%	52	5.9%
	Administration and Functional Teams	16	23.9%	51	76.1%	67	7.6%

Category	Employment Type	Male		Female		Subtotal	Percentage
		Number of People	Percentage	Number of People	Percentage		
Employment Conditions	Irregular contracts	616	71.7%	243	28.3%	859	97.1%
	Regular contracts	20	76.9%	6	23.1%	26	2.9%
Age	29 years old and below	153	72.9%	57	27.1%	210	23.7%
	30-39 years old	184	65.9%	95	34.1%	279	31.5%
	40-49 years old	166	68.3%	77	31.7%	243	27.5%
	50-59 years old	123	86.6%	19	13.4%	142	16.1%
	60 years old and above	10	90.9%	1	9.1%	11	1.2%
Education	High school education or below	2	66.7%	1	33.3%	3	0.3%
	Bachelor's degree	197	58.5%	140	41.5%	337	38.1%
	Master's degree	419	79.8%	106	20.2%	525	59.3%
	PhD	18	90.0%	2	10.0%	20	2.3%

Percentage of Employees of Each Nationality Among Non-native Employee Relative to the Total Number of Employees

Nationality	Mainland China	Japan	United States	Vietnam	India	Others
Percentage	10.4%	4.1%	1.7%	1.9%	0.5%	0.8%

GUC also utilizes different types of employment to support the company's operations. The composition of employees varies according to the type of employment, as shown in the table below.

Category	Gender	Number of Employees		Permanent Employment		Temporary Employment		Full-time Employees		Part-time Employees	
		Number of People	Proportion	Number of People	Proportion	Number of People	Proportion	Number of People	Proportion	Number of People	Proportion
Taiwan	Male	503	70.3%	491	70.2%	12	75.0%	502	70.4%	1	50.0%
	Female	212	29.7%	208	29.8%	4	25.0%	211	29.6%	1	50.0%
Asia (excluding Taiwan)	Male	115	76.7%	107	75.9%	8	88.9%	115	76.7%	0	0.0%
	Female	35	23.3%	34	24.1%	1	11.1%	35	23.3%	0	0.0%
Americas	Male	16	94.1%	16	94.1%	0	0.0%	16	94.1%	0	0.0%
	Female	1	5.9%	1	5.9%	0	0.0%	1	5.9%	0	0.0%
Others	Male	2	66.7%	2	100.0%	0	0.0%	2	100.0%	0	0.0%
	Female	1	33.3%	0	0.0%	1	100.0%	0	0.0%	1	100.0%
Subtotal	Male	636	71.9%	616	71.7%	20	76.9%	635	72.0%	1	33.3%
	Female	249	28.1%	243	28.3%	6	23.1%	247	28.0%	2	66.7%
Total		885		859		26		882		3	

GUC primarily employs full-time and permanent employees. Temporary employees are mainly hired through internship programs in cooperation with universities. The purpose is to cultivate talent and deepen industry-academia cooperation. The students are hired on a full-time basis with fixed-term contracts as a principle. After leaving campus, GUC establishes a permanent employment relationship based on mutual willingness. However, in response to temporary business needs, a very small number of temporary employees are also retained. In 2023, GUC experienced stable growth and did not have a significant fluctuation in employee numbers during the reported year.

In addition to regular employees, GUC also has one technical intern who is learning based on technical principles. Technical interns receive training from GUC and have practical results. There are 23 workers employed and dispatched by vendors to provide services at GUC (14 cleaning workers, 4 security workers, and 5 equipment maintenance workers). The number of non-regular workers has not shown significant fluctuations in the past three years of reporting.

7.1.2 Human Capital Diversity

The talent diversity policy of GUC aims to provide a suitable workplace that is equitable and humane. In addition to ensuring equal pay between genders (refer to section 7.1.3 Talent Attraction and Retention), GUC is committed to providing female employees with equal development opportunities. Targets are set for the proportion of female employees in STEM (Science, Technology, Engineering, and Mathematics) fields, as well as for female managers, gradually realizing the goal of diversified talent development. The proportion of female managers is approximately 14.8%, showing an increase from the previous year and surpassing the original target of 14.5%.

Item	2021	2022	2023
Female Employees	27.0%	28.1%	28.1%
Female Employees in STEM (Science, Technology, Engineering, and Mathematics) Fields	21.1%	22.2%	23.0%
Female Managers	13.8%	13.8%	14.8%

Note 1:Female Employee Ratio: Number of female employees/Total number of employees.

Note 2:Female STEM Employee Ratio: Number of female STEM employees/Total number of STEM employees.

Note 3:Female Manager Ratio: Number of female managers/Total number of managers.

To effectively create a diverse and inclusive workplace, GUC is also committed to building a friendly workplace and treating diverse talents with equality and openness. Among them, colleagues with childcare needs are entitled to parental leave for raising children in accordance with local laws and regulations. The rate of returning to work after maternity leave is 100.0%, which is higher than the data from Taiwan government, which is 79.0%. The relevant statistical data is shown in the table below.

Item	Male	Female	Total
Number of Employees Eligible for Parental Leave in 2023 ^{Note}	47	19	66
Number of Employees Who Applied for Parental Leave in 2023	0	3	3
Number of Employees Who Actually Returned to Work After Parental Leave Ended in 2023 (A)	0	3	3
Number of Employees Who Were Supposed to Return to Work After Parental Leave in 2023 (B)	0	3	3
Parental Leave Return Rate for 2023: (A) / (B)	-	100%	100%
Number of Employees Who Actually Returned to Work After Parental Leave Ended in 2022 (C).	1	2	3
Number of Employees Who Returned to Work After Parental Leave Ended in 2022 and Remained for at Least 1 Year (D)	1	1	2
Parental Leave Retention Rate for 2022: (C) / (D)	100%	50%	66.7%

Note: The number of employees eligible for parental leave in accordance with the law from January 2, 2020, to December 31, 2023.

7.1.3 Talent Attraction and Retention

GUC continues to invest and strengthen the talent attraction and retention systems. Our global talent deployment strategy and vision focus on providing employees with competitive compensation and benefits, as well as actively fostering appropriate working environments to enhance employee experiences. In 2023, GUC was honored with the The HR Asia Best Companies to Work for in Asia Awards, demonstrating industry recognition for the employer brand we have diligently constructed. Simultaneously, GUC actively manages various channels to increase the visibility of its employer brand, attracting talents to join the Company. Whether in Taiwan or at global sites, sustainable talent attraction approaches have been established to support the Company's growth.

Employer Branding

Managing the employer brand makes a company attractive in the talent market and can yield significant benefits. GUC has long been committed to creating a work-life balance environment, providing talent development and career advancement opportunities for employees, and of course, emphasizing substantial compensation and benefits. Additionally, we utilize various external communication methods to highlight GUC's advantages, including campus recruitment events, campus lectures, summer internship programs, and social media engagement.



The HR Asia Best Companies to Work for in Asia Awards

GUC participated in the HR Asia Best Companies to Work for in Asia Awards for the first time in 2023 and won! This is a prestigious human resources award in the Asia-Pacific region. In 2023, a total of 339 companies in Taiwan applied for the award. After document reviews, employee opinion survey, and presentation assessments, 94 companies were selected as winners. The main criteria for selection are based on anonymous employee opinion survey. GUC scored higher than the average of other evaluated companies in all categories, demonstrating the Company's dedicated efforts towards its employees.



TALENT, in Taiwan Sustainability Certificate

Talent cultivation and development have always been a priority for GUC. GUC continues to promote various talent indicators such as "diversity and inclusion," "organizational communication," "reward and incentive," "physical and mental health," and "talent development." In order to enhance Taiwan's talent competitiveness, respond to the trends of ESG and DEI, and address global companies' emphasis on social responsibility towards talent, GUC has joined the "TALENT, in Taiwan Sustainability Action Alliance" initiated by "Common Wealth Learning" and "Cheers Happy Working People" magazines. Together with over 400 alliance partners, we aim to promote the meaningful project of talent cultivation.



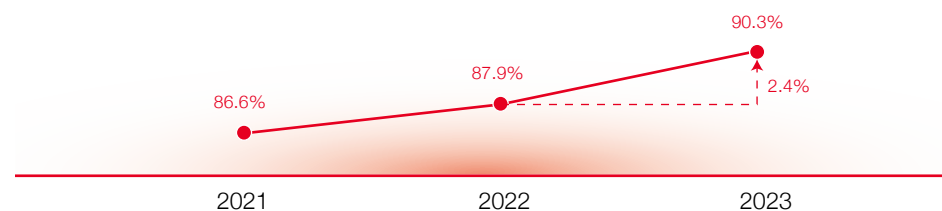
In addition to strengthening employer branding and maintaining ongoing campus relationships, GUC also allocates resources to recruitment, with organizational growth as the objective. The aim is to identify outstanding candidates in the talent market who align with the organization's needs. Through increased resource investment, the goal is to attract superior talent to fuel organizational growth. The recruitment costs over the past three years are shown in the table below.

Year	2021	2022	2023
Number of New Employees (A) ^{Note}	160	160	90
Total Recruitment Cost (B)	NT\$ 3,645,051	NT\$ 5,407,630	NT\$ 5,063,439
Average Recruitment Cost (B)/(A)	NT \$22,782	NT\$ 33,798	NT\$ 56,260

Note: Only full-time permanent new employees are considered.

In terms of job offer acceptance rate, GUC achieved a 90.3% offer acceptance rate in 2023, marking a 2.4% increase compared to the previous year, indicating a steady growth in talent attraction.

Year	2021	2022	2023
Acceptance Rate of Job Offers	86.6%	87.9%	90.3%



Internship Program & Industry-Academia Collaboration Initiative

To ensure the sustainable operation of talent recruitment channels, GUC has been deeply involved with universities located near its operational bases, connecting with potential outstanding talents. The main achievements in 2023 include:

- Participated in 15 domestic and international campus job fairs, reaching over 5,000 students.
- Conducted 17 campus seminars, engaging more than 1,600 students, with a satisfaction rating of 4.6 or above (out of 5).
- Recruitment of a total of 29 interns from domestic and international colleges and universities for both summer and long-term internship programs.
- Establishment of an official SNS account in 2023, targeting primarily college students. Through multimedia content delivery, it enhances the target audience's familiarity with the GUC employer brand. Through one-on-one interactive mode, it fosters students' stickiness with GUC. Currently, there are over 1,500 students who have joined.



GUC Domestic and International Campus Job Fairs and Campus Seminars

7.1.4 New Hires and Turnovers

New Hire Rate

In 2023, the composition of new employees at GUC was approximately 76.4% male and 23.6% female. A detailed breakdown is provided as the table below. Notably, the proportion of females in the Research & Development and Engineering categories, representing those entering the workforce for the first time, was 27.8%. This figure surpasses the rate of females graduating in Science, Technology, Engineering, and Mathematics (STEM) fields within the primary operational region (Taiwan), which stands at approximately 25.8%.

Category	Age						Operating Locations					
	29 years old and below	Percentage	30~49 years old	Percentage	50 years old and above	Percentage	Taiwan	Percentage	Asia (excluding Taiwan)	Percentage	Others	Percentage
Male	55	76.4%	22	73.3%	7	87.5%	48	72.7%	33	82.5%	3	75.0%
Female	17	23.6%	8	26.7%	1	12.5%	18	27.3%	7	17.5%	1	25.0%
Subtotal	72	65.5%	30	27.3%	8	7.3%	66	60.0%	40	36.4%	4	3.6%

Note: The calculation includes the number of full-time new employees.



Turnover Rate

Throughout 2023, GUC continued to intensify its recruitment efforts while significantly reducing the turnover rate to mitigate the impact on business. The annual turnover rate stood at 7.9%, with all departures being voluntary. This marks a consistent downward trend over the past three years. Our goal is to enhance retention, maintaining a reasonable turnover rate in organizational management. Based on past turnover rates, we have set an annual target of keeping the turnover rate below 10%.

Year	2021	2022	2023
Turnover Rate	21.4%	13.4%	7.9%

Differentiated by gender, the average turnover rate for male employees is 10.7%, while for female employees, it is 9.4%. Looking at age groups, the average turnover rate for employees aged 29 and below is 25.2%. For employees aged 30 to 50, the average turnover rate is 5.8%. Employees aged 50 and above have an average turnover rate of 5.5%.

Year	2021	2022	2023
Male	22.2%	18.8%	10.7%
Female	19.1%	21.1%	9.4%
29 years old and below	7.1%	40.0%	25.2%
30-49 years old	27.2%	15.9%	5.8%
50 years old and above	16.2%	3.8%	5.5%

In the face of operational impacts, such as contract terminations due to operational changes, GUC adheres to local regulations and internal rules, including notice periods, to avoid negative implications for internal and external stakeholders. In 2023, the Company did not experience any instances of labor contract terminations resulting from operational changes. Furthermore, due to stable career development opportunities within the organization, there were no internal job bid reported during the year. Personnel changes were made solely to meet management needs.

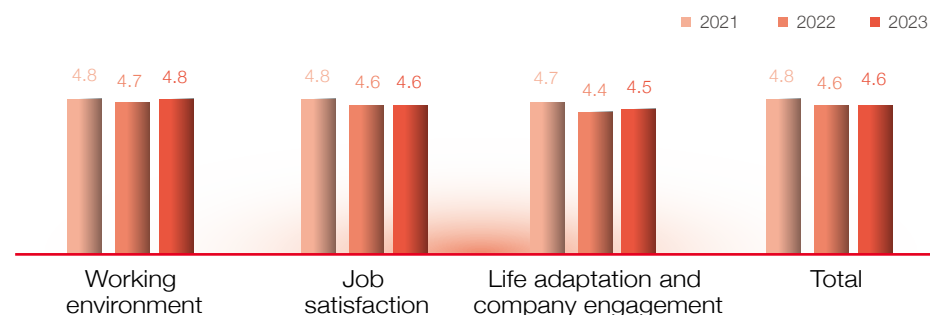
Newcomer Retention and Care

In order to help newcomer adapt to the working and living environment smoothly the Company has developed a mentoring program to provide timely assistance to new recruits and to build new employees' sense of belonging to the Company. Starting from 2021, satisfaction questionnaires are sent to new employees within 90 days of their arrival, so that they can give immediate feedback on their adaptation status, and the feedback will be provided to the relevant departments for evaluation and improvement. The average score of the overall new employee satisfaction survey in 2023 was 4.6 (out of 5) and the response rate was 98.3%, which the overall average remains consistent with the previous year, while the response rate showed a slight improvement. The survey is based on three major aspects: "working environment", "job satisfaction", "life adaptation and company engagement". Through mentorship programs establishing two-way interaction, in time questionnaire feedback, and caring mechanisms, GUC has seen a continuous increase in the retention rate of new employees over the past three years.

In 2023, GUC set a target new employee retention rate (remaining in position after one year) of 90.0%. The Company successfully achieved a new employee retention rate of 91.3%, representing a slight increase from the previous year.

Year	2021	2022	2023
New Employee Retention Rate	83.1%	91.2%	91.3%

Satisfaction Survey Results from 2021 to 2023



G Mentorship Program

To assist new GUC employees in the swift adaptation to the workplace, effective integration into individual teams, and receive proper feedback towards existing inquiries, each is assigned an experienced mentor. This allows new hires to gain valuable guidance and counseling from their mentors on personal and professional matters from day one. With the goals of forming strong mentorship bonds, sharing knowledge, and supporting mutual growth, GUC remains committed to its Coffee Break initiatives; fostering trust, familiarity, and communication between mentors and their mentees over coffee. In 2023, the Company further introduced a Bucket-list activity, providing mentors and mentees with opportunities to forge connections based on shared interests. This initiative seeks to shape GUC into an environment that supports personal growth and promotes work-life balance. The Mentorship Program gained a satisfaction rating of 4.8 out of 5 in 2023.

As mentors and mentees embark on tackling joint challenges and aspirations; the Bucket-list activity served as an effective medium in tracking their growth and progress. In addition to the list, we have further arranged mid-year and year-end tea parties to reward outstanding participants and provide space to exchange stories. These gatherings became valuable grounds for reflection, encouragement, and friendship building. Many new comers have expressed great gratitude for the insights, guidance, and meaningful connections gained through the process. In 2023, the Bucket-list activity was implemented on 165 new employees, with a participation rate of 93%. Each new comer has documented their growth through their individual bucket list over the course of the year, some venturing on foreign travels, trying new sports, or taking on odd hobbies, etc. We wish to alleviate uncertainties new hires may bear through the continuation of the program, helping them better navigate, adapt, and ultimately find fulfillment in their work.



7.1.5 Global Compensation Policies

GUC commits to caring for its employees and has established a competitive pay policy, with standard salaries for entry-level personnel (starting at the level of engineers with no experience) in all major operating locations being significantly higher than the local statutory minimum wage. Furthermore, male and female employees in the same positions receive equal starting salaries. Subsequently, salary adjustments and promotions are based on individual performance, with corresponding compensation provided. Company provides talent development opportunities, supporting female employees in improving their individual expertise for continuous growth.

Ratio of Standard Salary of Junior Staff to Local Minimum Wage

Main Operating Locations	Taiwan	Shanghai	Nanjing	Japan	United States	Vietnam
Ratio of Standard Salary of Junior Staff to Local Minimum Wage	1.5 to 3 times	4.5 to 6 times	4.5 to 6 times	1.5 to 3 times	1.5 to 3 times	4.5 to 6 times

2023 Gender Ratio of Fixed Salaries in the Taiwan Region

Gender	Managerial Positions	Non-Managerial Positions (General employee)
Male	1	1
Female	0.97	0.94

Note: The overall compensation includes optional benefits and is currently not disclosed.

Compensation Committee and Executives Total Remuneration

Since 2011, GUC convened the Compensation Committee, currently composed of five independent directors. The committee meets quarterly and is responsible for periodically evaluating the Company's compensation policy. Additionally, it conducts an annual review of the performance evaluation and compensation policies, systems, standards, and structures for executives. The committee regularly assesses and reviews the compensation of directors, employee stock ownership plans, incentive bonus plans, or any compensation incentive programs. In 2023, the Compensation Committee held a total of 4 meetings, with 100% attendance from all five independent directors.

Since 2020, with the Company's continued growth in business and a significant increase in EPS, the proportion of variable pay in the compensation structure of the President has increased, closely linked to the Company's business performance. Consequently, the total compensation has seen a substantial increase. The median of total compensation for employees has also increased steadily over the years. In 2023, despite flat profits leading to a slight decrease in the President's compensation, the Company has allocated resources to retain and slightly increase employee total compensation.

The compensation for senior executives is determined in accordance with corporate governance principles, deliberated by the Compensation Committee and approved by the Board of Directors. The ratio of total compensation for the President to that of other employees over the past three years is as follows:

Year	Ratio of the annual total compensation of the President to the median annual total compensation of other employees	Percentage increase in annual total compensation of the President	Median percentage increase in annual total compensation of other employees	Ratio of the median percentage increase in annual total compensation of the President to the median percentage increase in annual total compensation of other employees
2021	8 to 10 times	72.7%	14.4%	5.1
2022	12 to 14 times	68.9%	12.8%	5.4
2023	18 to 20 times	65.7%	22.2%	3.0

Note 1: Annual Total Compensation Ratio: The annual total compensation of the highest-paid individual in the organization/The median annual total compensation of all employees (excluding the highest-paid individual).

Note 2: Annual Total Compensation Change Ratio: The percentage increase in the annual total compensation of the highest-paid individual in the organization/The percentage increase in the median annual total compensation of all employees (excluding the highest-paid individual).

Information Reprogramming: To ensure consistent comparability, all proposed figures for each year have been updated to actual figures. The calculation is based on the actual sum of salaries, allowances, and bonuses disbursed, excluding items such as insurance premiums, retirement funds, and proposed salary figures. Consequently, the information on the ratio of total President compensation to total employee compensation over the past three years has been recalculated.



Overall Compensation System to Employee

GUC adheres to the labor laws and regulations of each operating location, establishing a competitive and appropriate compensation strategy to motivate employees. We actively participate in regional salary surveys, aligning compensation system with company objectives, to attract and retain talents in the fiercely competitive labor market, enhancing overall strength and competitiveness. Meanwhile, the Company upholds the concept of profit-sharing with employees, attracting, retaining, and motivating talents across the globe. The base pay and benefits for each employee are in same rule, no difference between race, religion, gender, nationality, or political affiliation.

The total rewards framework at GUC is as follows:

- **Fixed Salary:** A 12 months base salary and structured allowances and subsidy plans in accordance with local regulations at each operating location.
- **Incentive Bonuses:** An incentive bonus system directly tied to individual performance.
- **Profit Sharing :** Allocating bonuses from profits based on company charter tied to company business result, team performance, and individual outcomes.
- **Employee Stock Ownership Trust:** The program makes employees to contribute a certain percentage of salary to purchase stocks, and the Company pay additional contribution to purchase stocks for employee (limited to the Taiwan region).

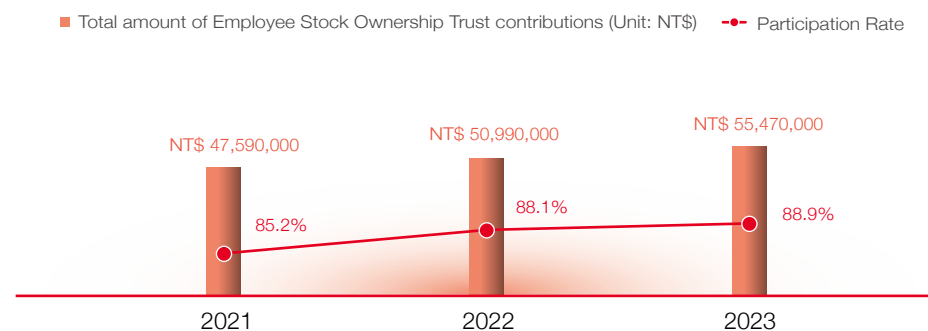
According to the latest data for 2023 disclosed by the Taiwan Stock Exchange, the Company's compensation ranks among the top in the semiconductor industry among full-time employees not in managerial positions. For the latest data, please refer to the "Corporate Governance" section under the Taiwan Stock Exchange's Market Observation Post System for relevant information on employee benefits and compensation statistics.

Employee Stock Ownership Trust

To enhance the cohesion between employees' engagement and the Company's business outcomes, GUC established an Employee Stock Ownership Trust (ESOT) in Taiwan since 2011, initiating the program which allows employees to voluntarily participate. Through this system, a specific amount (Employee Contribution) is contributed from each individual's monthly salary, which is matched by the Company (Company Contribution) and jointly invested in regular intervals by a designated bank through a trust mechanism. This program allows employees to hold company stocks and share the business achievements.

In addition to sharing in the Company's profits, this system draws inspiration from the employee stock ownership system which practice as mature economies in Europe and Americas. It serves as part of the Company's talent retention plan and contributes to employees' personal financial planning. At the end of each fiscal year, the Employee Stock Ownership Committee instructs the designated bank to return the purchased stocks to employees, making them shareholders of the Company.

The voluntary participation rate in the Employee Stock Ownership Trust program has continued to grow steadily, indicating that employees have a high level of confidence of both this benefit system and the Company's operational prospects.



7.1.6 Global Benefits System

GUC provides a highly priority on employee health and well-being. In addition to adhering to local regulations, we provide benefits and a comprehensive leave management system that exceed legal requirements. For example, in Taiwan office, we offer benefits such as group insurance, more annual leaves than law, retirement plans, and emergency assistance for overseas travel, marriage and childbirth allowances, funeral subsidies, birthday gifts, and year-end party. We also organize occasional group outings, company trips and employee activities to help employees strike work-life balance. It is our hope that employees can gracefully weave every exciting moment of their careers at GUC.

Leave Policy

GUC is committed to providing a supportive workplace that accommodates the family care and maternity needs of our employees. Across all our global locations, we offer leave policies that exceed local legal requirements. Taking Taiwan as an example, in addition to statutory leave, we provide specific flexible leave of 7 days, 15 days of paid sick leave, 10 days of paternity examination leave and paternity leave, and 12 weeks of maternity leave. During the childcare period, in addition to the option to apply for parental leave without as permitted by law, the Company also offers a comprehensive leave management system. This allows employees to use their leave more flexibly, ensuring peace of mind in caring for newborns and supporting their family care needs.

Leave and Attendance Policy Revised January 2022 Provides More PTO than Industry Average and Labor Laws

Superior to Statutory Leave	Statutory Standards	Content
National Holidays	12 days of national holidays each year.	7 days reserved for personal commemoration, available for flexible leave arrangements.
Annual Leave	Employees who have served for at least 6 months but less than 1 year are entitled to 3 days of special leave.	To accommodate the leave needs of new employees, they may request leave immediately upon joining the Company for the current year based on their proportion of service.
Sick Leave	30 days of half-paid sick leave throughout the year.	15 days of paid sick leave and 15 days of half-paid sick leave throughout the year.
Maternity Leave	Female employees are entitled to full-paid maternity leave for 8 weeks, totaling 56 days.	Paid maternity leave for female employees can be extended to 12 weeks, totaling 84 days.
Paternity Examination and Paternity Leave	During the period from the spouse's pregnancy until the day of delivery, as well as 7 days before and after the delivery, totaling within 15 days, male employees are entitled to 7 days of paternity examination leave and paternity leave.	During the period from the spouse's pregnancy until the baby's first year, male employees are entitled to use the leave, with an additional extended to 10 days of paternity examination leave and paternity leave.

Continuous Leave Incentive Program

During the end of 2019 to 2022, the COVID-19 pandemic, directly impacted people's lifestyles. Especially during the most severe period from 2020 to 2021, the uncertainty of external environmental risks led people to voluntarily reduce their social interactions, resulting in decreased frequency of outings, travel, and even sacrificing personal leisure and opportunities for social interaction. To address this, GUC Taiwan implemented a short-term incentive leave reward program from the fourth quarter of 2022 to the third quarter of 2023: cash rewards of NT\$5,000 for a consecutive 3-day leave and NT\$8,000 for a consecutive 5-day leave, which can be applied for continuously.

These short-term incentive leave rewards provided during the pandemic's easing aim to guide employees in effectively planning long-term vacation plans, allowing them to rediscover the balance between work and life. The goal is to promote physical and mental well-being and strengthen interactions within families or communities.

Project Results

Short-Term Incentive Leave Reward Initiative	Number of Instances	Amount of Reward
Reward for Consecutive 3-Day Leave	986	NT\$ 6,530,000
Reward for Consecutive 5-Day Leave	200	
Total	1,186	



Retirement and Insurance Plans

GUC establishes retirement pension schemes for its employees worldwide in compliance with local regulations, and defined contribution plans tailored to local practices in overseas subsidiaries. In addition to statutory retirement reserve funds, the Company conducts annual retirement reserve fund actuarial valuations through professional accounting consultants to ensure adequate provisioning, safeguarding the retirement benefits of employees in the future.

Meanwhile, the Company provides social insurance for all full-time employees globally in accordance with the law, offering market-leading commercial insurance plans as welfare benefits to ensure the employment stability and medical care needs of employees. The participation rate in the aforementioned insurances is 100%. Taking Taiwan as an example, in addition to statutory labor insurance and health insurance, we offer a group insurance schemes, with the Company fully bearing the insurance premiums for employees themselves. For details on the related protections, implementation content, and outcomes, please refer to the table below.

Summary of Retirement Pension and Insurance Plans in GUC Taiwan

Benefit Program	Project	Legal Regulations	Explanation	Result
Retirement Pension	Traditional Retirement Pension	In accordance with the provisions of the Labor Pension Act	A reserve fund equivalent to 2% of the eligible employees' salaries is allocated monthly and deposited into a designated account at the Taiwan Bank.	As of the end of 2023, the fair value of the plan assets amounted to NT\$53,561,000. In accordance with the aforementioned regulations, GUC recognized an expense of NT\$1,341,000 in 2023. The amount required to be allocated in the future in accordance with the law has been recognized as an accrued retirement benefit liability. As of the end of 2023, this amount stood at NT\$22,313,000.
	New Retirement Pension	In accordance with the provisions of the Labor Standards Act	A retirement pension equivalent to 6% of the eligible employees' insured salaries is allocated monthly to individual accounts at the Labor Insurance Bureau.	In 2023, the total allocation amounted to NT\$53,603,000.
Insurance	Employee Group Insurance and Medical Insurance		Employees are enrolled upon joining, providing benefits such as lump-sum death and disability compensation, as well as hospitalization medical insurance coverage.	In 2023, a total of NT\$5,269,000 was allocated to the program.
	Dependent Group Medical Insurance	Exceeding Regulatory Requirements	Employees can apply for additional coverage for first-degree relatives, providing benefits such as hospitalization medical insurance coverage.	
	Employer's Liability Insurance		Employees are enrolled upon joining, providing coverage for individual injury liability and accident body injury liability insurance.	In 2023, a total of NT\$175,000 was allocated to the program.

Note: Additionally, there is overseas travel accident medical insurance and emergency assistance insurance, ensuring comprehensive coverage for employees on business trips.

Other Benefits and Incentive Policies

The Company not only provides retirement pension schemes compliant with regulations and industry-leading insurance and leave policies, but also offers various other benefits such as marriage and childbirth allowances, funeral subsidies, birthday gifts, year-end party, seniority award and organizes periodic group outings, company trips, and employee activities. At the same time, we have a diverse range of reward programs: Patent Award rewarding all employees for innovative research in new technologies and actively obtaining domestic and international certifications to enhance the technical value of the Company; Corporate Award aimed at recognizing emerging stars in cross-team collaboration, projects contributing significantly to operational efficiency, and members

making annual knowledge contributions; Proposal Award based on four evaluation dimensions: technological innovation, productivity enhancement, quality improvement, and appropriate cost control, allowing employees to autonomously propose suitable solutions, which are evaluated by dedicated personnel and awarded accordingly, thus integrating into the improvement of existing processes. We enable employees to continue learning and growing in alignment with the Company's goals, fostering a sense of achievement and belonging, and consolidating an innovative corporate culture, promoting mutual progress towards common goals with employees, fostering mutual communication to achieve win-win outcomes.

Performance of Other Benefit Programs in Taiwanese Companies in 2023

Benefit Programs	Subsidized/Participating Headcount	Amount of Company Expenditure (Unit: NT\$)
Marriage and Childbirth Allowance, Funeral Subsidies	110 persons	NT\$ 305,000
Group Outing Activity	2,656 persons (including family members)	NT\$ 4,674,000
Family Movie Day	1,086 persons (including family members)	NT\$ 362,000
Subsidy for Employee Activities	281 persons	NT\$ 296,000
Company Trip	612 persons	NT\$ 8,970,000

Summary of Global Reward Programs in 2023

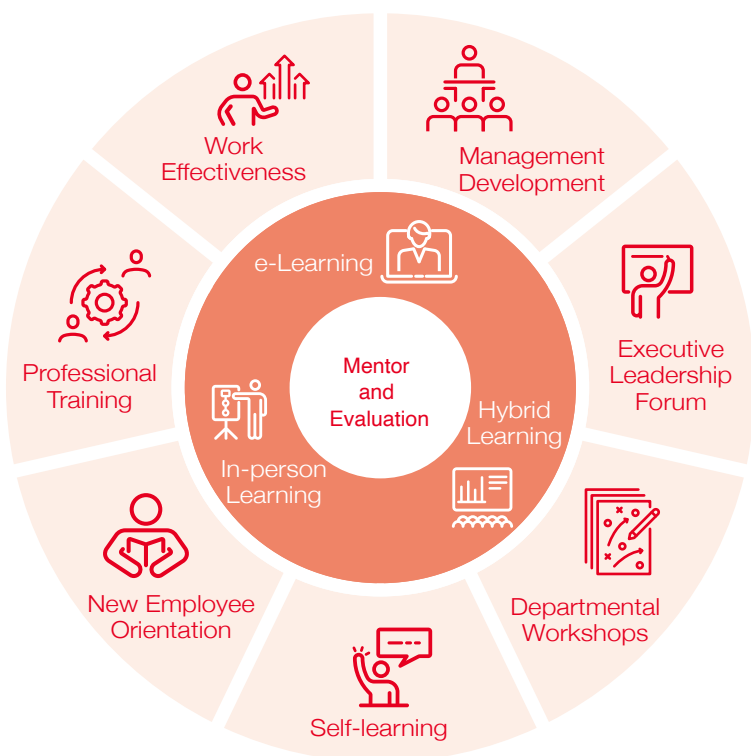
(Unit: Number of Participants)

Among them, the 2023 Corporate Award distributed rewards equivalent to approximately NT\$ 920,000 globally.

2023	Patent Award	Corporate Award	Proposal Award	Seniority Award
Q1	13	4	6	121
Q2	14	54	6	
Q3	25	18	6	
Q4	31	0	3	
Total	83	76	21	

7.1.7 Talent Development and Management

In its commitment to fostering sustainable management and growth, GUC actively cultivates talents and skills by intricately linking its training courses, sustainable development strategies, and employee development programs. The Company has set up a dedicated department to design and provide training and learning resources for employees across all levels and positions, aiming to position the Company as a sustainably operating industry leader. Such training programs are meant to enhance employees' capabilities and advance their careers. Under the philosophy of "A Better GUC through Learning", we aim to provide our employees with consistent learning opportunities of the utmost quality and effectiveness.



GUC 2023 Talent Development and Management Achievements

Training Achievements

In 2023, a total of 296 courses were conducted, including in-person, online, and external trainings, with a total learning time of 9,662 hours. Among them, 174 courses were conducted internally by the Company, with a learning time of 8,006.3 hours, accounting for approximately 82.9% of the total hours.

Learning Hours

In 2023, the average learning time per employee was 10.9 hours. When distinguished by gender, both male and female employees had an average total learning time of 10.9 hours. Amongst in-person courses the total learning time for management level employees was 2,271 hours.

Leadership Skills of Managers

The coverage rate of management and leadership courses for managers at all levels was 57% in 2023, among which include a high percentage of newly appointed managers in 2022, reaching 93.8%.

Annual Mandatory Courses

The completion rate of annual mandatory courses in 2023, including Confidential Information Protection, Integrity in Business Operations and Professional Ethics, Prohibition of Insider Trading, Responsible Business Alliance Code of Conduct, and Prevention of Workplace Misconduct (including bullying, discrimination, and sexual harassment), reached 100%.

Training Investment

The total training cost in 2023 was approximately NT\$2.09 million, with an average investment of approximately NT\$2,400 per employee (this cost does not include rewards for internal instructors and study scholarships).

Average Hours of Training

The average learning hours per employee at GUC were 10.9 hours in 2023, showing a slight decrease of 6.8% compared to 2022, at 11.7 hours. This decline can primarily be attributed to a reduction in the number of new hires in 2023 compared to the previous year, resulting in a decrease in the hours allocated to new employee-related courses. Additionally, adhering to the principle of gender equality, GUC is committed to eliminating gender disparities in training. In 2023, both male and female employees had equal learning hours, with males averaging 10.9 hours (a decrease of 11% from 12.3 hours in the previous year) and females also averaging 10.9 hours (an increase of 8% from 10.1 hours in the previous year).

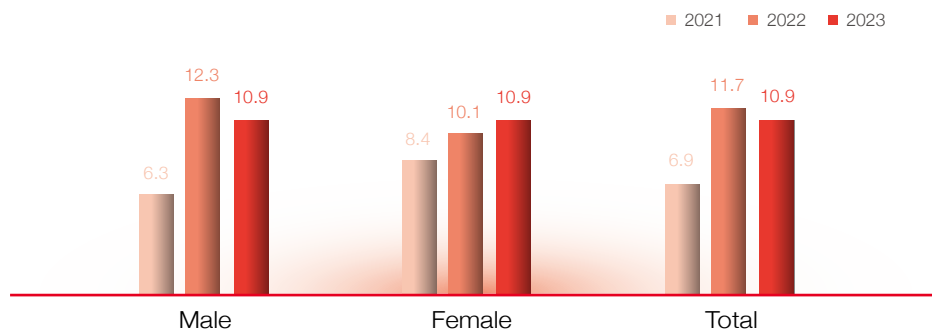
Average Learning Hours for Both Genders in 2023

2023	Male	Female	Total
Number of people (A)	636	249	885
Total Learning Hours (B)	6,939	2,723	9,662
Average Learning Hours (B/A)	10.9	10.9	10.9

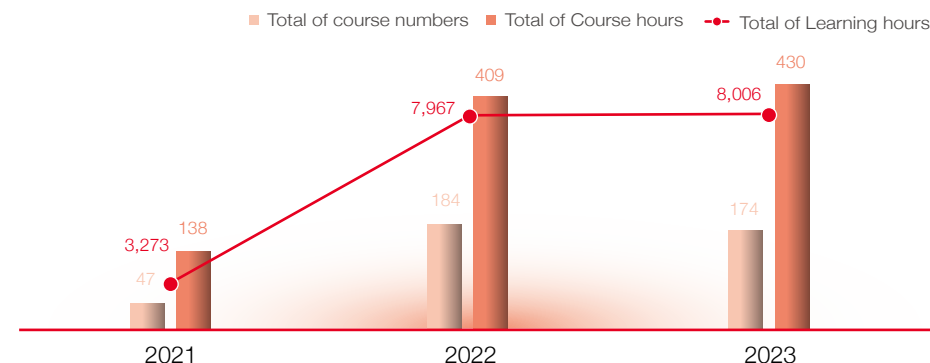
Note 1: The annual training data include in-person training, digital learning and external training, but do not include mentorship, job coaching, job rotations, and other learning methods.

Note 2: The allocation of training resources prioritizes company and individual growth and learning, without being restricted by gender, age, or other differences.

Average Learning Hours Over the Past 3 Years



In 2023, GUC offered a total of 174 in-person courses, with a course duration of 430 hours and a total learning time of 8,006 hours, representing a growth of approximately 0.5% compared to the total learning time of 7,967 hours in the previous year.



Comprehensive Training and Development Program

GUC offers a comprehensive training program based on a development roadmap for employees at all stages of their career, encompassing new comers, managers and non-managers. Starting from newcomers, we have a "Mentorship Program" (refer to [section 7.1.4](#)) to facilitate a quicker integration into the environment. This program aims to cultivate relationships, facilitate knowledge transfer, and foster mutual learning. Additionally, We've implemented a "Key Talent and Managerial Development Program" to ensure continuous enhancement and cultivation of abilities through comprehensive

training and development, thereby ensuring that the Company possesses a high-quality and abundant talent pool. Our dedication in training and development is not merely a promise for the future, but also a commitment to corporate governance and sustainable development; further fostering a positive environment for employees to share and learn from one another.

Target	Contents	2023 Accomplishments
New Comers and Regular Employees	Newcomer Training and Mandatory Course for Newcomers	In order to help newcomers quickly integrate into the company, learn the Company's core values and visions for future development, we introduce their rights and responsibilities upon their arrival. Following our training roadmap, self-learning common competency and mandatory courses are then provided to new comers via eLearning. The completion rate of these courses reaches 100%.
	ESG-related Courses	In addition to the onboarding course on the first day of employment, we provide newcomers with a comprehensive range of courses from facility introduction to company sustainability policies and systems. These include important topics such as safety and health management, prevention of workplace misconduct, and adherence to professional ethical standards are included. The completion rate for these courses is 100%.
	Professional Training	Based on the different units, positions, and seniority levels, we offer comprehensive professional knowledge and skill courses tailored to individual requirements. In 2023, a total of 1,975 employees participated in these training sessions, accumulating a total of 4,671.8 hours of learning.
Managers	Entry-level	In response to the 2022 Employee Engagement Survey results, specific training and development initiatives have been devised for managers, focusing on enhancing their communication and leadership skills:
		A series of mandatory courses were designed for entry-level managers in 2023, with newly promoted managers from 2022 included as compulsory participants. These courses emphasize various managerial execution aspects and communication techniques. Post-training discussions and sharing of insights help to deepen each manager's understanding of the course and facilitate its practical application in the workplace.
	Middle and Senior-level	As pivotal figures in the Company, middle and senior-level managers play a crucial role in bridging the gap between upper management and frontline employees, making leadership decisions, and driving the organization forward. Their training programs focus not only on communication, leadership, and management skills but also emphasize practical application and the development of their team members. In addition to the courses themselves, various pre-course activities and post-training discussions are organized to facilitate mutual exchange among managers and ensure that the courses are aligned with current management practices. Furthermore, we employ team coaching methods to enable senior managers to swiftly immerse themselves in work scenarios and find solutions.
		A total of 157 participants attended management development courses, accumulating 882.5 hours of learning in 2023.

Target	Contents	2023 Accomplishments
All Employees	Annual Mandatory Training	The courses include the protection of confidential information, integrity management procedures, ethical regulations, prevention of unlawful infringement, prohibition of insider trading, the Code of Conduct for Responsible Business Alliance, and Prevention of Workplace Misconduct (including bullying, discrimination, and sexual harassment, etc.) The completion rate for all employees reached 100%.
	Personal Effectiveness and Foundational Training	To adapt to future technological advancements, assist employees in enhancing their work efficiency, and help improve their capabilities, we have provided a rich variety of learning and development courses this year. These include courses on presentation skills, AI tool applications, communication techniques, and seminars on emerging technologies. Additionally, we have introduced lifestyle and stress relief courses, ensuring that every employee can acquire useful knowledge and skills both within and outside of work. In 2023, a total of 736 participants attended these courses, accumulating 1,997.5 hours of learning.
	External Training	We encourage our employees to learn on their own and attend external training to strengthen their job skills according to their professional field and job-related needs. GUC provides full tuition reimbursement for such learning opportunities. In 2023, a total of 107 employees attended external training programs, accumulating a total of 857 hours of learning.
	Scholarship	GUC has set up scholarships for advanced education, including credit, degree and other scholarships with a total subsidy of NT\$110,000 in 2023.

Talent Development and Leadership Succession Plan

In this era of challenges and transformations, we understand the importance of strengthening our team leadership and corporate governance. Therefore, we have been actively planning and implementing succession to ensure the sustainable development of the Company. Following the "Identification and Selection of Key Talents" process, a talent development mechanism, GUC defines key positions in collaboration with senior management. Through the assessment and evaluation of position profiles and relevant tools, potential successors for important management positions are identified. To foster a mutually beneficial environment for both professional and personal growth, we also promote Individual Development Plans (IDPs) for successors, ensuring full execution.

Furthermore, in nurturing key management personnel, we place special emphasis on practical experience. In addition to participating in various cross-departmental project assignments to achieve company objectives, regular attendance at executive management and strategic meetings is required to cultivate comprehensive strategic thinking and management capabilities in the workplace. Moreover, we engage experienced consultants with industry expertise to provide professional coaching and guidance to key management personnel. Finally, we design annual training courses for executives based on organizational strategy and leadership competencies. This includes arranging for potential successors and key management personnel's joint participation in "Personal Development Workshops", promoting the positive exchange of successional development between managers and subordinates. By 2023, all our potential successors had completed 100% of the mandatory leadership courses.



Performance Management and Development

GUC regularly conducts annual employee performance reviews as an important basis for employee promotions, merit increase and other personnel operations. Each employee, regardless of gender, age, or job grade is required to participate in the annual performance evaluation. Through performance assessment, managers and employees jointly review the past goal achievement and provide high recognition and encouragement for excellent performance and guidance for short comings. In addition to evaluating work effectiveness, we strongly emphasize developing the potential of our employees and providing them with future prospects, aiming to effectively guide them to pursue higher work quality. For this reason, GUC has implemented the Performance Management and Development (PMD) system. The PMD system is divided into a probationary period for new comers, an annual performance evaluation, and a performance improvement plan based on the development of employees at each stage in the company.

Our performance management system not only considers individual performance but also incorporates the evaluation of team objectives. Team objectives are decomposed from top to bottom according to the principles of Management by Objectives (MBO), ensuring that each employee's contributions accurately reflect the achievement of the

overall team goals. Furthermore, executives are required to report team and individual performance goals to the Board of Directors annually. Once approved, the results of team and individual performance for the next year are submitted in the first quarter to ensure the Company's annual objectives are achieved. Through the MBO system, we ensure that all employees understand their job objectives clearly and strive towards the overall goals of the Company, thereby improving work efficiency and performance.

Our performance evaluation system encompasses mechanisms including Joint Review of cross-departmental colleagues and cross-review by managers of all departments. This comprehensive evaluation approach allows us to have a more holistic understanding of employee performance and provides more diverse feedback, promoting employee growth and development. In 2023, except for employees with less than 3 months tenure and those on regular contracts, 100% of global employees underwent performance evaluations, and 100% of new comers passed the probationary assessment. The PMD management system balances "performance" and "development" and underscores continuous interaction and communication. We firmly believe that through such practices, we can establish a fair, just, and performance-enhancing work environment.

The Cycle of the Performance Management and Development System

Goal Setting March

Team objectives are decomposed into personal ones according to the principles of Management by Objectives (MBO), assisting employees better understand the direction of their work development, and further providing evaluation and advice towards their performance and development goals.



Midterm Realignment July

Review the progress of the goals set at the beginning of the year, refocus on the direction of the goals for the second half of the period, and we will continue to communicate and provide guidance to drive employees in achieving their goals with effectiveness.



Year-end Appraisal

November-December

Evaluate the results of the employee's annual goal achievements. Give constructive feedback, inclusive of interdepartmental suggestions, and offer pertinent guidance for their growth, all the while establishing the foundations of future goals in the coming year.



7.2 Occupational Safety and Workplace Health Management

7.2.1 Internal Management Operations of Occupational Safety and Health

GUC is committed to achieving "Injury-free in safety and sustainable environmental development" and becoming a benchmark enterprise in global environmental protection, safety, and health. The workplace safety environment not only complies with domestic occupational safety, health, and environmental regulations but also actively aligns with international standards. In 2020, it obtained ISO 45001 Occupational Health and Safety Management System certification, followed by annual external audits for verification. This initiative benefits 100% of employees at the Hsinchu headquarters in Taiwan and outsourced contractors. The Company has completed three years of verification and renewal (TUV NORD), with the latest certificate obtained in February 2024, ensuring the effectiveness of the Company's management system operation through this audit process.



ISO 45001 Certificate

In order to create a safe workplace environment, GUC has been working on workplace safety and health related issues over the long-term. We believe that in order to sustain the vitality of the company, safety and health is as important as economic development, so we have established the Occupational Safety, Health, and Environmental Protection Committee to consider occupational safety and health related issues. The decisions are then submitted to the President for review and approval. The 10th Occupational Safety, Health, and Environmental Protection Committee (see the table below), with more than one-third of the representatives from the labor side, and the representatives of the members and the responsible staff, will implement the safety and health management of the Company through an institutionalized, systematic, and top-down safety and health management mechanism.

10th Occupational Safety, Health and Environmental Protection Committee

Member Representatives	Affiliated Units
1 Management Representative	President
2 R&D Waste and Laboratory Related Representative Members	R&D Lab
3 Quality Assurance	Quality and Reliability Engineering Division
4 Security Supervisor	Occupational Safety Management Office
5 Security Personnel	Occupational Safety Management Office
6 Engineering and technical personnel related to occupational safety and health	Human Resource Division
7 Staff Representative	Welfare Committee (Candidates selected by staff voting)
8 Staff Representative	Welfare Committee (Candidates selected by staff voting)
9 Staff Representative	Welfare Committee (Candidates selected by staff voting)
10 Staff Representative	Welfare Committee (Candidates selected by staff voting)
11 Health Care Workers	Occupational health nurse

Occupational Injury or Mishap Handling Incidents

GUC is a professional IC design service company. None of our employees are engaged in any high-risk activities or have a high incidence of specific diseases. Regarding traffic accidents outside the company, GUC holds

quarterly meetings of the Occupational Safety, Health and Environmental Protection Committee. During these meetings, we explain the process of the accident, produce a case study, and provide information to employees in

order to prevent similar accidents from recurring. GUC had no incidents of employee health and safety violations of regulations or laws in 2023.

Year	Occupational Accident (including traffic accidents)						Total Sum Injury Index (FSI) <small>Note 3</small>			Absenteeism Rate (AR) <small>Note 4</small>			Traffic Accident Cases	Occupational Accident Cases
	Disabling Injury Frequency (FR) <small>Note 1</small>			Disabling Injury Severity Rate (SR) <small>Note 2</small>										
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total		
2021	1.56	3.92	5.48	3	9	12	0.07	0.19	0.26	0.90%	0.59%	1.49%	6	1
2022	0.72	0	0.72	1	0	1	0.03	0	0.03	0.90%	0.67%	1.57%	1	0
2023	2.95	0.74	3.69	7	1	8	0.12	0.03	0.15	1.01%	0.64%	1.65%	4	1

Note 1: Frequency of incapacitating injury (FR) = (total number of injury losses × 10⁶) ÷ total experienced hours

Note 2: Disabling injury severity rate (SR) = (total number of injury loss days × 10⁶) ÷ total number of hours experienced

Note 3: Total Sum Injury Index (FSI) = √ (Frequency of Incapacitating Injury FR × Severity of Incapacitating Injury SR) ÷ 1000

Note 4: Absenteeism Rate (AR) = (Sick Leave Hours + Work-Related Injury Leave Hours + Menstrual Leave) / Total Work Hours * 100%

Note 5: Total working hours in 2021 = 1,275,872 hours; total working hours in 2022 = 1,398,520 hours; total working hours in 2023 = 1,358,056 hours



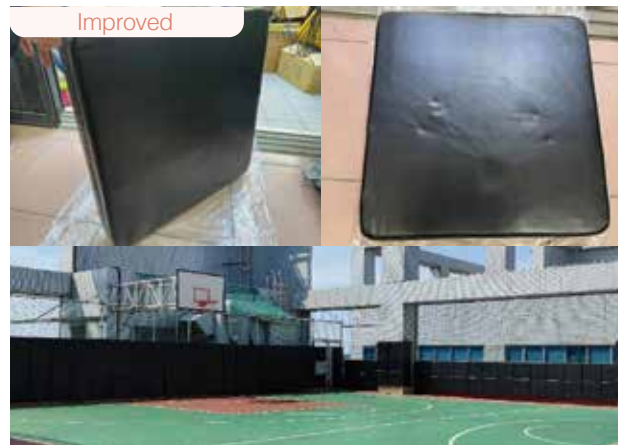
Risk and Hazard Assessment for Occupational Safety and Health

The risk and hazard assessment of employee occupational safety and health is conducted annually by the representatives of each unit and the occupational safety unit, and the assessment results are submitted to the senior management review committee and the environmental and Occupational Safety, Health and Environmental Protection Committee for review and announced on the company's internal announcement board.

Reviewing across the years, there was one high-risk hazard plan identified in the transition from 2022 to 2023, along with four high-risk hazards (with a risk level greater than or equal to 4) identified in 2023, totaling five items:

[2022 Retrospective Plan 1]

Replace the aging safety wall pads of the top floor sports facility with new ones to ensure the safety of employees during their workouts. (Completed in the second quarter of 2023)



[2023 Improvement Plan 1]

Renew the rooftop sports field flooring by replacing the old flooring with new PU flooring to ensure the safety of employees during their workouts.



[2023 Improvement Plan 2]

Install safety chains to the windows on the 3rd floor to the rooftop (installing a total of 118 chains) to enhance safety when employees open the windows.



[2023 Improvement Plan 3]

To enhance the safety of employees at the Hsinchu Lingyang branch when crossing pedestrian crossings, proactive communication was initiated with the Department of Science and Technology Administration, requesting the installation of pedestrian touch buttons. Additionally, the Hsinchu headquarters Occupational Safety Office conducted a training session on safe driving for employees' cars and motorcycles on August 17th (Thursday) from 14:00 to 15:00. This aimed to reinforce correct traffic safety concepts among employees, reducing instances of self-falling accidents while riding motorcycles and minimizing traffic accidents overall.



[2023 Improvement Plan 4]

In response to a colleague's accidental fall incident, an evaluation was conducted to enhance safety measures for walking on the emergency ladder. Safety reminder signs will be posted on the emergency stairs from B3 to the rooftop.



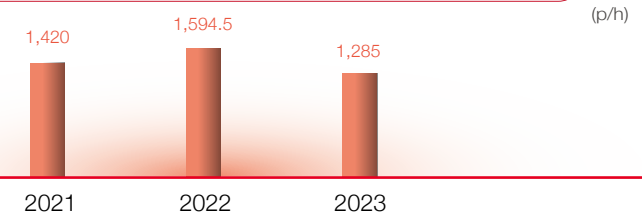
Following the implementation of engineering improvement plans, we will carry out safety and health change control, conduct pre-test inspection for management units, and inform and educate maintenance personnel. Risk prevention and recurrence prevention will be conducted through risk hazard identification and other related methods in accordance with ISO 45001 management system P-D-C-A.

Occupational Safety and Health Worker Training

GUC provides occupational safety and health education and training to new employees as soon as they are hired in accordance with the Occupational Safety and Health Education and Training Regulations and related regulations. The new employees learn about GUC's occupational safety regulations and contingency measures in case of a disaster. The Company also holds regular safety and health education courses, fire drills, and first aid courses in Taiwan. Through safety and health education training to strengthen employees' awareness of safety and health, employees can learn the necessary safety knowledge at work. A total of 16 training sessions were conducted, with 1,235 people participated in the training in 2023, which was a 100% participation rate.

Looking ahead to 2024, GUC places great importance on the safety and health of its employees. In order to increase the awareness and attention to safety and health of our employees at all levels, we will continue to implement hazard identification and risk assessment and conduct statutory occupational safety and health related training in 2023 for critical operations or high potential hazards to meet regulatory requirements and achieve a zero-hazard workplace.

2021-2023 Occupational Safety and Health Training Program



GUC's 2023 Occupational Safety and Health Training Program Implementation

Employee Category	Training Category	2023 Training Courses	Number of Participants (persons)	Training Hours (hours)	Person*Hour	Date of Event
New Employees	General Training	Occupational Safety and Health Training for New Employees	75	4	300	January 13, July 11, and August 22, 2023
		Emergency Escape Training	382	1	382	May 4, 2023
		On-the-job Training for the Occupational Safety and Health Business Supervisor	1	12	12	December 8, 2023
		On-the-job Education and Training for Occupational Safety and Health Management Personnel	1	6	6	December 21-22, 2023
Current Employees	On-the-job training	ISO 45001:2018 Internal Auditor Training	1	7	7	January 16, 2023
		ISO 45001 Internal Audit Kick-off Meeting and Key Instructions	7	1	7	October 12, 2023
		Employee Safe Driving Seminar for Cars and Motorcycles	26	1	26	August 17, 2023
		In-Service Education and Training for Security Council Members	11	1	11	September 26, 2023
		Self-defense Firefighting Team Training	38	4	152	May 4 and October 19, 2023
		Civil Defense Corps Year-round Training	8	4	32	August 9, 2023
		Contracted Safety and Health Education Training for Leased Factories	15	1	15	November 10 and December 12, 2023
		Training on Preventing Workplace Illicit Acts	670	0.5	335	October 16-27, 2023
		Total		1,235	42.5	1,285

7.2.2 Total Health Management

While GUC pursues innovation in research and development, we also pay attention to employee health. We believe that having a healthy body and a stable mindset helps to spark creative thinking and maintain high work efficiency. We are committed to creating a workplace environment that supports employee health by providing comprehensive health management services and resources for our employees. In 2023, we extended the review of our health workplace certification badge from the Health Promotion Administration under the Ministry of Health and Welfare, demonstrating our commitment to promoting employee health and well-being.



Healthy Workplace Certification

Employee Health Promotion and Risk Management

Regular physical examination are the first step in promoting health, and GUC provides an annual physical examination that goes beyond regulatory requirements. It assists employees in understanding their true health status amidst their busy schedules, thereby achieving the effectiveness of early diagnosis and treatment. For the past three years,

the participation rate of physical examination has remained above 97%. In 2023, the participation rate reached 98.9%, indicating that our employees pay great attention to regular physical examination and self-care. Additionally, by analyzing the overall health data of employees, common health issues can be identified. This helps in planning health promotion activities and tracking abnormal groups.

Starting in 2023, we have utilized the Workplace Health Service Management System (Wecare) developed by the Occupational Safety and Health Administration to manage employees' physical examination data over the years, consolidate relevant health records, and questionnaire responses. This system assists in conducting case tracking and information integration, providing employee-centered personalized health management.

Based on the results of the 2022 physical examination and employees' responses to related health questionnaires, common health issues such as obesity, the three highs, and stress adjustment were identified. In 2023, we organized 23 health promotion activities based on the employee health issue as mentioned. These activities included walking challenge event, weight loss programs, health-themed lectures, stress-relief workshops, advanced examinations, physician consultations, and others. We reserve spaces and actively encourage participation from at-risk groups. Throughout the year, a total of 1,404 participants joined these activities.



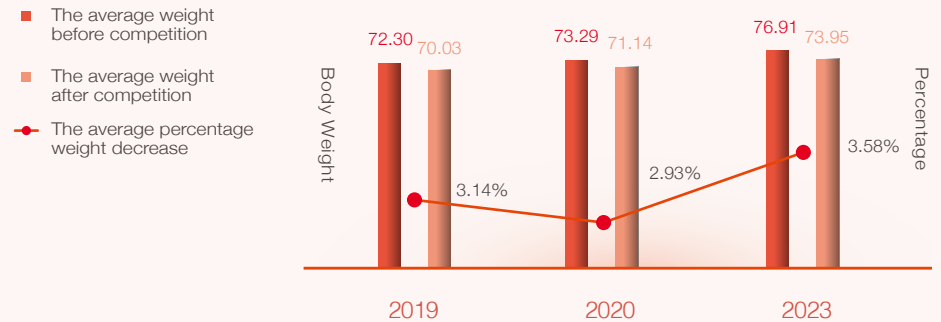


"Healthy in Steps, GUC Move the Way"

GUC organized a 3-month walking challenge and weight loss competition, using a health sports app to promote self-health management awareness. The walking challenge event attracted 536 employees to participate, with 500 achieving full attendance (approximately 93.3% of participants). A total of 342,477,241 steps were accumulated, covering a distance of 239,726,588 meters, and burning 9,171,951 kcal. In addition to the walking challenge, 117 colleagues participated in the weight loss competition. On average, each participant's BMI decreased by 1.02, with a weight loss of 2.96 kilograms. Overall BMI of employees decreased to a healthy level (23.89).

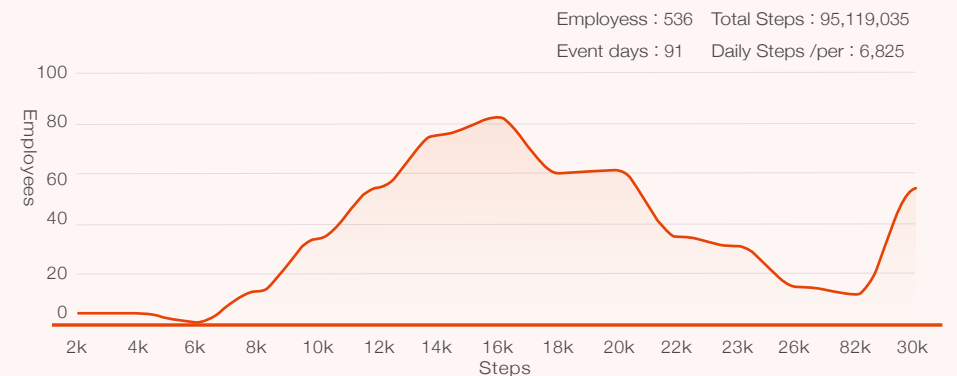


Summary of Weight Loss Competition Results Over the Past Three Editions



The average weight before competition	72.30	73.29	76.91
The average weight after competition	70.03	71.14	73.95
The average percentage weight decrease	3.14%	2.93%	3.58%

Event Name : " Healthy in Step, GUC Move the Way"



Implementing Occupational Disease Prevention

GUC is an IC design service company that does not have production lines or engage in operations involving specific hazards. Employees in the workplace can avoid many occupational diseases risk factors. To further safeguard employees and establish a safe working environment, four major programs have been developed based on the Prevention Guidelines announced by the Occupational Safety and Health Administration of the Ministry of Labor: "Preventive Plan for Abnormal Workload-Induced Diseases", the "Maternal Health Protection Plan", the "Occupational Musculoskeletal Disorder Prevention Plan" and the "Unlawful Infringement In The Workplace Prevention Plan." The Company regularly convenes the Safety, Health, and Environmental Protection Committee to review the implementation results and discuss improvement measures.

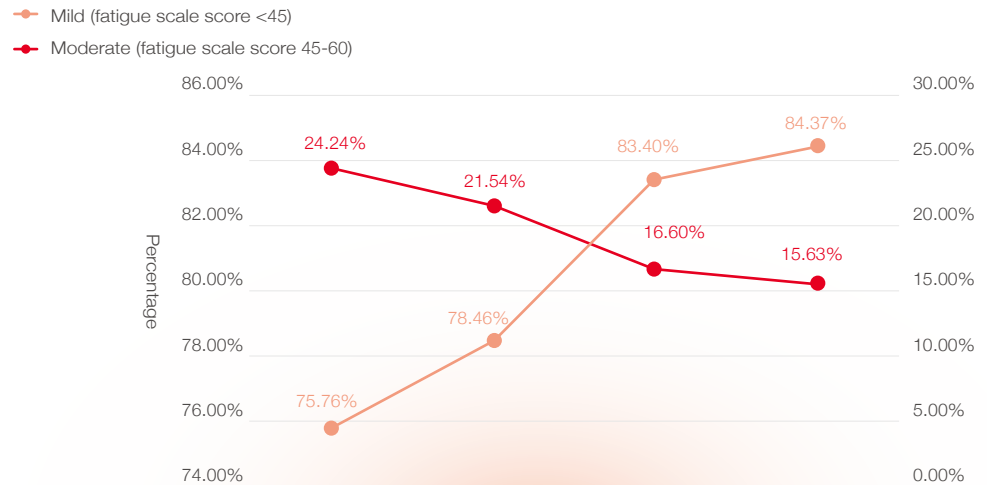
1. Preventative Plan for Abnormal Workload-Induced Diseases

According to the nature of our company's industry, all employees work regular day shift. Potential risk factors for abnormal workloads include long working hours and stress fatigue. To ensure the physical and mental well-being of each employee and prevent excessive workloads, we regularly screen for overtime groups in each month and assess the latest physical examination report and fatigue scale with an on-site physician. Additionally, we conduct comprehensive evaluations based on the results of physical examination and fatigue scales throughout the year to identify high-risk groups. We actively arrange physician consultation with at-risk individuals to clarify whether adjustments, shortened working hours, or changes in job responsibilities are necessary to reduce risks and eliminate dangerous factors.

Following the risk assessment in 2023, two individuals were identified as high-risk groups and it is planned to arrange consultations with physicians. Among the 46 individuals identified as moderately risky, four have completed

consultations with physicians, who assessed that their work content can be maintained and has improved after tracking. The remaining 42 individuals will be asked to fill out the fatigue scale again based on physician recommendations and will be consulted personal preference.

Employee Work Fatigue Level at GUC



	2020	2021	2022	2023
Mild (fatigue scale score <45)	75.76%	78.46%	83.40%	84.37%
Moderate (fatigue scale score 45-60)	24.24%	21.54%	16.60%	15.63%

From 2020 to 2023, the overall fatigue level among employees remained at a low risk. In 2023, there was a downtrend in the average score of work fatigue load, with approximately 15.63% of medium to high-risk groups.

In addition to screening and tracking medium to high-risk groups, in 2023, we conducted topics lectures (e.g., sleep-related issues, stress-relief workshops, etc.) and promoted employee assistance programs to provide multiple stress-relief channels and encourage active participation to assist employees in achieving physical and mental balance.



Health Promotion Topics Seminar

2. Maternal Health Protection Plan

Maternity protection is an essential part of constructing a gender-friendly workplace. There are 194 females employees (91%) in child bearing period, with 17 being the primary protected individuals for the year 2023, including 2 who are pregnant, 8 within one year postpartum (including breastfeeding), and 7 more than one year postpartum.

Upon notification of pregnancy from female employees, GUC initiates a maternity protection program, conducting individual hazard identification and risk assessment, physician health guidance, and ensuring workplace safety and health status of employees, with necessary adjustments to work suitability if needed. In the year 2023, all 17 maternity protection subjects have completed assessment and received physician health guidance, with 100% classified as Level 1 management (low risk). In addition, to provide more care for female employees during pregnancy, we offer exclusive parking spaces for pregnant women, 7 days of prenatal leave for prenatal check-up, 12 weeks of maternity leave, childbirth allowances, breastfeeding rooms with refrigerators for storing breast milk, assisting female employees in balancing work and parenting. Male employees are also entitled to apply for 10 days of paternity leave and prenatal leave upon obtaining a maternity handbook for their spouse. Help employees to have more leisure time to spend with their significant others and welcome the arrival of new family members at home.



3.Occupational Musculoskeletal Disorder Prevention Plan

In order to prevent the occurrence of work-related musculoskeletal hazards and injuries caused by long-term exposure to poorly designed work environments, repetitive work, and poor work postures, our company has established an Occupational Musculoskeletal Disorder Prevention Plan and annually evaluates proposals and provides improvement projects in order to create a comfortable and healthy workplace.

In our company's operating environment, which primarily involves keyboard and mouse operations and administrative paperwork, there may be ergonomic hazards due to prolonged sitting, excessive eye strain, and incorrect posture. Before the annual health check-up, colleagues are asked to complete a "Musculoskeletal Health Survey" on their own. Following evaluation by the health check-up team, it has been recommended that 19 employees engage in one-on-one consultations with a physician starting from the year 2024. Additionally, occupational safety personnel will conduct on-site visits to provide health and medical advice, as well as offer professional health consultation and improvement suggestions.

4.Unlawful Infringement in The Workplace Prevention Plan

This program is activated when potential or existing workplace violence is evaluated. This program is designed to protect our employees from harassment, discrimination, and acts of aggression that may cause physical or mental harm. Its purpose is to ensure the safety, physical wellbeing, and mental health of our employees while they are at work. In addition to arranging induction training for new employees, all employees and permanent staff (e.g., maintenance and security) in Taiwan underwent on-the-job training on workplace violence at least once a year in 2022. In 2022, the number of trainees was 639 and the completion rate was 100%.

EAP Employee Assistance Program

In recent years, mental health has gradually received attention by society. GUC has been promoting an Employee Assistance Program (EAP) for many years through external professional organizations. Individual counseling services such as psychological, health, career, legal, and crisis counseling are provided by personnel who maintain absolute confidentiality and expertise in their respective fields. Since 2022, we have increased the number of free individual counseling sessions for employees annually from 2 to 4 times. Add an orientation video as part of the training course for new staff. Additionally, we regularly publish 14 related topics articles, and also print informational cards to help employees better understand the contents of this program and increase the usage rate. Also, we organized relevant lectures to support employees in addressing personal and family challenges, maintaining a balance between work and life. In the year 2023, there were a total of 67 instances of usage, with a utilization rate is approximately 9.56%, an increase of 6.19% from the year 2022. The program assists employees in facing life's challenges and difficulties starting from the positive mind.



7.3 Human Rights Policy

GUC supports and complies with the international labor practices and standards of human rights including the Universal Declaration of Human Rights, the United Nations (UN) Global Compact, the UN Guiding Principles on Business and Human Rights, the Organization for Economic Co-operation and Development Guidelines for Multinational Enterprises, the SA8000 Standard of Social Accountability International (SAI,). We also align our actions with the Responsible Business Alliance (RBA) Code of Conduct.

GUC prioritizes and fully implements human rights policies to protect the rights of all personnel, including regular, contract, temporary staff, and interns. We also expect our supply chain partners to follow the same standards.

7.3.1 Human Rights Due Diligence

In 2023, GUC initiated a human rights due diligence process and published [the Human Rights Due Diligence Report](#), making it a key element of corporate sustainability. Aligned with the principles of the Universal Declaration of Human Rights, Global Compact, UN Guiding Principles on Business and Human Rights, and ILO Declaration on Fundamental Principles and Rights at Work, the company regularly reviews its human rights management. The HR department conducts due diligence investigations at least every three years to identify and track significant human rights issues and implementation progress.

Survey Period

November 2023

Scope and Coverage Rate

HRDD Process

- **Employee:** Sampling survey was conducted with a confidence level of 90%, a margin error of 5%, and distribution based on the male-female ratio. A total of 200 questionnaires were distributed, with 189 collected, reaching a response rate of 94.5%. Survey participants include:
 1. GUC global employees: Taiwan (Hsinchu, Taipei, Tainan), China, Japan, Korea, Vietnam, the United States, and Europe.
 2. 100 % survey coverage rate of all departments across worldwide offices.
 3. Inclusion of full-time/part-time employees, male/female, local/foreign nationalities, disability status, managerial/non-managerial roles, pregnant/nursing female employees.
- **Supplier:** Surveyed Tier-1 significant suppliers (Definition of Tier-1 significant suppliers: Those accounting for the top 80% of processing payment amounts or quarterly shipment quantities reaching one million units.)
- **Customer :** Assessed by GUC

Commitments and Formulation of Regulations

- We commit to supporting and adhering to international human rights standards, formulating human rights policies and relevant regulations, and revising them as necessary.

Risk Identification

- Review domestic and international human rights conventions and regulations compile potential human rights impact risks, and identify significant concerns.
- Identify significant human rights issues and affected parties based on organizational attributes and operational modes.

Risk Assessment

- Assess impact on employees, suppliers, and customers regularly to understand the level of risk exposure.

Risk Mitigation and Remedial Actions

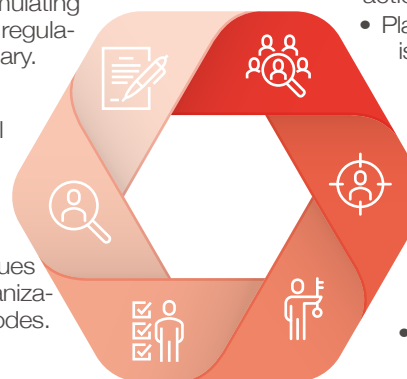
- Develop and implement risk mitigation actions for human rights risk issues.
- Plan and implement remedial actions for issues where actual impacts occur.

Improvement and Tracking

- Disclose the results of HRDD.
- Track the implementation status of risk mitigation actions.
- Track the improvement status or potential risks

Regular Review

- Review risk assessment tools and processes to enhance the HRDD mechanism.
- Review processes and operations to improve human rights risk management.



Human Rights Due Diligence Results

Human Rights Issues

Dimensions	Human Rights Issues	Affected Stakeholders		
		GUC Employee	Supply Chain Employee	Customer
Labor Rights	Forced Labor	○	○	
	Freedom of Assembly or Association	○	○	
	Diversity, Equity, Inclusion, and Non-Discrimination	○	○	
	Smooth Labor-Management Communication	○	○	
	Wages and Working Time	○	○	
	Employment Agreement	○	○	
	Unlawful Infringement in The Workplace / Harassment	○	○	
	Work and Life Balance	○	○	
	Equal Pay for Equal Work	○	○	
	Collective Bargaining ^(*Note)	○	○	
	Human Trafficking ^(*Note)	○	○	
	Child Labor and Young Workers ^(*Note)	○	○	
	Maternity Protection ^(*Note)	○	○	
Health and Safety	Occupational Health and Safety	○	○	
Governance	Information Security and Privacy Protection	○	○	○
	Intellectual Property	○	○	○

*Note : After assessment, it was confirmed that there is no likelihood of risk occurring to our employees.

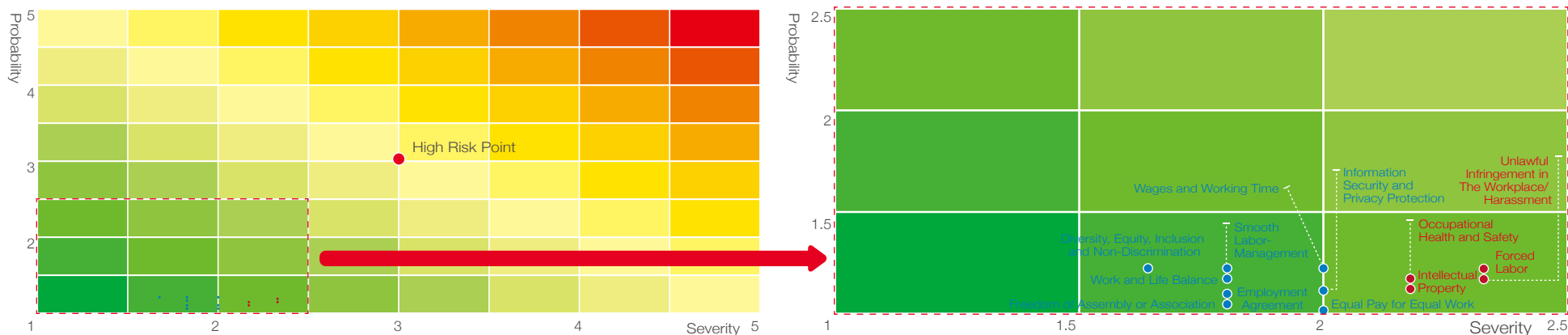
Risk Assessment Results

Based on the survey findings, a human rights risk matrix was developed. It defines risk levels for each issue based on their probability and severity. GUC considers issues with a score of 3 or higher as high risk. The survey revealed no high-risk issues requiring immediate action, all falling within the low-risk category.

GUC Employee	Supply Chain Employee	Customer
<ul style="list-style-type: none"> Forced Labor Unlawful Infringement in The Workplace / Harassment Occupational Health and Safety Intellectual Property 	<ul style="list-style-type: none"> Forced Labor Smooth Labor-Management Communication Occupational Health and Safety 	<ul style="list-style-type: none"> Information Security and Privacy Protection Intellectual Property



Human Rights Risk Matrix of GUC Employee



Mitigation Actions and Remedial Actions

GUC categorizes the results into GUC employees, supply chain employees, and customers, disclosing the mitigation and remedial actions, Key Performance Indicators (KPIs), and the coverage rate of actions. Please refer to the 'Results and Actions' section in GUC's [Human Rights Due Diligence Report](#) for details.

Monitoring and Tracking

GUC will check and review the effectiveness of mitigation and prevention actions for due diligence investigations through the Human Resources Department and the ESG Committee annually, reporting the results to the ESG Committee. In 2023, GUC had no human rights complaints.

Human Rights Training

GUC conducts regular training on human rights issues every year, and new comers are also required to complete occupational safety and health training and prevention of unlawful infringement training.

2023 Accomplishments

Human Rights Training	Training Participants	Completion Rate
Prevention of Unlawful Infringement Training(include bullying, discrimination, harassment...etc)	All employees \ New comers	100%
Confidential Information Protection	All employees \ New comers	100%
GUC Procedures for Ethical Corporate Management and Guidelines of Conduct	All employees \ New comers	100%
The Responsible Business Alliance Code of Conduct	All employees \ New comers	100%
Occupational Safety and Health Training	New comers	100%

7.4 Employee Communication and Engagement Survey

Employee Communication

GUC values the opinions, ideas, and rights of its employees, establishing diverse communication channels to foster constructive two-way communication and enhance labor relations. We have set up a reporting and whistleblowing inbox, managed by a dedicated unit, to handle complaints while ensuring the protection of both the complainant and those involved, safeguarding personal rights regardless of reporting. All communication channels are outlined and promoted on the Company's intranet, employee mailboxes, electronic bulletins, and training materials to ensure all employees are informed. The company hosts quarterly open communication Town Hall Meeting, where all employees are encouraged to participate. In these meetings, besides sharing company operations and outlooks, employees have direct face-to-face communication and questioning opportunities with the President, fostering closer alignment with employee needs and voices. The company had no reported cases of illegal infringements, sexual harassment, or violations of employee rights in 2023. Moreover, in compliance with the law, the Company has established a labor-management meeting. The labor representatives are democratically elected from nominations by employees or self-nominations, followed by a vote by all employees, with gender-reserved seats to ensure diversity. The labor-management meeting regularly convenes every quarter to discuss issues related to work regulations and collective bargaining, reaching consensus collectively. The outcomes of these discussions apply to all employees, fostering a win-win situation.

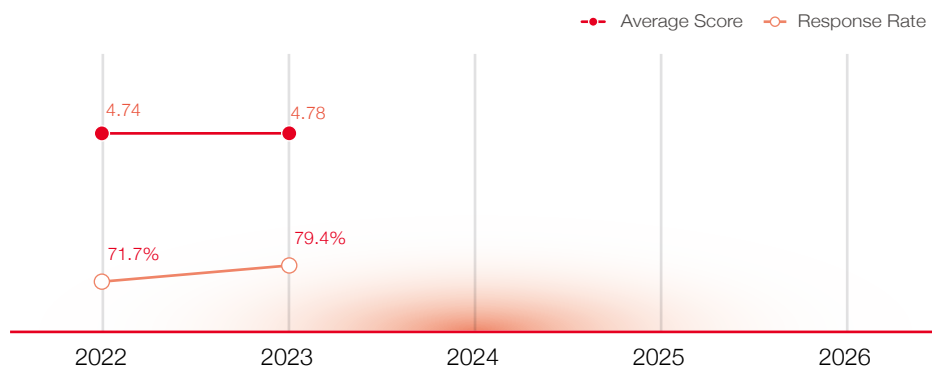
Execution Frequency and Effectiveness of Diverse Communication Channels at GUC in 2023

Communication Channels		Communication Frequency/ Handling Method	Implementation Status
Face to Face Communication	• Town Hall Meeting	• Quarterly	<ul style="list-style-type: none"> A total of 4 Town Hall Meeting were held <ul style="list-style-type: none"> » Q1: 85 attendees + 128 watched the video » Q2: 128 attendees + 66 watched the video » Q3: 188 attendees + 67 watched the video » Q4: 157 attendees + 89 watched the video A total of 4 Labor-Management meeting were held, and there were no major issues <ul style="list-style-type: none"> » Q1: 100% Attendance » Q2: 90% Attendance » Q3: 90% Attendance » Q4: 90% Attendance A total of 4 Welfare Committee Meetings were held, and the attendance rate was 80% The average Newcomer Care Survey score was 4.6 (out of 5) 624 employees responded to the Employee Engagement Survey. The response rate was 79.4%, and the satisfaction score was 4.78 (out of 6) Please see section 3.4.2 "Various Risk Management Measures" for an explanation of the grievance (whistleblowing) mailbox EAP Usage Rate: 9.56%
	• Labor-Management Meeting	• Quarterly	
Internal Communication	• Welfare Committee Meeting	• Regular and ad Hoc Meetings	
	• Department Meetings and Events	• Irregularly	
External Assistance	• Skip Level Meeting	• Irregularly	
	• Employee Engagement Survey	• Annually	
Function Mailbox	• Human Resources Services and Communication	• Irregularly	
	• Various Events Satisfaction Survey	• Irregularly	
Life Services Mailbox	• New Employee Satisfaction Survey	• Quarterly	
	• EAP Employee Services	• Irregularly (Employee assistance provided by the dedicated external company)	
Complaint and Whistleblower Inbox	• Complaint and Whistleblower Inbox	• Upon receiving a reported case, it will be handled and tracked by a dedicated unit. Protective measures will be implemented for both the complainant and the relevant handling personnel.	
	• Ethical Conduct Reporting		
Protection of Intellectual Property (PIP) Confidential Information	• Protection of Intellectual Property (PIP) Confidential Information		
	• Performance Management and Development (PMD)		
Major Employee Complaints	• Major Employee Complaints		
	• Complaints of Unlawful Infringements		
Life Services Mailbox	• Life Services Mailbox		

Employee Engagement Survey

GUC places a significant emphasis on enhancing employee work satisfaction and experience, especially in the challenging environment of talent scarcity. Ensuring the sustainability of talent is a key focus for GUC. Employee engagement surveys serve as crucial indicators of employee loyalty, cohesion, and sense of belonging within the company. GUC conducts an annual employee engagement survey to gather feedback and insights, and then devises appropriate responses and improvement measures based on the survey results. Starting from 2022, GUC adopted the Gallup Q12 questionnaire, comprising 4 dimensions and 12 questions, along with an additional open-ended question to collect employee thoughts and opinions.

- The survey coverage includes offices in Taiwan, Japan, China, Vietnam, the United States, with a participation rate of 99%.
- Response Rate: 79.4%
- Overall Satisfaction Score: 4.78(out of 6)
- Improvement Measures: GUC will continue to provide supervisor management and communication-related training courses, which aims to strengthen supervisor management capabilities, optimize communication methods, and increase communication frequency.



7.5 Social Engagement

7.5.1 Charity Activities

GUC has been committed to social welfare. In 2022, a group of enthusiastic colleagues formed a volunteer club, aiming to consolidate and promote the love and compassion of fellow employees more effectively through the power of this club. Considering the urgent needs of disadvantaged groups and children in remote areas, as well as the pressing need for environmental conservation in Taiwan, the volunteer club focused its efforts on organizing volunteer activities related to environmental conservation and caring for vulnerable groups in rural communities, particularly in the vicinity of the company's headquarters in Hsinchu.

In 2023, GUC began sponsoring the arts group "Aurora Orchestra," composed of individuals with disabilities. By supporting the Aurora Orchestra, the Company aims to empower its members to convey their resilient and life-affirming spirit to the public through percussion instruments, inspiring both the members themselves and promoting excellence in domestic arts and culture.

In 2023, GUC allocated NT\$468,198 for charitable activities and massage service provided by the therapists with visual impairment, and donated NT\$1,001,121. The total volunteer participation reached 140 individuals, contributing a combined service duration of 278.5 hours.





GUC Charity Focus	Specific Actions in 2023	Business Benefits	Social Benefits
Support for Arts and Culture Organizations	<ul style="list-style-type: none"> Sponsorship of the Aurora Orchestra: NT\$360,000 Invited the Aurora Orchestra to perform at Company Family Day Event. 		<ul style="list-style-type: none"> The sponsorship provided to the orchestra not only relieves the financial burden of disabled musicians but also allows them to showcase their talents, contributing to the continual enrichment of arts and culture.
Promoting Environmental Conservation	<ul style="list-style-type: none"> Participated in the Wilderness Association's efforts to maintain the habitat of the Sauter's frog and the clean stream activities as volunteers twice, with a total of 33 participants and 66 volunteer hours. Engaged in International Coastal Cleanup Day volunteering activities with a total of 4 participants and 88 volunteer hours. 	<ul style="list-style-type: none"> Assisting companies in complying with the Taiwan Stock Exchange's Corporate Governance Evaluation (ranked in the top 5% of the 2023 Governance Evaluation) and aiding in the application for the Taiwan Corporate Sustainability Awards (TCSA Sustainability Reporting Award - Bronze). Enhancing corporate Image Assisting stakeholders in understanding the Company's sustainability Initiatives and philosophy Elevating favorability and visibility among non-corporate stakeholders (e.g., academic institutions or media) Increasing recognition of employer brand among prospective job seekers Mitigating operational risks arising from environmental issues Fulfilling the United Nations Sustainable Development Goals (No Poverty, Zero Hunger, Good Health and Well-Being, Decent Work and Economic Growth, Reduced Inequalities, Life Below Water, Life on Land) 	<ul style="list-style-type: none"> Contributed to the Wilderness Association's habitat maintenance and clean stream activities, collectively removing 64.71 kilograms of stream waste and assisting in vegetation restoration. This aid helps in the conservation of the Sauter's frog in the Dashanbei mountain, thus preserving biodiversity. Participated in Wilderness Association's International Coastal Cleanup Day event resulted in the removal of 2,300 kilograms of marine debris, contributing to the preservation of our marine environment. Employees led children in participation, instilling the correct concepts of environmental conservation in the next generation.
Caring for Vulnerable Groups and Children in Rural Areas	<ul style="list-style-type: none"> Regular monthly donations of food to the Andre Food Bank, totaling approximately NT\$74,011 in donated goods. Participated in food box packaging volunteer activities twice, with a total of 34 participants contributing 77 volunteer hours. In total, 300 food boxes were packaged. On Engineer's Day, organized a hand-drip coffee charity sale and street performances to raise funds. Additionally, colleagues could donate receipts to enjoy the massage service provided by the therapists with visual impairment. A total of NT\$78,110 was raised, with 446 receipts donated to the Huashan Foundation. Participated in the "Christmas Love Spreading" fundraising event organized by the Baby Social Welfare Association during Christmas, with 129 colleagues responding and raising a total of NT\$ 333,500. The funds were donated to the renovation project of the basketball court at the Hualien Faith-Hope-Love Youth Academy. Colleagues initiated voluntary donations, contributing a total of NT\$ 155,500 to the Harmony Home and the Light of Warmth Association. Donated second-hand computers to the Taiwan San Yi Strategic Development Association, including 49 desktop computers, 47 laptops, 27 LCD monitors, and 18 simple servers. Arranged weekly massage service provided by the therapists with visual impairment to provide employment opportunities, with a total of 522 sessions utilized, totaling approximately 279 hours of service and a combined value of around NT\$ 276,420. 		<ul style="list-style-type: none"> Donated to the Andre Food Bank have supported approximately 74 vulnerable families with a week's worth of food boxes throughout the year. Volunteer packaging services for food boxes have facilitated immediate distribution to 300 families in need. Donations to the Huashan Foundation have provided 200 elderly homeless individuals with Dragon Boat Festival gift packages. Fundraising to support the renovation project of the Hualien Faith-Hope-Love Academy Basketball Court, providing a safe and recreational environment for children in the institution to grow healthily. Monthly voluntary donations from colleagues assist in sustaining the Harmony Home, ensuring the continuity of its operations. Additionally, contributions aid the Light of Warmth Association in supporting underprivileged families and children, ensuring they do not go without meals. Refurbishing donated computers creates renewed value, reducing environmental harm caused by waste while providing access to computing resources for children in rural areas and vulnerable groups in need. Providing employment opportunities for visually impaired individuals.
Immediate Social Assistance	<ul style="list-style-type: none"> Turkish disaster relief internal donation drive collected a total of 6 large boxes of donated items, including warm clothing, personal care products, insulated cups, etc., and promptly delivered them to the disaster-stricken victims. A blood donation campaign was organized, with a total of 46 participants contributing to the collection of 67 bags of blood. 		<ul style="list-style-type: none"> Assistance in Turkey's disaster relief efforts through the collection of relief supplies to aid affected individuals, aiming to provide timely support and embody the spirit of helping others in times of need. The blood donation campaign collected a total of 67 bags of blood to support medical needs promptly, demonstrating a spirit of mutual assistance.

Support for Arts and Culture Organizations

The Aurora Orchestra is composed entirely of individuals with disabilities. The process of practice is inherently lengthier and more arduous for them compared to the average person. However, as they interact with the outside world through music, not only are they able to build confidence, but further allow the brilliance and uniqueness of their percussion music to shine through, just as their band name, the Aurora. Starting in 2023, GUC began sponsoring the Aurora Orchestra long-term. In addition to promoting arts and culture and supporting individuals with disabilities to showcase their talents, the Family Day event invited the Aurora Orchestra to perform at the Company. The melodious music and the smiles of the performers on stage complemented each other, captivating the employees and their families who watched below. After the event, GUC employees and their families gained a deeper understanding of the Aurora Orchestra and the beauty of the artistic feast.



Promoting Environmental Conservation

GUC has a commitment to biodiversity, adhering to the principles of coexistence with the environment and achieving environmental sustainability goals. Actively participating in Wilderness Association's maintenance volunteer activities in the Dashanbei mountain, aimed at conserving the habitat of the Sauter's frog, as well as International Coastal Cleanup Day, the Company hopes to contribute to providing a favorable habitat for both terrestrial and marine life. During volunteer activities, employees also bring their families along to participate, nurturing the seeds of environmental conservation in the hearts of the next generation.



Caring for Vulnerable Groups and Children in Rural Areas

GUC is dedicated to supporting vulnerable populations and children in rural areas. Not only does the Company regularly invite visually impaired massage therapists to provide services on-site every week, but since 2022, it has also been making long-term donations of food to the Andre Food Bank and assisting with food box packaging. Additionally, GUC supports social welfare organizations in aiding vulnerable groups and rural children. For this year's Engineer's Day, the Company organized a hand-drip coffee charity sale and a street performance by the Vice President to raise funds. Employees could also donate receipts to enjoy massage service provided by the therapists with visual impairment. All proceeds and donated receipts were contributed to the Huashan Foundation, ensuring that elderly individuals in need could also experience warmth during the Dragon Boat Festival. At the end of the year, GUC also participated in the Baby Social Welfare Association's fundraising event to collect Christmas gifts. Internally, funds were raised for the renovation of the basketball court at the Hualien Faith-Hope-Love Youth Academy. This initiative aimed to provide a safe space for the children in the institution to engage in sport activities and grow up healthily.



Immediate Social Assistance

Natural disasters and humanitarian crises often catch people off guard. Whether through fundraising, collecting supplies, or providing manpower assistance, GUC aims to offer the most immediate assistance possible. At the beginning of the year, when disaster struck in Turkey, the Company promptly mobilized internal efforts to collect donations. Within two days, a significant amount of relief supplies was gathered and promptly delivered to the designated donation site. GUC also hosts an annual blood donation event, where a bloodmobile is invited to the company premises. Employees enthusiastically roll up their sleeves to donate blood, supporting medical needs and embodying the spirit of social solidarity.



7.5.2 Cultivating Talent in Academia

GUC actively participates in and is committed to engaging in collaboration between industry and academia, as well as cultivating talent in higher education. We consider universities to be important partners and provide funding to support university laboratories through industry-academia partnerships. We encourage research in silicon intellectual property design-related technologies and increase students' practical experience to bridge the gap between theory and practice. The partners include National Taiwan University, National Yang Ming Chiao Tung University, National Tsing Hua University, National Cheng Kung University, National Central University, National Chung Cheng University, National Chiayi University, National Kaohsiung University of Science and Technology, National Formosa University, National Chin-Yi University of Technology, Chang Gung University, Harbin University of Science and Technology, Jimei University, Guilin University of Electronic Technology and Ho Chi Minh City University of Technology, etc. This not only allows students to learn both theory and practice but also cultivates the talents that the country and enterprises will need in the future, providing students with direct employment opportunities in the future.

Since 2021, GUC has allocated NT\$ 2 million dollars each year for three consecutive years to collaborate with the Institute of Electronics and the College of Artificial Intelligence at National Yang Ming Chiao Tung University. The collaboration focuses on research in algorithms of thermal monitor and process monitor system, analog-to-digital converters and ESD protection circuits. A total of four professors and their laboratory students participated in up to six collaborative projects. This collaboration aims to promote technological development and talent cultivation, achieving a win-win-win situation for talent, schools, and enterprises.

GUC is also concerned about the training of chip design talents. In addition to the regular annual industry-academia collaboration programs, GUC has also partnered with TSMC University Shuttle Program and Taiwan Semiconductor Research Institute (TSRI) to establish an advanced process IC design environment. The program provides opportunities for the academia to design and implement IC, and provides extensive industry experience to assist the academia in the complex tape-out process. This program effectively connects industry, government, and academia, allowing top university professors and graduate students to share advanced semiconductor technologies and stimulate innovation in academia.

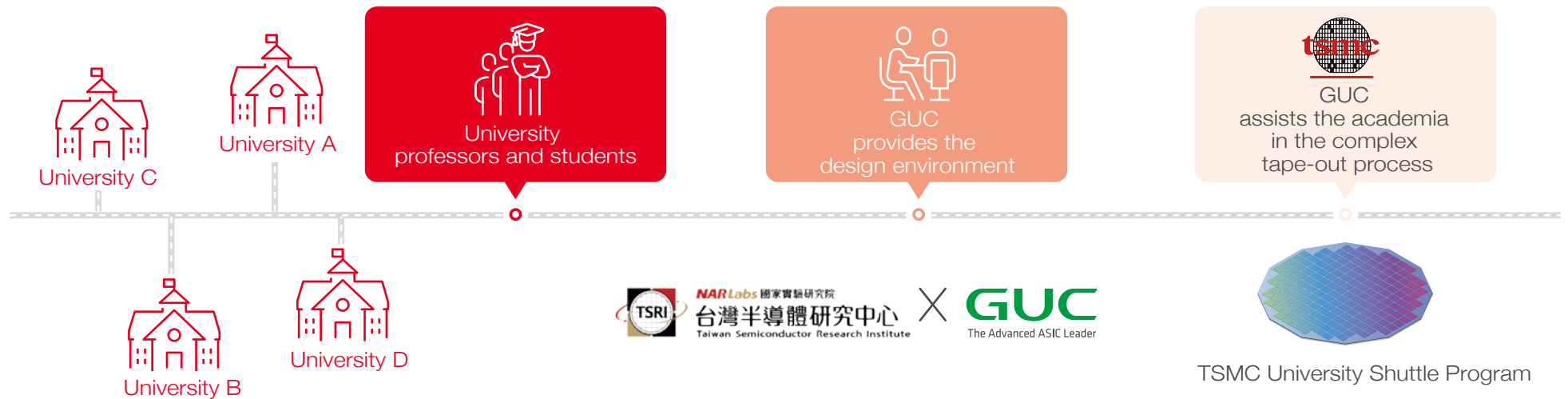
GUC Educational Partnership Description

Project	Description	Subject	2023 Outcomes
Knowledge Sharing	<ul style="list-style-type: none"> Collaborate with employees and universities to conduct technical seminars. Participate in the Campus Job Fairs to share career experiences in the industry. 	<ul style="list-style-type: none"> The main partner schools include: National Taiwan University National Yang Ming Chiao Tung University National Tsing Hua University National Cheng Kung University National Central University National Chung Cheng University National Chiayi University 	<ul style="list-style-type: none"> GUC has invested more than NT\$10 million in the development of industry-academia collaboration. Conducted and completed 4 research projects with National Taiwan University, National Yang Ming Chiao Tung University and National Cheng Kung University. Over 2,000 students participated in the industry-academia partnership program. Provided internship programs for 29 students from domestic and international colleges and universities. The TSMC University Shuttle Program has attracted 4 professors and over 20 students. The project has been implemented with the participation of 2 professors and 7 students.
Research and Development	<ul style="list-style-type: none"> Collaboratively executing campus research projects to cultivate the execute and development capabilities. 		
Internship Programs	<ul style="list-style-type: none"> Provide technical training and educational visits to partner schools. Provide summer internship programs for higher education students. Provide a complete training program to develop graduate-ready capabilities. 	<ul style="list-style-type: none"> National Kaohsiung University of Science and Technology National Formosa University National Chin-Yi University of Technology Chang Gung University Harbin University of Science and Technology Jimei University Guilin University of Electronic Technology Ho Chi Minh City University of Technology 	
TSMC University Shuttle Program	<ul style="list-style-type: none"> Jointly implement a university collaboration program to provide a R&D platform for graduate students to demonstrate innovation in different end product applications and to collaborate in cultivating new generation semiconductor talents. 		

GUC, in order to enhance industrial technology, collaborates with relevant educational institutions. Each year, it allocates NT\$2.4 million to collaborate with National Taiwan University, National Yang Ming Chiao Tung University, and National Cheng Kung University's Electrical Engineering Departments. The collaboration includes research projects on topics such as machine learning and multiple supply voltage (MSV) island low-power design technology. Additionally, GUC aligns with Sustainable Development Goal 9, "Industry, Innovation, and Infrastructure," contributing to the semiconductor industry.

Main Partner	Amount	Collaboration Period	Contract Name
National Taiwan University	1,600,000	June 1, 2021 - May 31, 2023	Register Clustering at Advanced Technology Nodes
National Yang Ming Chiao Tung University	1,600,000	April 1, 2021 - March 31, 2023	Machine Learning Techniques for Predicting Routing Hot Spots with Layout-Pattern Images
National Yang Ming Chiao Tung University	2,000,000	October 1, 2023 - September 30, 2025	Reinforcement Learning Agent Training for Enhanced Physical Layout Design in 3D-IC
National Cheng Kung University	2,400,000	August 1, 2021 - July 31, 2024	An IR-drop aware cell placement methodology in multiple supply voltage island designs

GUC Joins the TSMC University Shuttle Program





Appendix 8

GRI Standards Index

SASB Index - Semiconductor Industry

Sustainability Disclosure Indicators - Semiconductor Industry

Climate Information for Listed Companies

Independent Third-Party Assurance Opinion Statement

Public Association Organization and Members

GRI Standards Index

Usage Statement	GUC has followed the GRI guidelines for the period from January 1, 2023 to December 31, 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Industry Standards	None

General Disclosure

GRI Standard No.	Disclosure Project	Corresponding Chapters	Page
GRI 2-1	Organizational details	About the Report	2
		GUC's Sustainable Commitment	11
GRI 2-2	Entities included in the organization's sustainability reporting	About the Report	2
GRI 2-3	Reporting period, frequency and contact point	About the Report	2
GRI 2-4	Restatements of information	Greenhouse Gas Emissions and Emission Intensity for GUC Over the Past Three Years	104
		The Ratio of Total Compensation for The President to That of Other Employees Over The Past Three Years	129
		GUC's Water Withdrawal and Greenhouse Gas Emission Statistics for the Past Five Years	111
		GUC Hsinchu Headquarter's Water Consumption Intensity Statistics for the Past Five Years	112
GRI 2-5	External assurance	About the Report	2
GRI 2-6	Activities, value chain and other business relationships	GUC's Sustainable Commitment	11
		Performance of Innovation R&D	61
GRI 2-7	Employees	Talent Diversity and Inclusion	118
GRI 2-8	Workers who are not employees	Talent Diversity and Inclusion	118
GRI 2-9	Governance structure and composition	Board of Directors' Functions	41

GRI Standard No.	Disclosure Project	Corresponding Chapters	Page
GRI 2-10	Nomination and selection of the highest governance body	Nomination Selection	43
GRI 2-11	Chair of the highest governance body	Board of Directors' Functions	41
		Legal Compliance	47
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Sustainable Development Committee	13
GRI 2-13	Delegation of responsibility for managing impacts	Sustainable Development Committee	13
GRI 2-14	Role of the highest governance body in sustainability reporting	Sustainable Development Committee	13
GRI 2-15	Conflicts of interest	Board of Directors' Functions	41
		Ethical Corporate Management and Code of Conduct	45
GRI 2-16	Communication of critical concerns	Identification of Stakeholders	20
		Critical Event Communication	51
GRI 2-17	Collective knowledge of the highest governance body	Board of Directors' Functions	41
GRI 2-18	Evaluation of the performance of the highest governance body	Performance Evaluation	43
GRI 2-19	Remuneration policies	Risk Management Organization	49
GRI 2-20	Process to determine remuneration	Risk Management Organization	49
GRI 2-21	Annual total compensation ratio	Compensation Committee and Executives Total Remuneration	129
GRI 2-22	Statement on sustainable development strategy	GUC's Sustainable Commitment	11
GRI 2-23	Policy commitments	Ethical Corporate Management	45
		Human Rights Policy	150
GRI 2-24	Embedding policy commitments	Ethical Corporate Management	45
		Human Rights Policy	150
GRI 2-25	Processes to remediate negative impacts	Ethical Corporate Management	45

GRI Standard No.	Disclosure Project	Corresponding Chapters	Page
GRI 2-26	Mechanisms for seeking advice and raising concerns	Contact Information	3
GRI 2-27	Compliance with laws and regulations	Legal Compliance	47
GRI 2-28	Membership associations	Public Association Organization and Members	173
GRI 2-29	Approach to stakeholder engagement	Identification of Stakeholders	20
GRI 2-30	Collective bargaining agreements	None	Regular labor-management meetings in the absence of a union

Material Topics

GRI Standard No.	Disclosure Project	Corresponding Chapters	Page
GRI 3-1	Process to determine material topics	Identification and Analysis of Material Topics	24
GRI 3-2	List of material topics	Material Topics List	26
GRI 3-3	Management of material topics	Policy for Managing Material Topics	29

Climate Change Strategy and Management

GRI Standard No.	Disclosure Project	Corresponding Chapters	Page
GRI 3-3	Management of material topics	Identification and Analysis of Material Topics Policy for Managing Material Topics	24 29
GRI 201-2	Financial implications and other risks and opportunities due to climate change	Climate Change Response	99
GRI 302-1	Energy consumption within the organization	Energy Management	108
GRI 302-3	Energy intensity	Energy Intensity	109
GRI 305-1	Direct (Scope 1) GHG emissions	Greenhouse Gas Inventory	104
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Inventory	104

Climate Change Strategy and Management

GRI Standard No.	Disclosure Project	Corresponding Chapters	Page
GRI 305-3	Other indirect (Scope 3) GHG emissions	Greenhouse Gas Inventory	104
GRI 305-4	GHG emissions intensity	Greenhouse Gas Inventory	104

Establishing Responsible Supply Chains

GRI Standard No.	Disclosure Project	Corresponding Chapters	Page
GRI 3-3	Management of material topics	Identification and Analysis of Material Topics	24
		Policy for Managing Material Topics	29
GRI 204-1	Proportion of spending on local suppliers	Local Green Procurement	95
GRI 308-1	New suppliers that were screened using environmental criteria	Supplier Sustainability Risk Assessment to Tier-1 Significant Suppliers	82
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	Supplier Sustainability Risk Assessment to Tier-1 Significant Suppliers	82
		Performance of Supplier Risk Assessment	85
		Signing the "Supplier Code of Conduct"	91
GRI 414-1	New suppliers that were screened using social criteria	Supplier Sustainability Risk Assessment to Tier-1 Significant Suppliers	82
GRI 414-2	Negative social impacts in the supply chain and actions taken	Supplier Sustainability Risk Assessment to Tier-1 Significant Suppliers	82
		Performance of Supplier Risk Assessment	85
		Signing the "Supplier Code of Conduct"	91
		Raw Materials Management - No Conflict Minerals	94

Customer Relationship Management (Custom Topic)

GRI Standard No.	Disclosure Project	Corresponding Chapters	Page
GRI 3-3	Management of material topics	Identification and Analysis of Material Topics Policy for Managing Material Topics	24 29

Sustainable Operation

GRI Standard No.	Disclosure Project	Corresponding Chapters	Page
GRI 3-3	Management of material topics	Identification and Analysis of Material Topics Policy for Managing Material Topics	24 29
GRI 201-1	Direct economic value generated and distributed	Various Performance Metrics Performance of Innovation R&D Policy for Managing Material Topics	36 61 29

Quality Enhancement (Custom Topic)

GRI Standard No.	Disclosure Project	Corresponding Chapters	Page
GRI 3-3	Management of material topics	Identification and Analysis of Material Topics Policy for Managing Material Topics	24 29

R&D and Innovation (Custom Topic)

GRI Standard No.	Disclosure Project	Corresponding Chapters	Page
GRI 3-3	Management of material topics	Identification and Analysis of Material Topics Policy for Managing Material Topics	24 29

Corporate Governance

GRI Standard No.	Disclosure Project	Corresponding Chapters	Page
GRI 3-3	Management of material topics	Identification and Analysis of Material Topics Policy for Managing Material Topics	24 29
GRI 205-1	Operations assessed for risks related to corruption	Ethical Corporate Management	45
GRI 205-2	Communication and training about anti-corruption policies and procedures	Ethical Corporate Management	45
GRI205-3	Confirmed incidents of corruption and actions taken	Ethical Corporate Management	45
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Legal Compliance	47

SASB Index - Semiconductor Industry

Topic: Greenhouse Gas Emissions

Code	Accounting Metrics	Category	Response	Corresponding Chapters
TC-SC-110a.1	(1) Scope 1 GHG emissions (2) Total PFC emissions	Quantification	(1) Scope 1 greenhouse gas emissions: 933.0934 tCO ₂ e (2) Total PFC emissions: 0 tCO ₂ e	Greenhouse Gas Inventory
TC-SC-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	Refer to the corresponding chapters for detailed content	Greenhouse Gas Inventory

Topic: Energy Management in Manufacturing

Code	Accounting Metrics	Category	Response	Corresponding Chapters
TC-SC-130a.1	(1) Total energy consumed (2) Percentage : Grid electricity (3) Percentage : Renewable energy	Quantification	(1) 5,930,900 kWh (2) 100% (3) 0.25% (Self-use + Purchase)	Energy Management

Topic: Water Management

Code	Accounting Metrics	Category	Response	Corresponding Chapters
TC-SC-140a.1	(1) Total water withdrawn (2) Total water consumed; Percentage of each in regions with High or Extremely	Quantification	GUC Headquarters in Hsinchu Total water withdrawals: 16,585 m ³ Total water consumption: 16,585 m ³	Water Management

Topic: Waste Management

Code	Accounting Metrics	Category	Response	Corresponding Chapters
TC-SC-150a.1	(1) Amount of hazardous waste from manufacturing (2) Percentage of hazardous waste recycled	Quantification	Amount of hazardous waste: 0.932 metric tons Percentage recycled of hazardous waste : 100%	GUC's Waste Disposal in the Past Five Years

Topic: Workforce Health & Safety

Code	Accounting Metrics	Category	Response	Corresponding Chapters
TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards	Discussion and Analysis	Refer to the corresponding chapters for detailed content	Occupational Accidents or Incidents Handling
TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	Quantification	GUC had no incidents of non-compliance with regulations or laws in 2023.	Occupational Accidents or Incidents Handling

Topic: Recruiting & Managing a Global & Skilled Workforce

Code	Accounting Metrics	Category	Response	Corresponding Chapters
TC-SC-330a.1	(1) Foreigners (2) Percentage of employees located overseas	Quantification	(1) 19.3% (2) 19.2%	Human Capital Portfolio

Topic: Product Lifecycle Management

Code	Accounting Metrics	Category	Response	Corresponding Chapters
TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantification	19.5%	-
TC-SC-410a.2	Processor energy efficiency at a system-level for: (1) servers, (2) desktops and (3) laptops	Quantification	The software or standards mentioned in this indicator are for power consumption test or score comparison of system products, not for components or IPs, so they are not applicable. The IP power consumption test result shall be based on the actual test chip measurement on the validation board.	-

Topic: Materials Sourcing

Code	Accounting Metrics	Category	Response	Corresponding Chapters
TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	GUC's manufacturing is subcontracted by TSMC and the risk of raw material procurement for major production is based on TSMC's response strategy.	-

Topic: Intellectual Property Management and Competitive Behavior

Code	Accounting Metrics	Category	Response	Corresponding Chapters
TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations.	Quantification	No legal litigation involving anti-competitive practices, antitrust, and monopoly practices	Compliance with Laws and Regulations
Code	Accounting Metrics	Category	Response	Corresponding Chapters
TC-SC-000.A	Total Production	Quantification	ASIC and Wafer Products Totaling 176,439 thousand units	Financial Performance
TC-SC-000.B	Percentage of production from owned facilities	Quantification	GUC is a custom IC design service provider and does not manufacture its own products.	-

Sustainable Disclosure Indicators - Semiconductor Industry

No.	Indicators	Indicator Type	Unit	Annual Disclosure Status	Page
I.	Total energy consumption, percentage of purchased electricity and renewable energy usage	Quantification	Billion joules (GJ), Percentage (%)	Energy Management	108
II.	Total water withdrawal and total water consumption	Quantification	Cubic meters (m ³)	Water Resources Management	111
III.	Weight of hazardous waste generated and percentage of recovery	Quantification	Metric tons (t), Percentage (%)	GUC's Waste Disposal in the Past Five Years	114
IV.	Explain the type, number and rate of occupational disasters	Quantification	Ratio (%), Quantity	Occupational Accidents or Incidents Handling	141
V.	Disclosure of product lifecycle management: weight and percentage of recycled products and electronic waste included (Note 1)	Quantification	Metric tons (t), Percentage (%)	Management and Practices of Hazardous Substances	70
VI.	Description of risk management related to the use of critical materials	Qualitative Description	Not applicable	The Company's manufacturing is subcontracted by TSMC and the risk of raw material procurement for major production is based on TSMC's response strategy.	-
VII.	Total pecuniary loss resulting from legal proceedings related to anticompetitive conduct regulations	Quantification	Reported currency	Compliance with Laws and Regulations	47
VIII.	Production of major products by product category	Quantification	Varies by product type	Financial Performance	36

Note 1: Including the sale of scraps or other recycling treatment, should provide relevant instructions.

Climate Information for Listed Companies

Item	Project	Chapters
1	Describe the oversight and governance of climate related risks and opportunities by the Board of Directors and management.	
2	Describe how the identified climate risks and opportunities affect the business, strategy, and finances (short, medium, and long term).	
3	Describe the financial impact of extreme weather events and transformational actions.	
4	Describe how the climate risk identification, assessment and management process is integrated into the overall risk management system.	6.1 Task Force on Climate-Related Financial Disclosures
5	If situational analysis is used to assess the resilience to climate change risks, the scenario, parameters, assumptions, analysis factors and key financial impacts used should be described.	
6	If there is a transformation plan to manage climate-related risks, describe the contents of the plan and the indicators and targets used to identify and manage physical and transformation risks.	
7	If internal carbon pricing is used as a planning tool, the basis for price setting should be stated.	No related planning for now
8	If climate related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, the annual progress of achievement and other information should be stated; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon reduction credits to be offset or the quantity of renewable energy certificates (RECs) should be stated.	No related planning for now
9	Greenhouse gas inventory and confirmation of the situation.	6.2.1 Greenhouse Gas Inventory

Independent Third-Party Assurance Opinion Statement



INDEPENDENT ASSURANCE OPINION STATEMENT

Global Unichip Corporation 2023 ESG 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 purpose of assuring its statements relating to its sustainability report, 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 following:

1. The assurance scope is consistent with the description of Global Unichip Corporation 2023 ESG Report.
2. The evaluation of the nature and extent of the GUC's adherence to AA1000 Accountability Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability 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 Global Unichip Corporation 2023 ESG Report provides a fair view of the GUC sustainability programmes and performances during 2023. The sustainability report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the GUC and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate GUC's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assessors in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that GUC's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards were fairly stated.

Methodology

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

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

Conclusions

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

Inclusivity

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

Materiality

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

Responsiveness

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

Impact

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

GRI Sustainability Reporting Standards (GRI Standards)

GUC provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the GUC's sustainability topics.

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

Responsibility

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

For and on behalf of BSI:


Peter Pu, Managing Director BSI Taiwan



Statement No: SRA-TW-2023019
2024-04-08

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A Member of the BSI Group of Companies.

Public Association Organization and Members

In support of the Paris Agreement goals and efforts to mitigate climate change and facilitate low-carbon transition, we advocate for policies aligned with maintaining global temperature increase well below 1.5 degrees Celsius. We actively engage in industry guilds and associations, encouraging their endorsement of climate risk mitigation objectives consistent with our Company's stance. Furthermore, we champion net-zero policies through association advocacy efforts, contributing to collaborative endeavors addressing climate change and societal well-being.

Public Association	Membership
* Taiwan Semiconductor Industry Association	Membership
* Science Park Association	Membership
* RBA Responsible Business Alliance	Membership
** Chinese Corporate Governance Association	Membership
** Hsinchu City Business Managers Association	Membership
** Accounting Research and Development Foundation	Membership
** Hsinchu City Nurses Association	Membership
** The Institute of Internal Auditors-Chinese Taiwan	Membership
** Computer Audit Association	Membership

*Indicates alignment on climate change issues between the association and GUC. GUC evaluates this alignment through methods such as public statements from the association expressing support for the goals of the Paris Agreement or related policy positions, as well as internal discussions or deliberations concerning policies relevant to climate change and low-carbon transition.

**Indicates that the association, due to its founding objectives focusing solely on specific themes, has not expressed an opinion on this issue and therefore does not apply to this assessment criterion.



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