Sustainable Management 2

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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
Shareholders	The Company values shareholder rights and is committed to sustainable business development, taking responsibility for its shareholders.	• R&D and Innovation • Corporate Governance • Information Security and Privacy Protection • Quality Enhancement	Shareholders' meeting	Every second quarter of the year	• 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	
			Information released on the Public Information Observation Station and the Company's official website.	Periodically as needed	
Employees	Employees are the cornerstone of the Company's sustainable development and the core driving force behind its continued growth	• Diversity, Equality, and Inclusion • Talent Development • Employee Relations, Compensation and Benefits • Labor Rights	Town hall meeting	Every quarter	• 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	

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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.	• Occupational Health and Safety • Employee Relations, Compensation and Benefits • Labor Rights	Customer audit	Periodically as needed	• 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.	• R&D and Innovation • Information Security and Privacy Protection • Quality Enhancement • Customer Relationship Management	Supplier information platform	Periodically as needed	• 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
Industry, Government, Academia, and Research	Adhere to relevant regulatory requirements and stay updated on policy changes to mitigate operational risks	• Talent Development • R&D and Innovation • Information Security and Privacy Protection	Company financial report	Every year	• 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	
Society	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	• Employee Relations, Compensation and Benefits • Natural Ecology Protection • Labor Rights • Occupational Health and Safety	Publish revenue report	Every month	• 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	

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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.

Assement 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.
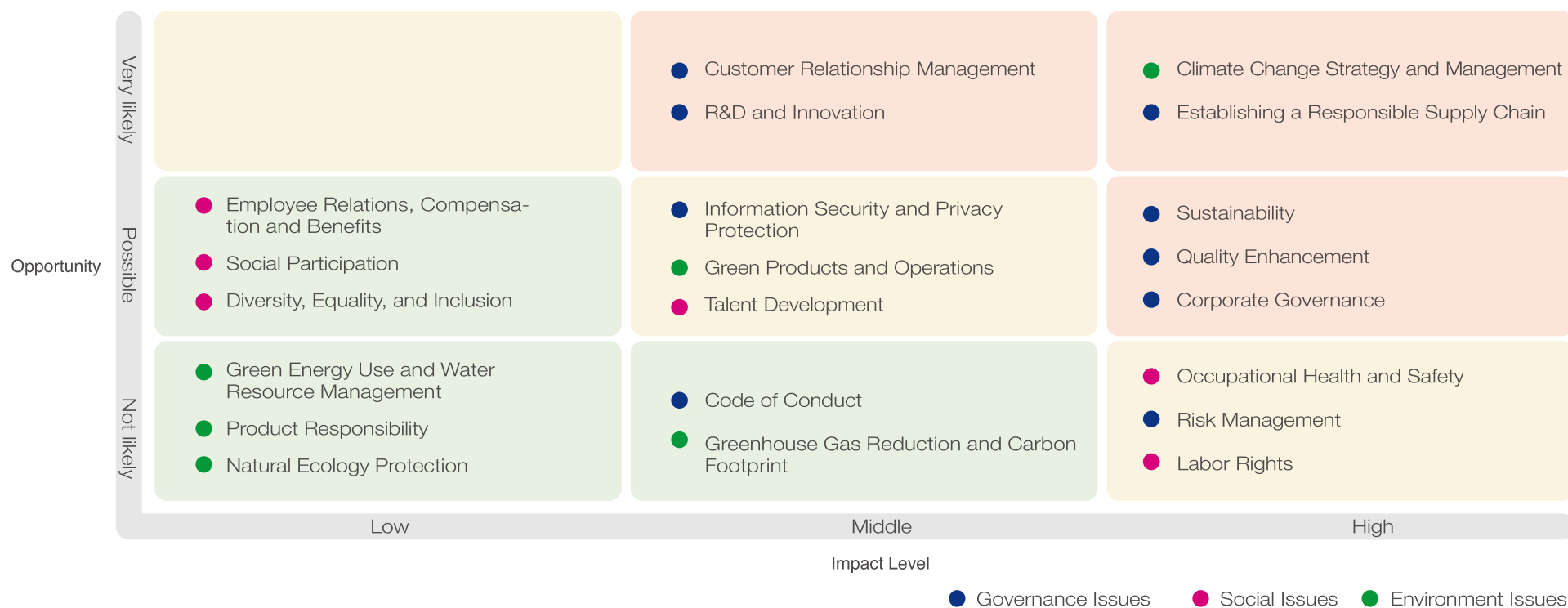
Establishment of Material Topics

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.

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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.

	Low	Middle	High
Very likely		● Customer Relationship Management ● R&D and Innovation	● Climate Change Strategy and Management ● Establishing a Responsible Supply Chain
Possible	● Employee Relations, Compensation and Benefits ● Social Participation ● Diversity, Equality, and Inclusion	● Information Security and Privacy Protection ● Green Products and Operations ● Talent Development	● Sustainability ● Quality Enhancement ● Corporate Governance
Not likely	● Green Energy Use and Water Resource Management ● Product Responsibility ● Natural Ecology Protection	● Code of Conduct ● Greenhouse Gas Reduction and Carbon Footprint	● Occupational Health and Safety ● Risk Management ● Labor Rights

Opportunity (vertical axis) — Impact Level (horizontal axis)

● Governance Issues   ● Social Issues   ● Environment Issues

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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.

2023 the Changes in GUC's Material Topics

Order	2022 Material Topics	2023 Material Topics	Changes
1	Climate Change	Climate Change Strategy and Management	Renaming, same ranking
2	Supplier Management	Establishing Responsible Supply Chains	Renaming, same ranking
3	R&D and Innovation	Customer Relationship Management	Added
4	Quality and Competitiveness	Sustainability	Ranking up
5	Green Energy Policy and Achievements	Quality Enhancement	Renaming, ranking down
6	Sustainability	R&D and Innovation	Ranking down
7	Corporate Governance	Corporate Governance	Same ranking

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	⊕ :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. ⊖ : 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.	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.

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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	➕ : Implement supply chain management, enhance overall supply chain quality, prosper together with supplier partners, improve company profitability, and achieve sustainable business goals. ➖ : 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.	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	➕ : 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. ➖ : Failure to effectively maintain customer relationships may lead to an increase in customer churn rate and reputational damage to the Company.	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	➕ : By adhering to the principles of sustainable business responsibility and vision, GUC aims to achieve long-term sustainability and make greater contributions to society. ➖ : Without establishing corporate sustainability responsibilities and vision, it will affect the Company's image and prevent it from aligning with the international sustainable market.	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.

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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	⊕ : Providing customers with stable and high-quality products enables them to continue using them, thereby achieving the company's sustainable operation. ⊖ : 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.	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	⊕ : 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. ⊖ : 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.	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	⊕ : 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. ⊖ : 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.	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.

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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	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION		
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	• 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	• 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	12 RESPONSIBLE CONSUMPTION AND PRODUCTION / 17 PARTNERSHIPS FOR THE GOALS
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

- 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

- 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 ▶	• 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 ▶	• Continuously optimize the "Customer Complaint Management Procedure" and conduct regular customer satisfaction survey to understand customer needs
Long-term goal ▶	• Continuously provide high-quality services, industry-leading technologies and products. Customer satisfaction continues to reach 90% goal

Effectiveness Tracking Mechanism

- 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

- 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.

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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	• 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	• 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	• 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	• 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	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
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	• 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	• 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	8 DECENT WORK AND ECONOMIC GROWTH
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 ▶	• 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 ▶	• Continue to be a constituent of the Taiwan Corporate Governance Index • Continue to refine the operations of the Board of Directors
	Long-term goal ▶	• Continue to implement ethical management guidelines, adhere to sustainable development principles, and ensure the maximization of shareholder value

Effectiveness Tracking Mechanism	• Participation in corporate governance evaluation
Annual Actions and Measures	• 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.