



ESG Report

Group Up Industrial Co. Ltd.



June 2023

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Report Information

About this report

This ESG Report was issued by GP Industrial Co., Ltd. for the year of 2022. The preparation of this report is based on the core disclosure requirements and preparation process specifications of the latest corporate sustainability report standard "GRI Standards" (GRI Standards) released by Global Reporting Initiative (GRI). The content of the report presents the requirements of the latest standards in 2023. The company's management policies and specific performance in the three major aspects of environment (E), society (S) and corporate governance (G) have been changed from the original CSR report to ESG corporate sustainability report; and identify the company's key issues and specific actions in sustainable development through stakeholder discussions and materiality analysis.

Reporting period, boundary, and data

This report mainly discloses the corporate sustainability management policy and performance for the whole year of 2022 (from January 1st to December 31st). Some information was traced back to before 2022, moderately presenting mid-to-long-term changes and comparing trends. The boundary of this report is mainly GP Industrial Co., Ltd., including the Taiwan head office and factories; there are also Suzhou factories and related companies, which are not included in the disclosure scope of this report for the time being. The core operating base of this sustainability report is Yangmei District, Taoyuan City.

Some of the financial data in this report are publicly released information approved by accountants, all of which are measured in NT dollars; relevant data such as environmental protection and employee care for the community were the results of the company's own investigation and statistics, except for electricity consumption. Because the original data is not easy to obtain, it is derived from relevant expenses. The carbon emission coefficient of electricity in 2022 had been certified as 0.509 kg CO₂e/degree, and the government has set the benchmark for the carbon emission coefficient of electricity in 2025 to be 0.424 kg CO₂e/degree.

Publish date

In the future, GP will continue to prepare and publish ESG reports every year, to regularly communicate with stakeholders from all walks of life the company's performance and commitment on key sustainability issues. The relevant information on the company's official

website is gradually updated. The ESG report will be published simultaneously on the Public Information Observatory and the investor section of the company's official website https://www.gpline.com.tw/message_tw.php.

The previous version of the report: June 2022, the current version: June 2023.

Expected release date of the next version: June 2024.

Contact of the Company

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Deputy spokesman: Mr. Ray Hung

ESG team: Ms. Cindy Huang

Message from the Chairman

Looking back on the past three years of COVID-19 epidemic, manufacturing is always the solid foundation of Taiwan. GP provides the best electronic equipment products and services help customers at home and abroad and the global electronics supply chain develop more steadily.

ESG is a popular corporate management concept. Although we started late, we fully understand its importance, especially stakeholders' analysis. In recent years, listed companies have been encouraged to develop in a more sustainable long-term direction, and I am very proud of my team.

From a pragmatic point of view, ESG and core business must be combined, and we can make good use of the long-term patents developed by GP team to help customers purchase equipment more energy-efficient and carbon-reducing when setting up new factories.

Our company will contract to execute the first phase of the rooftop solar project in 2022. Although the epidemic has caused a serious shortage of workers, I am confident that 2023 will bring a new look, and the use of green energy will respond to the high expectations from our customers., Be eco-friendly for all.

The management team takes good care of the employees and families. At the same time, in the recent expansion and renovation project, the style of Hakka culture has been retained. The concept of sustainability, I believe, is the long-term pursuit of the realm of "truth, kindness, and beauty".

Sincere yours,

Mr. A.S. Chen

2023.6



Sustainability Highlights in 2022

Corporate governance

Corporate Governance Evaluation Ranking	Top 21%~35% in the 8th and 9 th session, and the score is improved compared with last year.
Expansion Project	The expansion of the production capacity project on the fourth floor of Yangmei headquarters has been completed and put into use.
Patent application	As of the end of December 2022, the cumulative number of patent applications ranks among the top 100. The cumulative number of patents is 236, including 118 inventions and 118 new patents.
Manufacturing ranking	According to the latest ranking of Commonwealth Magazine in 2022, national manufacturing industry ranking has improved to No.957

Happiness enterprise

Salary	In 2022, total number of employees will be 261. The total salary of full-time employees in non-supervisory positions is NT\$218,611,573, with an average salary of NT\$942,291 and a median of NT\$883,175.
Foreign employees	By the end of 2022, there will be 57 foreign employees to promote the company's tolerance and diversity. At present, there are 9 of Vietnamese, 10 of Thai, and 38 of Filipino employees.
Performance evaluation	All formal full-time employees have 100% performance appraisal.
Workplace health	All employees conduct annual health checks and ask professional medical staff to provide consulting services. Employees with high health risks conduct one-on-one diagnosis and consultation, and continue to follow up and provide care.

Social Investment and Environmental Sustainability

Charitable activities	Social welfare donations were NT\$112,000. Public associations spent NT\$317,060.
Electricity change	Electricity consumption (by kWh) in 2020 is 599,370. Electricity consumption (by kWh) in 2021 is 657,580. Electricity consumption (by kWh) in 2022 is 838,280.
Carbon emissions	Total carbon emission in 2020 was 340 metric tons. Total carbon emission in 2021 was 417 metric tons. Total carbon emission in 2022 was 510 metric tons.
Water consumption	Water consumption in 2020 was 4,262 degrees. Water consumption in 2021 was 4,605 degrees. Water consumption in 2022 was 5,326 degrees.
Waste disposal	The total processing amount in 2020 was NT\$181,575. The total processing amount in 2021 was NT\$224,715. The total processing amount in 2022 was NT\$226,297.
Roof type solar green power project	The first phase of the green power project had been successfully contracted and under construction in 2022, and is expected to be completed in the year of 2023.

GP and United Nations Sustainable Development Goals

In the year of 2015, member states of the United Nations adopted the "2030 Agenda for Sustainable Development" and a total of 17 Sustainable Development Goals (Sustainable Development Goals, referred to as SDGs), entering a new era of global sustainable development. The 17 sustainable development goals and the 169 sub-goals they contain not only point out the most urgent sustainable development issues in countries around the world, but also reveal the key tools needed to move towards sustainable economic, environmental, and social development, enabling enterprises to There is a clearer direction on the road to sustainable development. GP Industry will actively respond and take actions from 2021 to 2030.

This is also the key decade (Decade of Action) for global sustainable development referred to by the United Nations, and strives for all companies, governments, and individuals to work together for the next generation.

GP's Contribution to SDGs

GP has been cultivating core technologies of baking, coating, exposure, and automated manufacturing for more than 33 years, and has become an important partner in the development and innovation of my country's high-tech industry. All colleagues in GP Industry support the sustainable development goals of the United Nations, through industrial technology innovation, to enhance the production efficiency and competitiveness of my country's PCB printed circuit board, optoelectronics, and semiconductor industries, and to promote the sustainable development of high-tech industries.

In addition to the voluntary public welfare donations of various departments on weekdays, GP industrial colleagues are also actively involved in the inheritance of industrial experience, echoing the SDG goals of industrial innovation. For example: Participate in sharing activities of different colleges and universities, assist students to clarify career development, promote local employment opportunities, cultivate new talents, educate, and train, and encourage various departments to pass on from generation to generation.

GP is committed to paying more comprehensive attention to issues related to corporate sustainability and ESG, and to enhance the new vision of responsible investment. Since the joint venture, the four founders have upheld the spirit of being pragmatic, honest, and hands-on, providing an equal and safe working environment and Employee benefits; also connect its own industrial practice experience with legal persons and academic institutions to jointly cultivate the core capabilities of Taiwan's future high-tech practitioners. From the perspective of pragmatic management, we will contribute to various sustainable development goals.



Chapter 1 Corporate Governance

1.1 Company operation

1) Basic information

GP Industrial Co., Ltd. was established in January 1990. It originated from the operation of electronic equipment in the PCB industry. Upholding the belief of "quality first, service first", it focuses on advanced technology and actively develops Promoting, products with a high market share in the global field; with the development of Taiwan's technology industry, the company provides customized services including R&D, design and manufacturing with superior innovation capabilities and vertically integrated technology, tailor-made for customers and multi-functional baking, curing, coating, exposure, and automated production equipment can effectively reduce customer production costs and improve yield and competitiveness.

The overall global industrial environment was facing the COVID-19 epidemic in 2020~2022. Despite facing many challenges, Taiwan's economic situation continues to heat up. Customers in various industries have successively demanded new factories and expanded production in various regions at home and abroad, making GP Industrial in recent years Operating performance continued to grow. The solar energy expansion project on the top floor of the company is progressing smoothly. It is expected to be completed in the year of 2023, responding to the needs of global customers for green energy, fulfilling the social responsibility of the electronic supply chain, and laying the foundation for future expansion of overseas markets.

Table 1-1: Basic information

Date of establishment	January 1990
Capital amount	NT\$550 million
Address and headquarter	No.188, He-Ping Road, Yang-Mei, Taoyuan City, Taiwan (R.O.C)
Stock code	6664
Industry	Electronic components and equipment industry

Product	Main business is electrical equipment for PCB, FPC, Display, Roll to Roll photoelectric and semiconductor industry, providing drying, coating, lamination, exposure, roll-to-roll, and automation integration. Products and services provided include: dust-free oven, nitrogen oven, vacuum oven, hot air conveyor oven, ultraviolet dryer, infrared dryer, roller coating automatic baking line, electrostatic spraying automatic baking line, impregnation coating automatic curing line, exposure machine, multi-layer hot air hot plate furnace with robotic arm, roll-to-roll vacuum lamination exposure coating equipment, etc.
Number of employees	Total number of employees employed in Taiwan was 261 (By 2022.12.31 statistics)
Global market	Taiwan, Mainland China, Japan, Korea, India, Philippines, Singapore, Malaysia, Thailand, Vietnam, the United States, etc.

Membership of the Association

Taiwan Printed Circuit Association (TPCA)

Since 2002, the company's colleagues have participated in the operation of different TPCA committees for a long time, such as: Environmental Safety Committee, Intelligent Automation Committee, Marketing Committee, Specification Committee, International Affairs Committee, Mainland Affairs Committee, Exhibition Committee, PCB Academy Committee, etc., through annual Various conferences, TPCA show exhibitions or visits to each other, actually participate in peer exchanges, and also support various public welfare and exhibition activities of the association.

Taiwan Printed Circuit Board Environmental Public Welfare Foundation (TPCF)

The GP management team supports public welfare and actions, and Mr. Yu, the vice president of the management department, personally donated money to support TPCF in promoting various environmental education and promotion work, go deep into the campus to build environmental knowledge from elementary and middle schools, and help high school vocational students understand electronic technology. Relevant public welfare information is simultaneously disclosed in the 2022 TPCF circuit board environmental public welfare report, making green sustainable, making love infinite, integrating the concept of net zero carbon reduction, and practicing ESG values.

Taiwan Electronics Equipment Association (TEEIA)

As a member of TEEIA, make good use of core expertise to plan, develop, and design for customers, and jointly form a smart manufacturing cross-domain service team. Cooperate with the industry-related policies promoted by the government, gather the

technology and experience of the wisdom of everyone, and provide cross-industry technology export services. Looking back on 2022, GP Industrial sent staff to join the Innovation Committee, Exhibition Committee, and ESG Committee to promote mutual benefits in the industry through exchanges and sharing with peers.

Semiconductor Industry Association International (SEMI)

GP successfully joined the International Semiconductor Industry Association and obtained membership. Through online participation in the advanced packaging process, discussions on the latest semiconductor baking equipment technology in the United States and Japan, GP contributed to the industry with own experience, and connected with the latest advanced packaging trends in global semiconductor equipment market.

Taoyuan Enterprise Association

As a medium-sized enterprise in Taoyuan, it actively participates in local public affairs, participates in the Taoyuan Enterprise Federation and Taoyuan Youth Association, and communicates with industry leaders. The members of the Taoyuan Club are enterprise associations composed of listed (cabinet) enterprises in Taoyuan City and local well-known enterprise decision-makers. The purpose is to bring together the energy of various enterprises and provide them to enterprises under the rapidly changing world economic situation in Taiwan. A platform for experience inheritance, mutual benefit, and resource integration.

Yangmei Young Lions Expanded Industrial Zone Manufacturers Association

A mutual aid organization that promotes local connections between manufacturers. It cooperates with Yangmei District Office to distribute materials to care for low-income and disadvantaged families from time to time. It also cooperates with temples, Taoyuan Young Lions Industry Association, and many well-known charitable enterprises to donate rice, noodles, Canned food and many other daily necessities or anti-epidemic materials are used to implement epidemic prevention work and promote the development of industrial zones.

Taoyuan City Industrial Association (Enterprise Management Association)

This association was established for promoting the common interests of industrial development, planning industrial improvement and promotion, and promoting economic development. The company who has a factory registration certificate in Taoyuan City can join as a member. Most of the members are factories or companies that have obtained factory registration certificates, company licenses, and profit-making business certificates in Taoyuan City.

Table 1-2: Proportion of industries with revenue in the past 4 years

Unit: NT\$1000

Year	2022		2021		2020		2019	
Product name	amount of money	(%)	amount of money	(%)	amount of money	(%)	amount of money	(%)
PCB Equipment	1,893,454	80.33	1,341,332	70.17	1,137,982	70.5	1,307,492	78.37
Display process equipment	37,829	1.60	68,937	3.61	45,501	2.82	74,432	4.46
Others	425,770	18.07	501,274	26.22	430,761	26.68	286,362	17.17
Total	2,357,053	100.00	1,911,543	100.00	1,614,244	100.00	1,668,286	100.00

Source: Group Up Industrial

Table 1-3: Profitability of the company in the past 4 years

unit: %

Analysis Project	2022	2021	2020	2019
return on assets	12.44	8.57	8.78	8.64
return on equity	28.54	17.21	16.71	16.64
Ratio of pre-tax net profit to paid-in capital	141.57	78.24	69.48	67.85
Profit rate	26.69	17.60	19.26	17.81
Earnings per share (NTD)	11.44	6.12	5.65	5.40

Source: Group Up Industrial

Service scope and operation

Service area

The scope of the company's services and sales of circuit boards and semiconductor equipment, in addition to Taiwan, also cooperates with several overseas agents, covering Asia, North America, Europe, Southeast Asia...etc.

The distribution of operating bases includes Yangmei headquarters, Suzhou company, Guangdong company, etc., as shown in the figure below



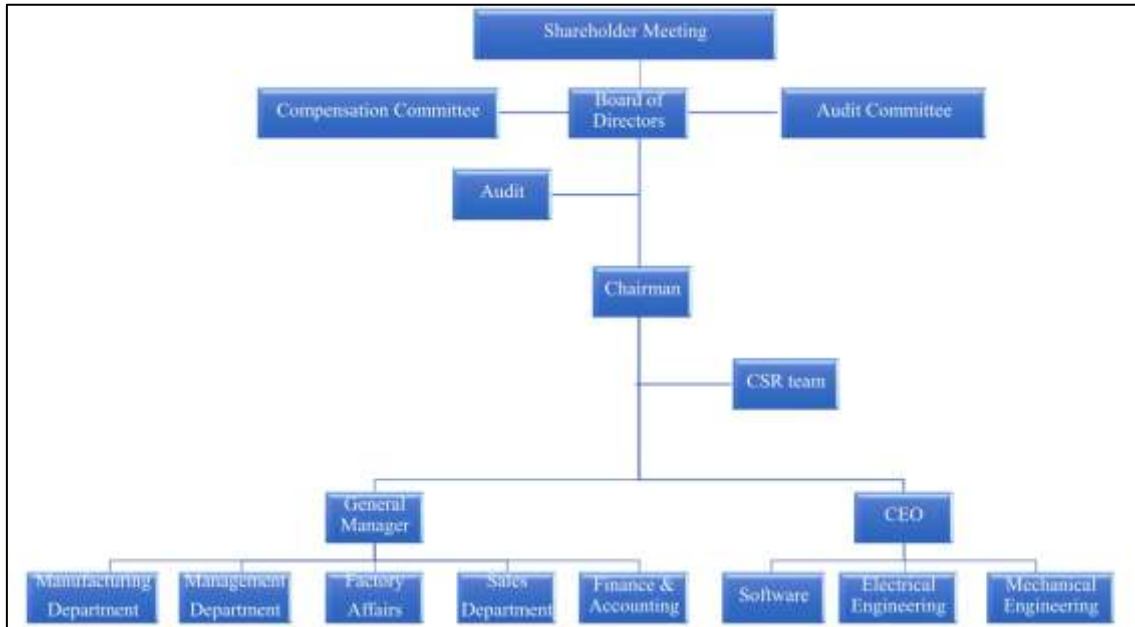
Source: Group Up Industrial

Governance structure

GP Industrial protects the interests of shareholders in accordance with relevant regulations such as the Company Law and the Securities Exchange Law. The board of directors has a remuneration committee and an audit committee; an independent audit room is set up to handle the ISO9001 quality management system and various audit matters. The chairman and CEO of our company leads the R&D team, including software, motor, mechanical R&D and other departments. The general manager of the company leads a team of professional managers, and has five major departments under its jurisdiction, including: Manufacturing Department, Management Department, Factory Affairs Department, Business Department, and Accounting Department.

In accordance with the government's "Code of Practice for Sustainable Development of Listed OTC Companies" and related laws and regulations, the company has set up an ESG promotion team to convene relevant people across departments to compile

sustainability reports, promote corporate sustainable development, and matters related to environmental protection and social care.



Source: Group Up Industrial

In addition, a corporate governance planning team was established with main responsibilities:

1. Planning various tasks of corporate governance, such as risk assessment, information security system planning, information security personnel training, information security policy formulation, intellectual property evaluation, application, and announcement.
2. At least once a year, report the implementation status and future planning direction to the board of directors.

To respond to the latest trend of the "Corporate Governance 3.0" blueprint, we will simultaneously refer to industry and customer norms in the future, such as climate-related financial disclosure recommendations (TCFD), sustainable accounting standards (SASB), nature-related financial disclosure recommendations (TNFD) and other international standards, continue to look for benchmark large or medium-sized enterprises as a reference for learning, and self-improvement of the quality of sustainable norm disclosure.

Financial Performance

In 2022, GP will benefit from the world's advanced semiconductor packaging, and the high-end ABF substrate market will respond to trends such as 5G, cloud computing, high-speed computing, and autonomous vehicle driving. The fourth season joins the ranks of production. In addition to the equipment required for ABF carrier boards as the company's main growth momentum, GP has excellent R&D integration capabilities and a high level of customization. In addition to PCB board factories and optical manufacturers, customers are very positive, and there are also customers from Major semiconductor manufacturers at home and abroad place orders, and GP, which is diversifying into niche product portfolios, will continue to go growth pattern.

According to the comprehensive profit and loss statement of GP Industrial, the income tax expense for 2022 is NT\$138,211,000, the income tax expense for 2021 is NT\$74,331,000, and the income tax expense for 2020 is NT\$67,137,000, all of which are paid in accordance with the tax laws of the countries and regions where they are located and operate in good faith.

For the company's financial statements, a team assigned by KPMG Accounting Firm regularly visits the factory for professional audits. The company's 2022 operating income is NT\$2,357,053,000, which is an increase of 445,510,000 yuan or about 23.31% compared with the 2021 annual turnover of NT\$1,911,543,000. The net profit after tax was 629,159,000 yuan, and the earnings per share (EPS) was 11.44 yuan.

Table 1-4: GP Industry's Financial Information for the Past 4 Years

Financial information	2022	2021	2020	2019
Operating income	NT\$2.357 billion	NT\$1.911 billion	NT\$1.614 billion	NT\$1.668 billion
Gross profit margin	42.25%	39.88%	44.51%	36.85%
Dividend	NT\$7	NT\$4.9	NT\$4.3	NT\$4.2
EPS after tax	NT\$11.44	NT\$6.12	NT\$5.65	NT\$5.4

Source: Group Up Industrial financial report

Table 1-5: Annual R&D expenses for the last four years Unit: NT\$ thousand

Project year	2022	2021	2020	2019
Research & Development costs	164,598	85,951	112,775	75,306
Net operating income	2,357,053	1,911,543	1,614,244	1,668,286
Ratio of R&D expenses to net operating income (%)	7.00%	4.50%	7.00%	4.51%

Source: Group Up Industrial financial report

Company Operation and Performance

Board structure

The highest governance unit of GP Industry is the board of directors. The current board of directors took office on February 22, 2018, and the reelection of the board of directors has been completed in 2021. At present, there are 6 directors (including the chairman) and 3 independent directors, all of whom are male, and are professionals with rich industrial experience, technology and knowledge, and who can grasp the pulse of the industry and technological development, so that the board of directors of GP Industry has sufficient management, operational judgment and decision-making, accounting and financial analysis, crisis management and other capabilities, as well as industrial knowledge and international market outlook, can play a guiding role in leading the sustainable development.

According to Article 1 of the Company Law: "Companies operating business shall abide by laws and regulations and business ethics, and may adopt actions that promote public interests in order to fulfill their social responsibilities." As an OTC company, the management team has noticed that in recent years, Financial Regulatory Commission, the Stock Exchange, and the OTC Center put forward the "Corporate Governance 3.0 Sustainable Development Blueprint" to continuously strengthen the functions of the board of directors. This report and the solar green energy expansion project on the top floor are also included in the board of directors' meeting for report and discussion, continuously enhance the sustainable value of the enterprise.

By issuing the CSR report for the first time in 2020 and changing its name to the ESG report in 2021, we will improve information transparency and promote sustainable

management; communicate with stakeholders from all walks of life to promote good interaction; conform to international norms, and continue to participate in corporate governance evaluation. In addition, it also continues to participate in the evaluation of the world-renowned DJSI Dow Jones Sustainability Index, and continues to improve corporate sustainability indicators.

The company's board of directors has 9 members in 2022, and the attendance rate is 100%. The board of directors of GP Industry aims to pursue integrity and sustainable operation, and to protect the rights and interests of stakeholders and the common prosperity of the society. Avoid and do not exercise their voting rights on behalf of other directors; at the same time, the company also regularly arranges regular training courses for directors.

Table 1-6: Board of Directors

Title	Country	Name	Gender Age	Inauguration date	Term	Appointment date	Experiences/academic background	Concurrently holding positions in the company and others
Chairman of Board	R.O.C.	A.S. Chen	Male 61~70	1990.1.24	3 years	2021.7.30	Bachelor of Mechanical Engineering Taipei City University of Science & Technology Manager of Design Dept. CSUN Industrial Co.Ltd.	Chairman of Group Up Industrial Co.Ltd. Supervisor of Zhanhong Investment Co., Ltd. GROUP UP (SAMOA) LTD
	R.O.C.	Zhanhong Investment Co., Ltd.	—	2017.6.12	3 years	2021.7.30	n/a	—
Board Director	R.O.C.	Lee, Jung-Kung	Male 61~70	1990.1.24	3 years	2021.7.30	Dept. of Mechanical Engineering Xiehe Vocational High School Manager of Sales Dept. CSUN Industrial Co.Ltd.	General Manager of Group Up Industrial Co.Ltd. Supervisor of Yufeng Investment Co., Ltd.

Title	Country	Name	Gender Age	Inauguration date	Term	Appointment date	Experiences/academic background	Concurrently holding positions in the company and others
	R.O.C.	Yufeng Investment Co., Ltd.	—	2017.6.12	3 years	2021.7.30	n/a	—
Board Director	R.O.C.	Lai, Wen-Chang	Male 61~70	1990.1.24	3years	2021.7.30	Bachelor of Mechanical Engineering Chien Hsin University of Science and Technology Manager of Quality CSUN Industrial Co.Ltd.	Vice general manager of Group Up Industrial Co.Ltd. Supervisor of Hongyi Investment Co., Ltd.
	R.O.C.	Hongyi Investment Co., Ltd.	—	2017.6.12	3 years	2021.7.30	n/a	—
Board Director	R.O.C.	Yu, Bill	Male 61~70	1990.1.24	3 years	2021.7.30	Bachelor of Electrical Engineering National Taipei University of Technology Manager of Sales Dept. CSUN Industrial Co.Ltd.	Vice general manager of Group Up Industrial Co.Ltd. Board Director of Living Water Investment Co., Ltd. Representative of Wangqun Technology (Suzhou Industrial Park) Co., Ltd. Representative of Group Up Trading (Shenzhen) Co., Ltd.
	R.O.C.	Living Water Investment Co., Ltd.	—	2017.6.12	3 years	2021.7.30	n/a	—

Title	Country	Name	Gender Age	Inauguration date	Term	Appointment date	Experiences/academic background	Concurrently holding positions in the company and others
Board Director	R.O.C.	Dai, Shui-Chuan	Male 71~80	2015.10.30 (Note2)	3 years	2021.7.30	Fu-Hsin Trade and Arts School General Manager, Xiefeng Mingban Printing Co., Ltd.	Chairman of the Board Pizazzy International Co. Ltd.
Board Director	R.O.C.	Kao, Chuan Chih	Male 61~70	2018.2.22	3 years	2021.7.30	Bachelor of Mechanical Engineering Taipei City University of Science & Technology Board Director, Xie-He-Xing Precision Machinery (Kunshan) Co., Ltd.	Sehosin Machinery Co., Ltd. (Kunshan)
Independent director	R.O.C.	Li, Robert	Male 51~60	2018.2.22	3years	2021.7.30	Industrial Management Institute National Cheng-Kung University Vice General Manager, Chi-Feng Plastic Co., Ltd.	none
Independent director	R.O.C.	Hung, Ching-Chang	Male 61~70	2018.2.22	3years	2018.02.22	Dept. of Welding Engineering Cranfield University General Manager, He-Zeng Technology Co., Ltd.	none
Independent director	R.O.C.	Chen, Ming Hsing	Male 61~70	2018.2.22	3years	2018.02.22	MBA, National Singapore University Consultant, TPCA	TPCA association Consultant

Source: Group Up Industrial

Board of directors attaches great importance to the courses related to corporate governance education and training. The table below shows the overview of the training for the whole year of 2022. All directors are following laws and regulations, and have taken at least 6 hours of courses.

Table 1-7: Board of Directors course training list

Title	Name	Date	Organizer	Course Title	Hours
Board Director	Chen, An Shun	2022.01.06	Securities Association of the Republic of China	Analysis and decision-making application of corporate financial information	3
		2021.03.09	Taiwan Institute of Directors	Under the New Reality of the Leaders Academy Forum, Reboot - See Digital New Taiwan	3
Board Director	Lee, Jung Kung	2022.01.06	Securities Association of the Republic of China	Analysis and decision-making application of corporate financial information	3
		2022.03.09	Taiwan Institute of Directors	Under the New Reality of the Leaders Academy Forum, Reboot - See Digital New Taiwan	3
Board Director	Lai, Wen Chang	2022.01.06	Securities Association of the Republic of China	Analysis and decision-making application of corporate financial information	3
		2022.03.09	Taiwan Institute of Directors	Under the New Reality of the Leaders Academy Forum, Reboot - See Digital New Taiwan	3
Board Director	Yu, Bill	2022.01.06	Securities Association of the Republic of China	Analysis and decision-making application of corporate financial information	3
		2022.03.09	Taiwan Institute of Directors	Under the New Reality of the Leaders Academy Forum, Reboot - See Digital New Taiwan	3
Board Director	Kao, Chuan Chih	2022.03.09	Taiwan Institute of Directors	Under the New Reality of the Leaders Academy Forum, Reboot - See Digital New Taiwan	3
		2022.12.21	Securities and Futures Market Development Foundation	Directors and supervisors (including independence) and corporate governance executive practice advanced seminar - how directors and supervisors should supervise enterprise risk management and crisis management	3
Board Director	Dai, Shui	2022.03.09	Taiwan Institute of Directors	Under the New Reality of the Leaders Academy Forum, Reboot - See Digital New Taiwan	3

Title	Name	Date	Organizer	Course Title	Hours
	Chuan	2022.11.04	Securities and Futures Market Development Foundation	Technology Development and Business Opportunities of Electric Vehicles and Smart Vehicles	3
Independent Director	Li, Robert	2022.03.09	Taiwan Institute of Directors	Under the New Reality of the Leaders Academy Forum, Reboot - See Digital New Taiwan	3
		2022.01.19	ROC Accounting Research and Development Foundation	Analysis of the latest securities and financial taxation laws and professional standards issues	1
		2022.01.19	ROC Accounting Research and Development Foundation	Analysis of Legal Responsibilities and Practical Cases of Enterprises Applying the "Law on the Protection of Taxpayers' Rights"	3
		2022.02.16	ROC Accounting Research and Development Foundation	Analysis of the latest securities and financial taxation laws and professional standards issues	1
		2022.02.16	ROC Accounting Research and Development Foundation	Global corporate ESG sustainability trends and management strategies	3
		2022.03.16	ROC Accounting Research and Development Foundation	Analysis of the latest securities and financial taxation laws and professional standards issues	1
		2022.03.16	ROC Accounting Research and Development Foundation	" Cross-border e-commerce " tax practice and case analysis	3
		2022.04.20	ROC Accounting Research and Development Foundation	Analysis of the latest securities and financial taxation laws and professional standards issues	1
		2022.04.20	ROC Accounting Research and Development Foundation	The latest annual profit-seeking enterprise income tax declaration practice seminar	3
		2022.05.18	ROC Accounting Research and Development Foundation	Analysis of the latest securities and financial taxation laws and professional standards issues	1
		2022.05.18	ROC Accounting Research and Development Foundation	New Trends and New Thinking in Assessing Corporate ESG Sustainability Performance	3
		2022.06.15	ROC Accounting Research and Development Foundation	Practical Analysis of Competent Authorities Reviewing Financial Reports and Significant Information	3
		2022.06.15	ROC Accounting Research and Development Foundation	Analysis of the latest securities and financial taxation laws and professional standards issues	1

Title	Name	Date	Organizer	Course Title	Hours
		2022.07.20	ROC Accounting Research and Development Foundation	Analysis of the latest securities and financial taxation laws and professional standards issues	1
		2022.07.20	ROC Accounting Research and Development Foundation	Analysis of the latest corporate governance policies and laws and common deficiencies	3
		2022.09.14	ROC Accounting Research and Development Foundation	Analysis of the latest securities and financial taxation laws and professional standards issues	1
		2022.09.14	ROC Accounting Research and Development Foundation	"Insider Trading" Practical Cases and Legal Responsibilities Discussion Project Study	3
		2022.10.19	ROC Accounting Research and Development Foundation	The latest self-compiled financial report response practice: accounting estimates and asset impairment	3
		2022.10.19	ROC Accounting Research and Development Foundation	Analysis of the latest securities and financial taxation laws and professional standards issues	1
		2022.11.15	ROC Accounting Research and Development Foundation	The latest development of corporate ESG sustainability and practical analysis of "Sustainability Report"	3
		2022.11.15	ROC Accounting Research and Development Foundation	Analysis of the latest securities and financial taxation laws and professional standards issues	1
		2022.12.14	ROC Accounting Research and Development Foundation	Analysis of the latest securities and financial taxation laws and professional standards issues	1
		2022.12.14	ROC Accounting Research and Development Foundation	Case Analysis of "False Financial Report" and Discussion on Relevant Legal Responsibilities	3
Independent Director	Hung, Ching Chang	2022.03.09	Taiwan Institute of Directors	Under the New Reality of the Leaders Academy Forum, Reboot - See Digital New Taiwan	3
		2021.09.29	Securities counter trading center	Release of reference guidelines for independent directors and audit committees	3
Independent Director	Chen, Ming Hsing	2022.03.09	Taiwan Institute of Directors	Under the New Reality of the Leaders Academy Forum, Reboot - See Digital New Taiwan	3
		2021.09.29	Securities counter trading center	Release of reference guidelines for independent directors and audit committees	3

Source: 2022 Annual report of Group Up Industrial Co. Ltd.

Audit Committee

For the requirements of government financial authorities and over-the-counter trading centers for public companies, an "audit committee" was established to replace the supervisor, and all independent directors served as members of the audit committee. Independent directors have a professional background in accounting or business. From the aspects of finance, operation management and risk control, they fully urge the board of directors to give full play to their leadership and supervise the company's development, and assist the company in controlling existing or potential risks. The attendance of independent directors at Audit Committee meeting this year is as follows:

Table 1-8: 2022 Audit Committee Attendance Statistics Table

Title	Name	Attendance	Number of delegated attendances	Actual attendance rate (%)
Independent Director	Mr. Robert Li	8	-	100%
Independent Director	Mr. Ching Chang Hung	8	-	100%
Independent Director	Mr. Ming-Hsing Chen	8	-	100%

Source: Group Up Industrial

The implementation of independent directors' recusal of interested proposals shall state the names of independent directors, content of the proposals, and Reasons for avoiding interests and participation in voting are recorded in the table below

Table 1-9: Execution of independent directors' recusal of interest-related proposals

Date	Director name	Motion content	reasons for avoidance of interests	Participation in voting
2022.08.25 The eighth meeting of the 12th session	Mr. Robert Li Mr. Ching Chang Hung Mr. Ming-Hsing Chen	2021 Annual Directors' Remuneration Distribution Details	Mr. Li, Mr. Hung and Mr. Chen are all independent directors	Approved by the remaining directors present without objection.

Source: Group Up Industrial

Remuneration Committee

To strengthen corporate governance structure and rationalize the relationship between performance and remuneration, the company established a remuneration committee under the supervision of the board of directors to formulate and regularly review the company's remuneration policies, systems, standards, and structures. The company has established the "Management Measures for Self-evaluation or Peer Evaluation of the Board of Directors" and "Remuneration Measures for Directors, Supervisors and Managers", and regularly evaluates the operational effectiveness of the Board of Directors and the performance of directors to determine remuneration; in addition, the Remuneration Committee annually It will also examine the achievement of the performance goals of the main management, personal performance and market trends, and appropriately adjust the annual salary.

A good salary system can motivate employees to work together. According to Article 19 of the company's articles of association, if there is a profit balance of the year, no more than 5% should be allocated as director's remuneration, and no less than 2% should be allocated as employee remuneration, and the balance between employee remuneration and director's remuneration The distribution shall be made by the board of directors with the resolution of more than two-thirds of the directors present and the approval of more than half of the directors present. The relevant remuneration allocation amount must be reviewed and approved by the remuneration committee and reported to the shareholders' meeting. The attendance of the remuneration committee in the last year was as follows:

Table 1-10: Compensation Committee Attendance Statistics Table in 2022

Title	Name	Attendance	Number of delegated attendances	Actual attendance rate (%)
Independent Director	Mr. Robert Li	6	-	100%
Independent Director	Mr. Ching Chang Hung	6	-	100%
Independent Director	Mr. Ming-Hsing Chen	6	-	100%

Source: Group Up Industrial

Regarding the salaries of full-time employees who are not in supervisory positions, the company also raises salaries in a timely manner based on the overall market environment and employee performance to boost employee morale and share the company's operating results with all non-supervisor colleagues.

In the year of 2020, the average salary of full-time employees who were not in supervisory positions was NT\$ 872,000, and the median was NT\$837,000. In the year of 2021, the average was \$923,000 and median was \$892,000. In the year of 2022, mean salary was NT\$942,291, median salary was NT\$883,175. For three consecutive years, average and median salary of GP have been quite stable.

Management team

The management team is composed of outstanding managers from various departments, and develops business strategies with a prudent and practical attitude, continues to cultivate the core expertise of industrial equipment, and expands the scope of application to enter many industrial fields. Significant resolutions in the operation also follow the company's risk management policy, manage, and control existing potential risks with prudent principles, issue early warnings, and discuss resolutions at professional managers' meetings before implementing relevant decision-making matters. At the same time, an audit room is set up to systematically and Institutionalized methods ensure the effectiveness of the company's internal control system to ensure operational efficiency and the best interests of shareholders, and create sustainable value for shareholders, employees, customers, and the general public.

The male to female ratio of senior managers is 7:1, fully respecting people of different genders, races, and religious backgrounds, and simultaneously echoing the current trend of DEI (Diversity, Equity, and Inclusion), that is, pursuing a society of diversity, equality, and inclusion for all the people from different background. In addition, Mr. Chen Anshun, chairman and CEO of our company, also serves as an independent director of Yatai Metal Industry Co., Ltd., which is open and transparent information, and is disclosed in this report at the same time.

Table 1-11: Titles and Responsibilities of Senior Managers

Title	Name	Gender	Date of appointment	Shares held		Spouse and children holding shares		Holding shares in name of others		Main experiences and academic background
				Shares	%	Shares	%	Shares	%	
CEO	Chen A. S.	Male	1990.01.24	879,408	1.60%	892,211	1.62%	—	—	Bachelor of Mechanical Engineering, Taipei City University of Science & Technology, TPCU
General Manager	Lee, Jung-Kung	Male	1990.01.24	913,148	1.66%	1,335,812	2.42%	—	—	Dept. of Mechanical Engineering, Xiehe Vocational High School
Manufacturing Vice GM	Lai, Wen-Chang	Male	1990.01.24	976,853	1.78%	878,521	1.60%	—	—	Bachelor of Mechanical Engineering, Chien Hsing University of Science and Technology
Management Vice GM	Yu, Bill	Male	1990.01.24	857,097	1.56%	925,036	1.68%	—	—	Bachelor of Electrical Engineering, National Taipei University of Technology
Sales Vice GM	Chen Asui	Male	2000.11.20	210,836	0.38%	—	—	—	—	Master of Materials Science Engineering Institute, National Tsinghua University
Sales Associate Manager	Lee, Brent	Male	2006.07.01	33,461	0.06%	—	—	—	—	Ph.D., Institute of Electronic Engineering, Zhongyuan University
R&D Associate Manager	Chen Xiurong	Male	2000.04.10	109,460	0.20%	136,977	0.25%	—	—	Bachelor of Mechanical Engineering, National United University
Accounting & Finance Manager	Shen, Wendy	Female	2000.12.21	70,000	0.13%	—	—	—	—	Bachelor of Accounting, Fu Jen Catholic University

Source: Group Up Industrial

In addition, considering the company's cross-generational experience inheritance and professional manager training, it will continue to expand the recruitment of talents, and avoid systemic risks. The company has established a proxy spokesperson system to accumulate management experience in listed companies and serve domestic companies. Foreign customers, bank research units and investment institutions, continue to communicate and collect relevant opinions from stakeholders, etc., and report to the supervisor for decision-making.

Corporate Ethics and Integrity Management

To ensure that GP abides by various statutory regulations in the process of quality innovation and market competition, in order to establish an honest and responsible corporate culture and a good early warning mechanism for risk management, the company has formulated the "Code of Ethical Conduct" and "Code of Integrity Management" As a high-ranking policy and principle of corporate governance, the company's directors and managers are required not to provide, accept or engage in any improper benefits or other violations of integrity, and they should fulfill their obligations to protect business secrets and company assets, and follow fair trade and other Laws and regulations, in order to meet the expectations of stakeholders from all walks of life for the morality and legitimacy of the company's operations, and further enhance the company's overall value. Last year, 12 public monthly revenue information, 1 shareholder meeting, and 1 legal person briefing session were used to illustrate the latest developments of the company.

In 2022, the company did not experience any corruption, violation of customer privacy, violation of fair competition, violation of the company's code of conduct, and no other major violations of social and economic regulations. The company resists all forms of corruption, including extortion and bribery, and abides by the legal and policy environments of various countries.

Investor conference

On May 27, 2022, a regular meeting of shareholders was held in the training classroom on the fourth floor of GP Industry to review the company's operating results, making resolutions on major issues, etc., and communicate face-to-face with stakeholders.

On August 22, 2022, GP was invited to participate in the legal person briefing held by Fortunes Securities. Chairman Chen, General Manager Li, Vice President Chen of the Sales Department, Chief Financial Officer Shen, and Spokesperson Yu attended the legal briefing together. Explain the company's operation overview, industry trends and business outlook.

Figure 1-1: Senior executives attending the briefing session for legal persons



Source: Group Up Industrial

Bilingualization

Meeting notices, procedure manuals, reference materials, annual reports, financial reports, and sustainability reports required for the shareholders' meeting, in addition to uploading the basic Chinese version to the public information observation station, also respond to the recommendations of the competent authority on information disclosure, to gradually translate the above information into English, which will be more friendly to foreign investment legal persons.

Risk & Crisis Management

The company formulates board diversification policies for risk management-related strategies, and improves the planning of directors' training topics, and provides directors with information on the latest laws and regulations, ESG, industry and economic development and policies. In addition, directors' liability insurance is purchased for directors to protect their rights and interests, and reduce and disperse the risk of major damage to the company. Aiming at the company's sustainable operation, continue to develop high-value and differentiated products, sign long-term contracts with customers and suppliers, maintain a good relationship between supply and demand, and continue to improve manufacturing processes and enhance competitiveness to reduce operational risks.

Furthermore, the "Code of Ethical Conduct" has been established, and a good corporate governance and risk control mechanism has been established, that is, to assess the risk of dishonest behavior, and formulate relevant preventive measures accordingly, and implement the policy of promoting honest management.

Through the establishment of a governance organization and the implementation of internal control, it is strictly required to comply with laws and regulations in the execution of business, and to grasp and respond to changes in policies and regulations in a timely manner. In addition, establish a legal unit, formulate contract templates, conduct legal compliance education and training, etc., in order to reduce legal risks

Promoting sustainable development

To implement social responsibility of public listed companies and promote the sustainable development of economy, environment and society, the company revised the "Corporate Social Responsibility Code of Practice" on June 19, 2020; The chief office convened cross-departmental members to set up an "Enterprise Sustainable Development Promotion Group". According to business responsibilities, by integrating the existing resources and management systems of various departments, the company constructed a promotion model for implementing corporate social responsibility and a process structure for reviewing performance. In September 2021, the first corporate social responsibility report was successfully released. In June 2022, it's renamed the ESG Report.

The sustainable development of GP is based on the idea of "ACE". The so-called "A" (Ability) represents the company's professional A-level ability, "C" (Cooperation & Creation) represents full internal and external coordination and cooperation and the pursuit of technological R&D innovation, and "E" (Environment & Enthusiasm) represents the ecological environment and social welfare continuous attention and enthusiasm. The company insists that all operating activities must strictly abide by laws and regulations, and consider corporate social responsibilities. By strengthening employee education and training, improving the company's internal control system, ensuring corporate ethics, and complying with government laws and regulations, considering both, it is expected that while respecting life and protecting the earth's environment, and becoming the leader of the global village model citizen.

Tax Policy

GP complies with the tax laws and regulations and the spirit of legislation in all places where it operates. Financial reporting information is open and transparent, and tax disclosure is handled in accordance with relevant regulations and standards. In addition, based on mutual trust and information transparency, establish a relationship of mutual respect with tax authorities.

The department's tax related aspects are all managed by the Finance Department, and through the internal control process, implementation, and assessment of tax risks arising from operating activities, appropriate risk measurement and management control are carried out. When interacting with stakeholders such as investors, banks, and social welfare institutions, we abide by relevant laws and regulations.

Data and Information security

The company attaches great importance to information security policy and implementation. The so-called information security consists of three elements:

- (1) Confidentiality: Properly protect information assets so that they can be used legally.
- (2) Integrity: Maintain the correctness and completeness of the content of information assets.
- (3) Availability: Ensure that information assets are available for use at any time.

Table 1-12: GP's digital information security transformation

Project name	Content	Main progress
ERP system	Upgraded to Dingxin Tiptop since 2015	With the source code of the program, you can develop software and reports by yourself, and integrate Dingxin electronic signature to improve the efficiency of the operation process.
Server virtualization	Import Vmware to virtualize the host	Reduce power consumption and space in computer room, and when the host fails, the host can be transferred immediately, reducing waiting time for Down Time, improving efficiency of MIS system maintenance and operation.
Enterprise Wifi import	Imported Ruckus enterprise wifi since 2015	<ol style="list-style-type: none"> 1. Use less equipment to achieve WIF coverage in the office area, and move the whole factory without switching base stations 2. Provide a management and control platform to enhance the security protection of wireless networks
APS Advanced Scheduling System	Introduce Dingxin APS production schedule in the year of 2022	<ol style="list-style-type: none"> 1. Aiming at daily production scheduling, it can quickly estimate the delivery date of new orders 2. Calculate material purchase schedule of each plan, and provide a complete material report to assist in production management and procurement reminders 3. For changes in personnel/materials/orders, the production manpower input can be quickly re-altered
Mail filtering and mail backup	Since 2020, China Digital SPAM SQR and	<ol style="list-style-type: none"> 1. Reduce internal advertising letters and malicious attack letters through

	Mail storage system will be introduced	mail filtering 2. Implement the storage period management and retrieval of important emails through email archiving
ESET Enterprise Antivirus	Imported nod32 enterprise antivirus software in 2015	1. Centrally manage virus code update of user anti-virus software and unified deployment of anti-virus policies. 2. Improve the file protection ability of MIS personnel through management platform and manufacturer's routine reports.
SOC information security platform	ADSL network information security protection	1. Protect malicious intrusion traffic through Hinet information security protection, and filter abnormal internal and external traffic. 2. Hinet information security platform sends information security notifications of major systems and applications from time to time.

Source: Group Up Industrial

1.2 Materiality

Step 1 Understand the organizational context

(1) Stakeholder identification and negotiation

All employees of GP Industry are committed to working together with internal and external partners to establish a good communication channel to create a sustainable future. According to their direct or indirect impact on the company's operating decisions, the company's identified stakeholders are mainly divided into the following six types, and are simultaneously disclosed on the official website. The types of stakeholders and maintenance objectives are as follows:

- Employees: protection of labor rights/enterprise talent retention
- Shareholders: Open and transparent information / safeguard shareholders' interests
- Customers: product quality maintenance/fair market competition
- Third parties (upstream suppliers or outsourcers): clean and honest transactions / intellectual property protection and sharing
- Government agencies: follow laws and regulations / cooperate with industry, government, and academia to develop
- Community: Implementing social responsibility/protecting environmental sustainability

(2) Collect topics of concern issues

The company collects issues of concern through internal and external channels and resources. Refer to global norms and standards (GRI guidelines, United Nations SDGs goals, SASB, TCFD), relevant industry standards, etc., combine organizational goals and company vision, and comprehensively summarize current operating conditions to collect relevant sustainable issues, which are divided into three categories: economy, environment, and society. There are a total of 12 major aspects, to understand the impact on the corporation and the basic responsibilities that must be met.

Table 1-13: Topic arrangement

Economy	1.1	Corporate Governance Structure
	1.2	Company operating performance
	1.3	Innovative research and development
	1.4	Responsible consumption and production

Environment	2.1	Affordable clean energy
	2.2	Climate Change Strategy
	2.3	Emission of greenhouse gases
	2.4	Water resource management
Society	3.1	Health and wellbeing
	3.2	Education Training and Talent Cultivation
	3.3	Diversity and Equal Opportunity
	3.4	Community feedback

Step 2 Assess actual and potential impacts

(1) Analyze the degree of concern of stakeholders

First, through questionnaires, we establish links and communication with stakeholders, and understand stakeholders' concerns about various sustainable issues and their expectations for the company's social responsibility. From the perspective of stakeholders from all walks of life through various channels, respond to the concern and influence of stakeholder groups on the company's sustainable development issues. Specifically, for example: face-to-face communication with customers at Nangang Exhibition, irregular response to media reporters, calls from investors to inquire and communicate various issues; invite major customers, suppliers, and chief executives of cabinet shopping centers to visit the factory for guidance and visits, etc.

(2) Internal analysis and evaluation of the company

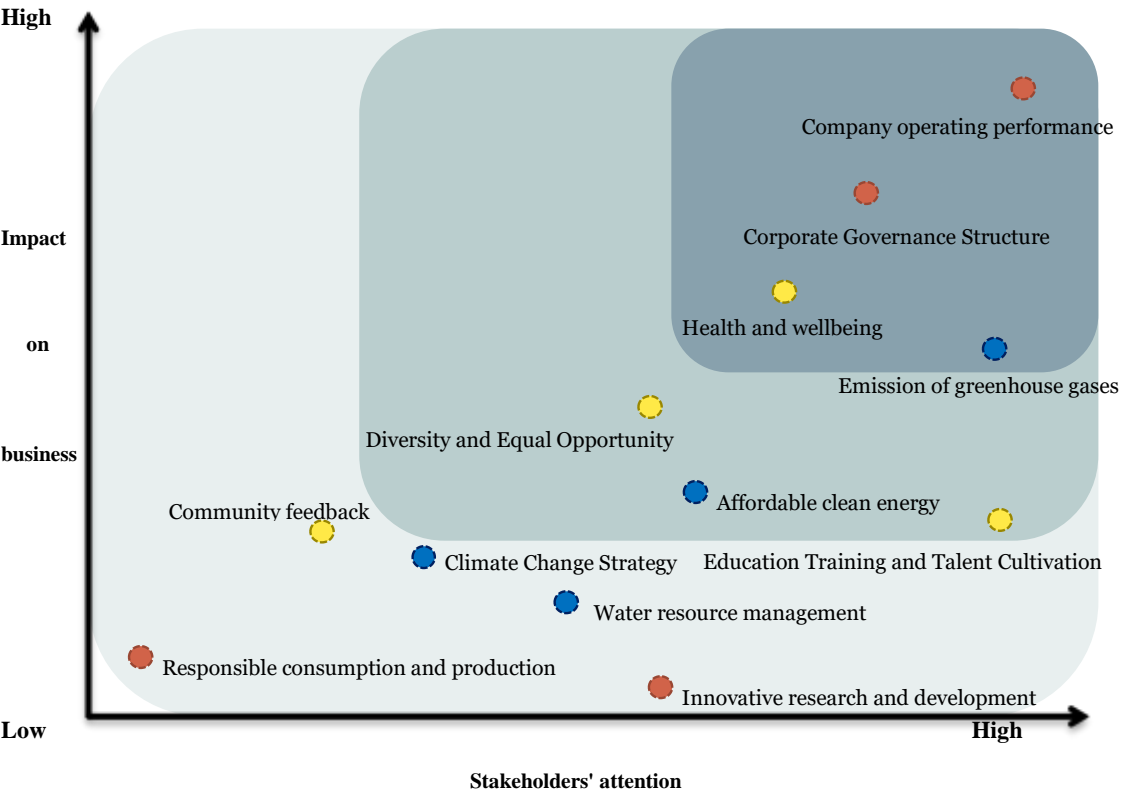
The "Corporate Social Responsibility Promotion Group" formed by the chairman's office convened by the heads of various departments of the company to confirm the assessment of major issues, understand the impact of the company on major economic, environmental, and social issues from different perspectives, and the issue The degree of influence on internal operational decisions. And compare the topics with GRI themes and disclosure items, consider the scope and boundaries, and whether it can provide valuable information to stakeholders.

Step 3 Assess the significance of the shock

A total of 100 replies were received from the distribution of this questionnaire, with the six types of stakeholders sorted out above as the main respondents, among which the employees'

replies accounted for the largest number. And through the two aspects of "stakeholders' concern" and "influence on company operations", three intensities of high, medium, and low are analyzed to identify their importance. More integrated the in-depth discussion results of the Group's corporate social responsibility promotion group, and made a matrix ranking of twelve related issues.

Figure 1-2: Major issues matrix



Source of information: ESG team

Step 4 Confirm the disclosure of major issues

Table 1-14: Analysis of Disclosure of Major Issues

Major issues	Impact on business	Correspondence to GRI Guidelines
Company operating performance	The company's operating status must be open and transparent information, which can be viewed by external shareholders and internal employees at any time. GP upholds the	GRI2

	principle of good faith and discloses all of them in the public information observation station.	
Corporate Governance Structure	The corporate governance structure must comply with the laws and regulations, and if there are matters that should be disclosed, they must be disclosed in accordance with the regulations.	GRI2
Emission of greenhouse gases	In 2022, due to the continuous digestion of the company's orders, the large number of employee business trips, and the expansion project on the top floor, etc., the carbon emissions will increase. The company will also continue to formulate strategies for the management of carbon emissions, and will provide data in the report for illustration.	GRI305
Affordable clean energy	GP understands that our company is a large consumer of electricity, so it develops rooftop solar energy in terms of electricity consumption, so that energy can be reused, and the environmental load can be reduced through the development of green electricity.	GRI302
Health and wellbeing	The health and safety of colleagues is an indispensable factor for stable production, and it is the duty and responsibility of GP to ensure the safety and physical and mental health of colleagues in the workplace.	GRI403
Education Training and Talent Cultivation	GP pays great attention to cultivating talents. It believes that a good corporate culture should allow colleagues to grow continuously in the field. It provides free resources for colleagues to receive training, and supports colleagues for training.	GRI404

Source of information: ESG team

1.3 Supplier Sustainability Management

As a professional manufacturer of automation equipment and process development and system integration services, we cooperate with downstream customers, such as PCB, LCD, solar cell factories, domestic and foreign semiconductor manufacturers, and other industries, from hardware parts, sheet metal, molds, Power supply and other manufacturers purchase the required materials and accessories, and integrate software and technologies such as programming, electrical control, and data analysis. GP provides highly customized automated production equipment. Feeling that Supplier Management (Supply Chain Management, SCM) has a direct and significant impact on product delivery and quality, and is an important issue in Taiwan's OTC, the company also actively prepares materials and manages suppliers and outsourcers.

1) Supplier management policy and practice

To provide better products and innovative technologies, based on the principle of win-win, we have established long-term mutual trust and stable partnerships with different suppliers, hoping to jointly pursue sustainable growth based on mutual trust and mutual benefit. We understand that suppliers are not only important production partners, but also in the process of implementing corporate sustainability, with the active cooperation and response of suppliers, let us drive suppliers or outsourcers to exert social influence and jointly maintain environmental and social sustainability. In order to create higher social value.

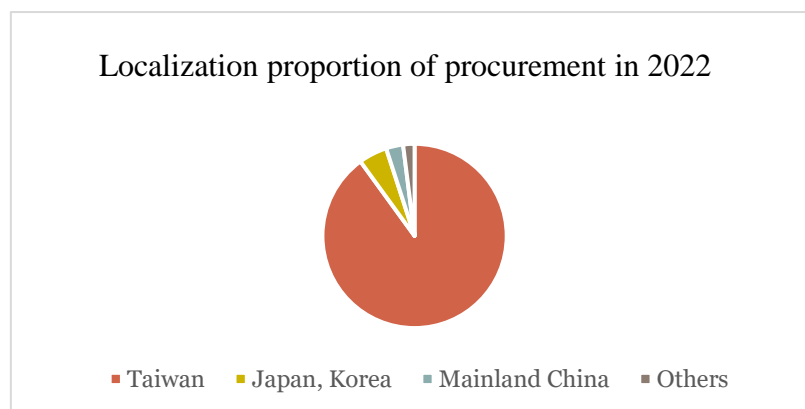
Following with ISO9001:2015 quality management system revision, and introduce the ERP enterprise resource planning system, and gradually strengthen the supplier management mechanism. Colleagues in the procurement department will screen new suppliers, evaluate assessment and management procedures through the three major aspects of ESG, to establish and provide high-quality products. The upstream supply chain of services and goods. Every supplier needs to be audited and evaluated by the Purchasing Department, coupled with the requirements of the Taiwan Circuit Board Association (TPCA) for equipment safety specifications, to become a qualified manufacturer; for the risk types of suppliers that highly affect the quality of equipment products, such as mechanical processing For production or its equipment, mechanical design engineers or procurement personnel conduct on-site spot checks and evaluations,

and inspect the supplier's operation and production conditions through on-site visits to ensure that the manufacturer is qualified and sustainable.

2) Local procurement management

GP's main operating base is in Yangmei District, Taoyuan City. The scope of localized procurement is mainly in Taiwan. Considering the environmental impact of material production, transportation, and processing, and to reduce dependence on foreign manufacturers, most of the materials are currently Most of the manufacturers and service providers choose local suppliers, and some of the items that must be purchased from abroad are entrusted to import by Chinese agents. On January 1st every year, the company also dispatches additional manpower to comprehensively count all material items in the warehouse, and cooperate with accountants to conduct spot checks to ensure the quantity and quality of materials. In 2022, among the major suppliers, contractors, or outsourcers that GP Industry has transactions with, local procurement will account for roughly more than 90%.

Figure 1-3: Proportion of localized procurement



Source: Group Up Industrial

3) Establish a sustainable supply chain

To ensure that suppliers fully understand the company's sustainable development vision and goals, and adopt corporate social responsibility and business ethics consistent with GP, in 2022, actively explain the "Supplier Commitment" to suppliers and publicize it to the outside world. In addition to the basic ISO9001-related verifications in the supply chain, we should ensure that suppliers or outsourcers can fully understand the sustainable

commitment; most of the supplier communication procedures have been completed so far.

The "Supplier Commitment Letter" strengthens the relevant clauses of social responsibility. GP will 100% screen new suppliers based on social standards, requiring suppliers to abide by and respect basic human rights and labor rights, provide a good working environment, and pay attention to employee salaries and benefits. Fair treatment. In addition, in order to protect the healthy growth of children, all suppliers are required not to employ underage children.

At the same time, all suppliers shall abide by the environmental protection laws and regulations of the countries and regions where they are located, and shall not be punished by the local competent authority for acts of serious environmental hazards.

The company strictly prohibits suppliers from engaging in bribery, or giving gifts to company employees and their relatives and friends, and other inappropriate behaviors, and should abide by intellectual property rights and confidentiality clauses to ensure the fairness of business competition and honest operation. In the physical course that the factory manager uses the weekly morning meeting to train all employees, the employees are required to abide by the laws and regulations 100%.

In addition to drafting a supplier commitment letter, procurement personnel also verbally emphasize the "anti-corruption principles" of GP when cooperating with suppliers. If a long-term cooperative supplier is found to have seriously violated the company's policies, or has a significant negative impact on the environment and society, the procurement contract may also be terminated or terminated; and the procurement department must always pay attention to the development of new potential suppliers to ensure that the stable supply of materials is not interrupted.

Supplier Security Management

GP cooperates with the Taiwan Circuit Board Association (TPCA) to require suppliers to demand themselves with higher safety standards through various safety standards for circuit board equipment. At present, the company provides suppliers with pre-reading and education and training in accordance with the following three safety rules and specifications for different machine models. The three documents are numbered as follows:

PCB-EHS-ES01: Printed circuit board equipment safety standard (oven)

PCB-EHS-ES02: Printed circuit board equipment safety standard (electroplating)

PCB-EHS-ES03: Printed circuit board equipment safety standard (horizontal wet etching)

For more safety standard and training documents, the readers can check TPCA website for more details:



The screenshot shows the TPCA (Taiwan Printed Circuit Association) website. The header includes the TPCA logo and the tagline '提升產業競爭力 共創永續新價值'. The main navigation bar lists various categories: 關於協會, 活動訊息, 資訊專區, TPCF, TPCA SHOW, IMPACT, PCB學院(培訓), 書籍與知識庫, and 會員公司. The '資訊專區' (Information Zone) is selected, displaying a table of documents. The table has columns for '序號' (Serial Number), '發布日期' (Release Date), '標題' (Title), '類別' (Category), '相關資訊' (Related Information), and '檔案下載' (File Download). The documents listed include safety standards for oven, electroplating, and horizontal wet etching, as well as training materials and manuals.

序號	發布日期	標題	類別	相關資訊	檔案下載
1	2021/07/14	電鍍板安全管理文件-人因性危害預防	安全管理文件		A
2	2021/09/17	電鍍板設備安全標準-鍍銅	設備安全標準		A
3	2021/06/29	電鍍板設備安全標準-鍍金	設備安全標準		A
4	2021/01/26	電鍍板安全標準-全工廠安全標準	設備、通風系統	A	
5	2020/08/13	電鍍板安全標準-新設中區	設備安全標準		A
6	2018/09/05	電鍍板安全標準-新設中區	設備、通風系統		
7	2020/03/10	通風+傳感系統+之設備規格2022.12.26更新	設備、通風系統		
8	2020/05/07	電鍍板設備安全標準-水平濕式蝕蝕	設備安全標準		A
9	2020/03/31	電鍍板安全管理文件-人因性危害預防	安全管理文件		
10	2018/09/05	電鍍板設備安全標準-新設中區	設備安全標準		A

Source: TPCA website

2. Smart manufacturing

2.1 Customer Service

GP has provided high-quality advanced process equipment for many years. It started with dry process baking equipment, including coating, drying, exposure, lamination, and automatic complete line equipment. It specializes in a small number of diversified equipment and has strong customization capabilities. The company has a strong research and development team. In recent years, it has stepped into key equipment such as advanced semiconductor packaging at home and abroad, and has shown outstanding results, increasing the added value of customers' production many times.

The company's service bases include domestic and overseas customers, and customers of export machines come from all over the world. We have learned that the European Union announced the implementation of the "Sustainable Development Financial Information Disclosure Regulations" (SFDR). In order to respond to the trend of international sustainable investment, GP is Over-the-counter companies in the electronic equipment industry expect to improve themselves, starting with the compilation of corporate social responsibility reports, so that institutional legal persons can fully understand the company's ESG-related information, and gradually increase their visibility in the financial market, interacting with different financial companies Discussions to win the trust of more international customers and provide product customization services.

1) Customer management

The diversification of customer needs has become the mid-to-long-term trend of future smart manufacturing. In order to maintain its competitive advantage, the company actively grasps the latest market information, knows itself and the enemy, and develops a complete range of products or services for customers to choose from. It also emphasizes "local service". Point-of-service to quickly meet customer automation needs in the shortest possible time. Adhering to the core strategy of GP to maintain customers, that is, maintaining a stable and good relationship with customers, customer-oriented, flexible, and flexible policy, in addition, in order to provide high-quality products, GP's quality policy is promoted as follows:

Adhere to the quality of all aspects of the company, produce high-efficiency and high-function equipment, and devote ourselves to the practice of ISO 9001 quality system, and have obtained ISO international certification. The quality policy we promise is "quality first, service first, technological innovation, and performance leadership", and we will continue to improve to ensure customer satisfaction.

Therefore, to achieve the promised service quality, the following methods are adopted in the maintenance of daily relationship with customers: regular visits or online activities (during the epidemic) to collect market information; pay attention to customer feedback, and follow the customer's health before entering the factory specifications for safety inspection, installation, and test run. For the interaction between government departments and consortium legal persons, it follows the regulations of the Government Procurement Law, and discloses the basic information of the company on the Taiwan Procurement Bulletin website.

For customer supply chain management matters, for example: a listed customer of a major semiconductor factory in the United States requested a third-party industrial safety assessment, and business colleagues also actively cooperated to obtain a third-party industrial safety audit certificate from Highwire (formerly known as Construct Secure), responding to customers in the United States Relevant regulations of the procurement, materials, and risk management departments of the factory.

For another example, a customer of an important K board factory in Thailand requested our company to fill in the Eco Vadis online sustainability and other risk control questionnaires; a customer of a Thai board factory A asked for a business continuity plan (BCP), and GP assigned a dedicated window to respond quickly , to assist customers in responding to sustainability investigations; and to further assist customers in optimizing the work safety of the main exhaust duct, explaining the regular cleaning and maintenance of the heat exhaust duct through online communication and sharing, so that customers can easily understand the safety precautions for factory affairs takeover .

2) Implement employee education and training

Since most of the company's customers are global electronics manufacturers, they are also members of the Responsible Business Alliance (RBA), and must follow the

relevant standards of the electrical industry. To respond to customer needs, the latest version of RBA 7.0 will be informed to all employees from 2020 to 2022. In the future, corporate sustainable management will also be incorporated into employee education and training, so that managers of various departments can educate all employees and fully understand the company's sustainable business philosophy incorporates corporate governance, environmental and social sustainable development into its daily duties, and cooperates with internal and external partners to create a better future.

3) Face-to-face interaction with customers through exhibitions

The company attaches great importance to the direct interaction with customers at each physical exhibition, accumulating a sense of trust and long-term partnership. Public associations, Taoyuan City Government, and important customers are also invited to visit the booth for guidance, to promote industrial upgrading and exchanges, and to win development opportunities. In 2022, GP participated in the following exhibitions: Taipei Touch Taiwan Show, Taipei Automation Exhibition, Taiwan Printed Circuit Board Exhibition (so called TPCA Show), and SEMICOM Semiconductor Exhibition. Every exhibition collects voices and opinions from different stakeholders, which will be used as an important basis for the company to expand business opportunities and continue to operate in the future.

Figure 2-1: 2022 TPCA Show



Source: Group Up Industrial

In April 2022, at the Touch Taiwan Show held at the Nangang Exhibition Hall, GP responded to the environmental protection concept of energy conservation, carbon reduction and sustainable management, and reduced the damage caused by exhibition decoration waste to nature. The Taiwan Display Union Association (TDUA) won the 2022 E-touch Green Decoration Design Silver Award, affirmed by a jury composed of invited third-party scholars. Promote green concepts through the exhibition, create a low-carbon, low-pollution exhibition, practice environmental sustainability, and promote social corporate responsibility.

Figure 2-2: 2022 Touch Taiwan Show



Source: Group Up Industrial

4) Customer complaint handling and customer privacy protection

Customer complaint handling

Properly handling customer complaints is one of the key tasks to improve customer satisfaction. In the face of customer contact events, there is a "customer complaint handling process", which clearly stipulates the handling process of customers' complaints, complaints, proposals, or dissatisfaction with products. For example, when a complaint occurs, the company's customer personnel or business personnel will promptly notify the relevant departments such as mechanical research and development, quality assurance or manufacturing, analyze the real reason, formulate improvement countermeasures, and report the results to the customer to ensure that the customer receives satisfactory after-sales service and maintain a long-term partnership.

Customer Privacy Protection

In terms of protecting clients' confidential information, GP team actively cooperates and signs **non-disclosure agreements** (Non-Disclosure Agreement, NDA) with clients to protect clients' business secrets. In the employee code of conduct, fair competition and anti-monopoly clauses are stipulated. Regarding the part of customer intellectual property and privacy, employees must also comply with relevant regulations. Secrets must not be disclosed to third parties or made public, and can only be used for official business purposes and Third-party rights must be protected.

Every employee is responsible for protecting intellectual property rights, including protecting licenses, patents and know-how from damage, loss, or theft, while the property of third parties (such as business partners) should also be protected. In 2022, GP will not have any violation of customer privacy, loss of customer information or disclosure of confidentiality by customers.

Information Security Training

The Information Office of the Management Department is responsible for the planning, construction, and continuous improvement of the company's internal information security work. And for system servers, operating systems, network systems, etc., establish proper control and protection mechanisms, and make contingency protection plans for abnormal disasters, data damage and sensitive data, to protect the company, customers, and investors Interests. At the same time, improve the self-information security management capabilities of each unit, and regularly back up computer data to prevent virus attacks and leaks, and prevent possible future business losses. In addition, 1.5 million NT\$ had been invested in information security upgrades in 2022, and a budget of 2.1 million NT\$ has been allocated in 2022 to improve the environment for information security. The specific management plan is as follows:

Table 2-1: Information Security Management Plan

Project item	Planning and actions
Network protection and user access control mechanism	Through the ramp controller, it manages and controls network access permissions, and detects and prevents malicious intrusions and external network attacks. In addition, users are given network access rights through authority control, and Internet access records

	are regularly checked and audited through log files.
Email Security Control	Before the user receives the mail, filter the mail through the mail ramp before the user receives the mail, prevent unsafe attachment files, phishing mail, spam in advance, and prevent the damage of malicious links. Antivirus software also scans PCs for unsafe attachments after receiving them.
Data backup mechanism	All systems and databases are scheduled for automatic backup.
antivirus software and system program updates	The operating system and application programs and anti-virus software will be automatically updated to reduce virus infection and patch application program vulnerabilities.
Employee information security education	Conduct information security education, training and quizzes and email social engineering drills for employees every quarter to strengthen employees ' awareness of information security risks.
Risk assessment and vulnerability detection	Regularly carry out review mechanisms such as system vulnerability scanning and review and improve the information security protection of the existing information operating environment.

Source of information: MIS team

5) Communicate major events

The company's information is disclosed in the public information observatory, and major resolutions are explained in the shareholders' meeting and legal conference. In addition to holding regular meetings to explain, the company's management will also provide directors with important reports and information from the company on a regular basis. For example, the finance department provides financial information, and the management and audit department provide internal audit reports, etc., so that the board members and the top management continue to maintain close contact risks., if a major incident occurs, it can be communicated immediately.

In 2022, there were no major incidents related to communication with the highest governance unit. Only on the search website of GP, some people reported that colleagues had poor etiquette when answering the phone. The importance of guiding hospitality.

2.2 Green curing and smart manufacturing

1) Safety Regulations and Hazardous Substance Management

GP is a professional manufacturer and integrator of electronic equipment. The products produced are mainly customized automation equipment. In order to improve the quality of products and services and the safety of use, GP follows ISO9001 operating procedures except for the basic specifications. Design and verify the relevant national or regional safety standards, and introduce relevant tests according to customer requirements to ensure the safety of power distribution and electricity testing, mechanical design to strengthen safety devices, human engineering evaluation, and affix warnings on parts of the product that are prone to safety hazards. Marks and other measures, the product operation manual provided already contains safety announcements and warnings. For products exported to the United States or Europe, according to customer needs, the latest specifications of Highwire in the United States, UL third-party certification, and EU CE standards safety specifications will be adopted, and relevant safety verification procedures and test reports will be completed, or relevant technical documents will be prepared for self-declaration.

Table 2-2: Product Safety Labeling

Mark content Type	Source of Product components or service provider	Safe to use	Others (Spare parts list)
All Models Operator's Manual	V	V	V
Oven/Electric Box Hazard Signs		V	
European line product CE self-declaration	V	V	V
American line products UL certification	V	V	V

Source: Group Up Industrial

In terms of customer health and environmental protection, GP has established a hazardous substance review process internally to evaluate the purchased materials to find out whether they contain hazardous substances that violate laws and regulations. The company ensures that the electronic components and auxiliary materials used in the process of product design, manufacturing, and shipment do not contain substances that do not comply with regulations (such as EU RoHS) and have an impact on the

environment and human health. At the end of the product life cycle, After the equipment is scrapped, the metal parts of its components will also be recycled in a timely manner. In 2022, the company did not have any violations of product health and safety regulations. In 2022, GP also won the honor of the third-party industry evaluation in the United States. The company scored 96 out of 100 points in the evaluation. Obtaining third-party certification can also strengthen the credibility of information disclosure.

Figure 2-3: American Third-Party Work Safety Certificate



Source: Certificate from Highwire U.S. third-party evaluation

2) Smart factories

GP Industrial Co., Ltd. started from operating the PCB (printed circuit board) electronic equipment industry. Since its establishment 32 years ago, it has been committed to the research and manufacture of automation equipment for many industries, including electronic assembly, LED/IC packaging and testing, semiconductor advanced packaging manufacturing, etc. In recent years, feeling the changes in Taiwan's overall environment and industries, the customers we serve have begun to move from automation to intelligent production, and step into the field of Industry 4.0.

GP integrates relevant internal and external human resources and resources, invests in the development of innovative technologies in the research and development of smart factory-related technologies, and actively applies for patents. The number of patent applications in 2022 will rank among the top 100 in the country. In addition, Commonwealth magazine ranks among the top 2000 domestic manufacturing

companies, and GP Industry ranks 1069, and continues to make continuous efforts to become the top 1000 companies listed on the market.

In order to effectively enhance the corporate brand value and design a people-oriented working environment, GP attaches great importance to the safety performance of baking equipment. First, it officially passed the Taiwan Circuit Board Association (TPCA) on April 16, 2020. Certificate (Certificate No. EG01-0001T), and won the nitrogen oven safety certificate (Certificate No. EG02-004) again in 2021, and successfully sold this equipment to a Philippine semiconductor factory customer. It can be seen from this that we attach great importance to the safety of internal employees, protect the safety of customers and front-line personnel, and pass the third-party inspection of the Industrial Safety Association of the Republic of China. This will help win the long-term trust of domestic and foreign customers.

As a manufacturer of printed circuit board baking equipment, according to the appropriate safety protection device of the printed circuit board equipment safety standard (Document number PCB-S1-01), the inspection items include: visual inspection, actual inspection of safety functions, testing or measurement Inspection, observation during operation, review of schematic diagrams and circuit diagrams, review of safety-related application software and documents, life cycle risk assessment of mechanical equipment, site configuration drawings and documents, as well as specifications and operating instructions.

3) Patent application

In the year of 2022, GP continued to focus on its own industry, and has filed a total of 5 patent applications, all of which have been successfully approved. Continuously update technology through patent certification, improve product quality, and then enhance market competitiveness, and make investors or consumers feel more confident in the technology or product. The chart below shows the patent projects filed and approved by GP in 2022.

Figure 2-4: Number of patents of GP in 2022

申請日 ↓	專利名稱	原件影像		案件狀態
2022/11/15	彈性固定件	專利公報 公開公報	公告說明書 公開說明書	核准
2022/04/18	基板專用的夾持裝置及其開框機構 Clamping device exclusively for substrate and frame opening mechanism thereof	專利公報 公開公報	公告說明書 公開說明書	核准
2022/04/11	多門烘烤箱裝置 Multi-door baking oven device	專利公報 公開公報	公告說明書 公開說明書	核准
2022/03/15	基板烘烤設備 Substrate baking apparatus	專利公報 公開公報	公告說明書 公開說明書	核准
2022/02/25	節能監測系統及烘烤設備 Energy-saving monitoring system and baking equipment	專利公報 公開公報	公告說明書 公開說明書	核准

Source: Intellectual Property Office, Ministry of Economic Affairs

The factory is a large electricity consumer. The energy-saving monitoring system and baking equipment in the patented technology help to calculate an energy-saving power value. In terms of energy saving, it will provide more accurate pre-work, making energy saving and carbon reduction more efficient.

4) Cross-sector cooperation

Over the years, in addition to self-developed research and development, it has also strengthened external cooperation, hoping to combine the resources of research institutions and government units to drive internal innovation energy, and at the same time cultivate relevant talents to contribute to the industry and campus. The chart below shows the cooperation projects in 2022. The main cooperation or consultation objects include: Ministry of Economic Affairs, Taoyuan City Government, public associations, Industrial Technology Research Institute, Ministry of Health and Welfare, Ministry of Labor, colleges, and universities, etc.

Table 2-3: 2022 external cooperation projects

Year	Project name	Organization	Output/Outcome
2022.04	Overseas Chinese students at National Taiwan University Talent Fair	National Taiwan University	Help students to do career exploration, let students understand the operation of related industries.
2022.04	Visit the Spinal Cord Injury Potential Development Center	Spinal Cord Injury Potential Development Center	Give full play to corporate social responsibility and care for the needs of neighbors and specific ethnic groups.
2022.06	O'right ESG Benchmark Enterprise Visit	O'right	Through visits to ESG benchmarking companies, enhance relevant policies and guidelines for sustainable development.
2022.06	Online interview with the Association for Public Welfare and Responsibility	Public Welfare Responsibility Association	Online communications and fund-raising issues discussion with the association.
2022.06	Elected as a member of the ESG Committee of the Electronic Equipment Association (TEEIA)	Electronic Devices Association	Search for more external resources as relevant guidelines for future ESG report optimization.
2022.08	Exhibition of Taiwan Intelligent Automation and Robotics Association	Corporate legal person Taiwan Intelligent Automation and Robotics Association	Two students from National Yunlin University of Science and Technology came to work for internship.
2022.08	Discussion with professors from the Institute of Human Resource Management, National Central University	National Central University	Communicate face-to-face with experts to discuss how to be more sophisticated in corporate human resource management.
2022.08	2011 Specific Objects and Employment Disadvantages and Rehabilitated Protected	Taoyuan City Government Employment	Arrange workplace visits for specific ethnic groups to assist with career planning or related issues.
2022.09	Keelung City Government Public Welfare Activities	Keelung Welfare Center for the Disabled	Donated assistive devices on behalf of the Circuit Board Environmental Foundation to assist the needs of the disability welfare center.

2022.10	Taiwan American Chamber of Commerce in Greater Phoenix visits	Greater Phoenix Taiwanese American Chamber of Commerce	Promote GP has a base in Phoenix for colleagues to arrange future business trips.
2022.11	Visit from National Yunlin University of Science and Technology	National Yunlin University of Science and Technology	To help students understand the industry and related key points in job hunting.
2022.11	Global Business Sustainability Forum Agenda	Corporate Sustainable Energy Research Foundation	Gather corporate sustainable talent exchanges, discuss related issues, and collect data to facilitate the update of GP ESG -related information.
2022.11	Lecture on Environmental Education at Shanghu Elementary School, Yangmei District, Taoyuan City	Shanghu Elementary School, Yangmei District, Taoyuan City	Echoing the global corporate volunteer service spirit, practicing corporate social responsibility, encouraging the next generation to get close to nature.
2022.11	Taiwan Electronics Association Seminar	Taiwan Electronic Equipment Association	Smart Manufacturing and Carbon Net Zero Equipment Technology Exchange Conference, GP was invited to attend the physical sharing.

Source: Group Up Industrial

Figure 2-5: GP team visited the nonprofit organization in Taoyuan.

Figure 2-6: GP director attended and donated assistive devices.



Source: Group Up Industrial

3. Human Resource Management

3.1 Employee care

GP Industrial treats employees with integrity in accordance with labor laws and international human rights conventions, and attaches great importance to the good career development of every employee in the company. Adhering to the belief that employees are "the core of the corporate social responsibility concept", the legitimate rights and interests of employees are protected in accordance with the Labor Standards Act; and through the employee welfare system and a good education and training system, employees can contribute to their jobs. GP believes that only with happy employees can there be a healthy workplace, which will drive the overall development of the company, and then implement the ideal of creating a happy enterprise with employees.

GP pays attention to employees' workplace safety, labor-management harmony, employee associations, and equal opportunities. It expects employees not to be forced to work while working, and to balance their personal, physical, and family life. Through the multi-resources provided by the company, they can learn to add value and give full play to the value of life. The company provides a healthy working environment, sports and leisure places, a complete and diverse welfare system, and a complete career plan, so that every partner who works with GP can feel warmth and happiness, and grow together with the company.

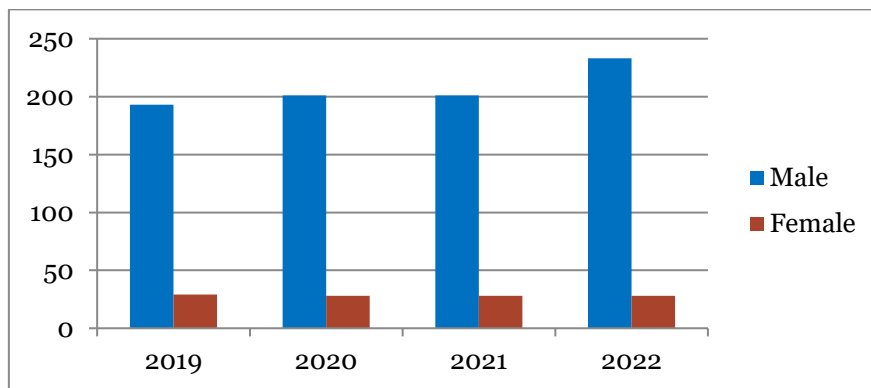
1) Staff composition and diversity

GP had a total of 261 employees in Taiwan, including 233 males (89%) and 28 females (11%). Most of the Taiwanese employees are full-time employees. In terms of nationality statistics, by the end of 2022, there will be 38 Filipinos, accounting for 15% of all employees in 2022. Foreign employees.

In addition to complying with Article 45 of Chapter 5 of the "Labor Standards Act", GP will never employ children under the age of 15; and provide suitable job opportunities for vulnerable groups with disabilities. The employee information disclosed in this chapter covers the full-time employees of GP Taiwan; other workers defined by GRI, such as the on-site staff of outsourcing manufacturers, cannot accurately count the

relevant data of workers due to changes in personnel projects., after evaluation and consideration, it will not be included in this report for the time being. The detailed manpower structure is as follows:

Table 3-1: Distribution of employees in Taiwan



Source: Group Up Industrial

Although most of the company is male, female colleagues also maintain a certain proportion, respecting gender diversity and equal rights. The following table shows the number of employees according to gender and department. The main force is about 30 to 50 years old. In the future, recruitment will continue to make the distribution of each age group more even.

Table 3-2: Analysis of diverse employee composition (by gender and department)

Department	less than 30 years old		30~50 years old (excluding 50 years old)		Over 50 years old (including 50 years old)		total
Department/Gender	male	female	male	female	male	female	
R & D department	4	0	36	0	13	0	53
Sales, Accounting, Audit, & CEO office	1	2	15	11	10	4	43
Factory Department _ Management	2	1	6	9	2	1	21
Manufacturing Warehouse team	23	0	98	0	23	0	144
Subtotal	30	3	155	20	48	5	261

Table 3- 3: Analysis of Diverse Employee Composition (according to education level)

category	Number of employees					Proportion
	Mechanical R&D Motor R&D software development	Sales, Accounting Audit CEO office	Factory affairs manage purchase	manufacture Quality control on site	Subtotal	
PhD	0	1	0	0	1	0.2 8 %
Master	9	4	1	0	14	5.36 %
Bachelor	25	20	10	36	91	34.87 %
Associate degree	16	16	6	44	82	31.42 %
High School/Vocational	3	2	4	64	73	27.97 %
Total	53	43	21	144	261	100%

Source: Group Up Industrial

Among them, GP Industrial attaches great importance to the degree of academic education of the personnel in the R&D department, and the number of people with a master's degree or above continues to increase. The distribution in the last five years is shown in the table below.

Table 3- 4: R&D Department Education Level Table

academic qualifications category	2018		2019		2020		2021		2022	
	number of people	ratio (%)	number of people	ratio (%)	number of people	ratio (%)	number of people	ratio (%)	number of people	ratio (%)
Master degree or above	6	12.00	7	14.58	9	18.00	9	18.00	9	16.07
junior college	41	82.00	38	79.17	38	76.00	39	76.00	44	78.57
high school	3	6.00	3	6.25	3	6.00	3	6.00	3	5.36
total	50	100.0	48	100.0	50	100.0	51	100.0	56	100%

Source: Group Up Industrial

Table 3-5: Total number and proportion of new employees in Taiwan by age and gender

Gender	Age	2022/1/01~12/31
Female	less than 30 years old	1
	30 to 50 years old (excluding 50 years old)	2
	over 50 years old	0
	Ratio of new recruits (number of new recruits for the year/number of employees at the end of the year)	1.15 %
Male	less than 30 years old	18
	30 to 50 years old (excluding 50 years old)	14
	over 50 years old	0
	Ratio of new recruits (number of new recruits for the year/number of employees at the end of the year)	12.26 %
Total New Entry Ratio		13.41 %

Source: Group Up Industrial

Table 3-6: Total number and proportion of employees who left Taiwan by age group and gender

Gender	Age	2022/1/1~12/31
Female	less than 30 years old	1
	30 to 50 years old (excluding 50 years old)	0
	over 50 years old	0
	Turnover ratio (number of new recruits/number of employees at the end of the year)	0.38 %
Male	less than 30 years old	16
	30 to 50 years old (excluding 50 years old)	14
	over 50 years old	0
	Turnover ratio (number of new recruits/number of employees at the end of the year)	11.49 %
Total Turnover Ratio		11.87 %

Source: Group Up Industrial

Considering the locality of Taoyuan, the company also cooperated with Taoyuan City Government as a priority to promote employment opportunities for youth or middle-aged, and elderly people in Taoyuan. All job vacancies are also open and transparent, and can be searched on the human resources website or Taiwan Employment Network website. At present, more than 70% of the company's full-time employees are mainly in the age group of 30 to 49 years old, with an average age of 35 years, an average seniority of about 7 years or more, and a high degree of stability.

2) Employee health management

The company abides by the Occupational Safety and Health Law and labor health protection rules, and chooses an occupational safety and health consulting service agency approved by the Ministry of Labor to sign a contract for cooperation. For on-site health service matters for employees, the company provides the following services, including measures related to maternity protection.

In addition, in response to occupational-related injuries, the publicity has also been strengthened. For example, colleagues in the factory are required to wear gloves when processing keys and sheet metal keys to avoid scratching their hands. Office colleagues are required to sit for long periods of time and use computer screens, should rest, and walk properly to avoid excessive use of the shoulders and neck, eye fatigue, and impaired vision.

Table 3-7: 2022 Health Service Report

Description of labor health service results:			
item	Health Services Program Work Items	Implementation Status Statement	Recommendations
1	Labor physical (health) examination results, analysis, and management measures	<p>1. No newcomers report, no physical report yet report part.</p> <p>2. In 2022, the health examination will be classified as No.</p> <p>7 people in the first level, 105 people in the second level</p> <p>6 to 8 people in the third level, 1 to 4 people in the fourth level</p> <p>The third and fourth levels have completed the interview 2 8 people</p> <p>The achievement rate is 34%.</p>	<p>Track and manage abnormal parts</p> <p>In 2022, the number of people who have not yet completed the consultation is 54, and it is expected to be completed in the first half of 2023.</p>
2	Worker Selection, Occupational Injury Prevention, Case Management and Planning	<p>Occupational injury 0 people</p> <p>Compounding workers 0 people</p>	<p>There are no employees with work-related injuries this year. If there are employees with work-related injuries, please hold a resumption meeting before returning to work.</p>
3	Health protection plans for workers under the age of 18 and middle-aged and elderly	<p>1. Labor protection plan for under 18 years old</p> <p>No persons of this age are not included in this in the annual plan.</p> <p>2. Health protection plan for middle-aged and elderly workers</p> <p>Revised, not implemented yet</p>	<p>Suitable work protection plan for middle-aged and elderly people</p> <p>It is expected that the relevant implementation directions will be discussed with labor safety personnel in the future.</p>
4	Workplace Maternal Health Protection Program	<p>There are 2 protected objects of maternal health protection this year, 1 pregnant, 1 post-partum.</p>	<p>In response to the September 16, 2020 revision and release of some provisions of the "Implementation Measures for the Protection of Maternal Health of Female Workers", the plan and related forms were revised.</p>
5	Abnormal Workload Promotes Disease Prevention revised.	<p>1. August 2022 health check.</p> <p>2. In August, questionnaires issued in conjunction with health checks</p>	<p>3 cases unfinished, expected in 2023</p> <p>Interviews are completed in the first quarter.</p>

		3. Screening proposals for 194 employees and a total of 35 people who need to be interviewed, have been interviewed.	
6	Workplace misconduct prevention	<p>1. Updated and revised completion plan.</p> <p>2. In 2022, assist in the production of illegal infringement teaching materials.</p> <p>3. Other implementation details, expected to 2023 Annual execution.</p>	Explain that the Ministry of Labor announced on August 18, 2022 to amend the "Guidelines for the Prevention of Illegal Infringements in the Performing Duties" and revised the third edition of the "Guidelines for the Prevention of Illegal Infringements in the Performing Duties" on August 18, 2022, and revised the key summary.
7	Prevention of Human Hazards	<p>1. In August, questionnaires issued in conjunction with health checks, and compile the suspected hazards in 2022 list.</p> <p>2. For 194 employees Bone Symptom Survey Screening Soreness Persistence more than 6 months and any more than 3 points for one part, after screening. A total of 11 people, not yet interviewed.</p>	It is expected to be completed in the first half of 2023.
8	First Aid Contingency Plan	First-aid kit management: In March, check whether the content complies and confirm whether there is any Expired product.	Inspections are conducted every six months.
9	Health Education and Health Guidance and Health Promotion	Produced 10 articles of health propaganda	Produce a health-related brochure every month.
10	Mental Health Management	Employees can make an appointment for health consultation for 1 person	On-site medical service hours can be regularly announced.

Source: Medical team of Group Up Industrial.

3.2 Salary and benefits

The relationship between the company and its employees is like a partner. GP attaches great importance to employee salary and various welfare care, and is committed to providing each employee with a good working environment and competitive salary. In terms of talent recruitment channels, the company not only continues to open vacancies through the government's Taiwan Employment Link website, but also announces various job vacancies through 104 Job Bank and 1111 Job Bank. In addition, it also cooperates with various units such as the Institute of Industry and Technology of the Industrial Technology Research Institute, the Labor Development Administration of the Ministry of Labor, the Employment and Vocational Training Service Office of the Taoyuan City Government, etc., and cooperates with various types of talent recruitment activities. At the same time, apply for joining the Youth Employment Flagship Program to promote youth employment opportunities, and conduct promotions at various colleges and universities from time to time.

1) Management policy

In order to seek employee welfare and enhance the well-being of employees, an employee welfare committee is specially organized, and representatives are selected from across departments to handle employee welfare matters. According to the regulations on employee welfare funds, employee welfare funds are provided to handle various welfare matters, such as: weddings and funerals, festival gifts, maternity, hospitalization, major disasters and other subsidies, there is an annual employee travel subsidy of 5,000 yuan per person. In addition, the yearly end-of-the-year event is extended to include free participation by employees and their family members, and moderately purchase gift boxes made by social welfare institutions for the disabled to present to employees.

In addition to provision of various welfare measures, GP also provides regular free health checkups and irregular health consultations to assist employees in self-care of their health; in addition, according to the results of the health checkup reports, 24 of them were selected for face-to-face health guidance. Colleagues' privacy rights and interests, one-on-one discussion, and consultation with colleagues.

Special leave is provided for employees to consider the physical and mental development of employees and ensure the soundness of human assets. We also insure labor and national health insurance in accordance with relevant government laws and regulations. For the sake of employee safety, we add group insurance, accident insurance, occupational accident insurance, accident medical insurance, etc. to protect employees and provide employees with more benefits.

2) Welfare items

The corporate culture of the company expects to flexibly design and invest in several welfare programs that satisfy the physical and mental needs of employees, and take care of the physical and mental health of employees through the provision of various employee welfare projects. For example, in planning a parent-child family day in 2022, colleagues will bring their families to visit Jian-Hu Mountain creation park for two days and one night. With a good family support system, colleagues can work with peace of mind, and at the same time calculate the carbon emissions of tour buses, and promote carbon reduction actions while traveling.

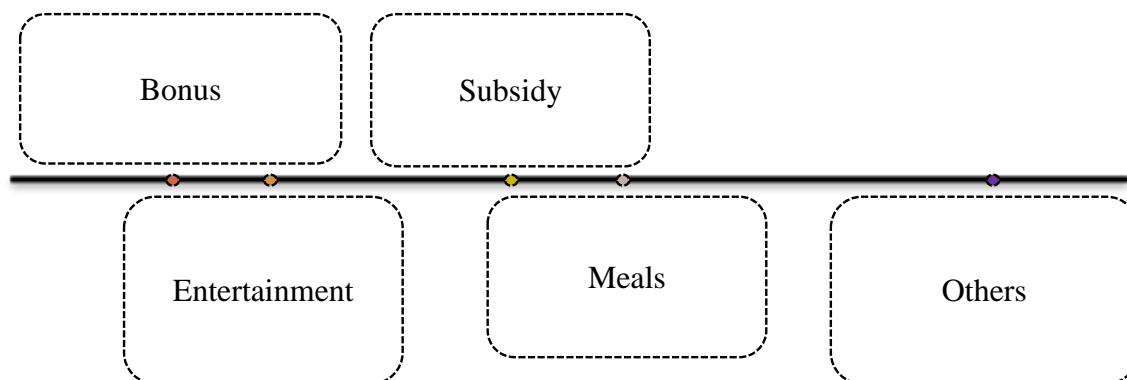
Figure 3-1: Family Day Trips in 2022



Source: Group Up's Official Facebook

The various benefits of regular employees are superior to the basic conditions of the Labor Standards Law. Based on the annual performance appraisal of individuals, the basic benefits and bonus, subsidy are listed below:

Table 3-8: Employee Welfare Items



- Bonus: Full attendance bonus, annual festival, three main festivals, performance, year-end, birthday gifts.
- Subsidy: for marriage, birth, or funerals for employees and family members.
- Entertainment: domestic and foreign travel, staff dinner, tail teeth, factory celebration, family day, physical education class.
- Meals: lunch allowance, board expenses, staff canteen, coffee machine.
- Others: employee uniforms, education and training, a good promotion system, employee group insurance, advancement subsidies.

3) Salary

The company provides employees with stable and competitive salary conditions in the Yangmei area, and the salary level is approved based on the employee's academic background, professional knowledge and technology, seniority experience and personal performance. In order to be able to attract and retain the best talents, and to reward colleagues for creating performance and long-term contributions, we provide competitive salaries in the Yangmei area, and adjust the bonus for business trips in a timely manner according to the price index.

At the same time, comprehensive evaluations such as gender equality, personal ability, and academic experience are considered, and the salary ratio and performance bonus are adjusted appropriately every year. The salaries of full-time employees who are not in supervisory positions are also simultaneously disclosed on the public information observation station.

4) Parental stay

In view of the demographic trend of Taiwan's teenage population, the company is committed to promoting a moderate balance between work and family life, providing a caring and respectful workplace environment, and complying with the "Gender Work Equality Act" and "Implementation Measures for Child Care and Leave without Pay", providing Relevant rights and interests such as employee childcare and stay. Employees who have worked for one year can apply for parental leave without pay according to the "Gender Work Equality Act" and "Implementation Measures for Childcare Leave without Pay" before their children reach the age of three.

The application period can be up to two years. Before the expiration of the leave without pay period, the company will contact the employees and arrange reinstatement-related matters. After reinstatement, they will also provide relevant education and training courses to help colleagues return to work smoothly.

Table 3-9: 2022 Parental Leave Application Situation for Colleagues

2022 /1/1~12/31	number of men	number of women	total
2022 The total number of employees eligible for parental leave in 2 years	5	2	7
2022 Actual Number of People Applying for Parental Stay	1	1	2
2022 Estimated number of people applying for parental stay and returning to work	0	0	0
2022 Actual number of people who applied for parental stay and reinstatement	0	0	0
Number of employees returning to work during the reporting period after taking parental leave in FY2022	0	0	0
Number of employees who have returned to work 12 months after taking parental leave in FY2022	0	0	0
Application rate of leave without pay for childcare	20%	50%	28.57%

Source of information: Group Up Industrial

3.3 Talent development

In addition to providing a comprehensive care and welfare system to make employees work happily, the company hopes to cultivate all-round talents through a complete newcomer training system and regular performance appraisal in order to improve their work efficiency and ensure career development, and provide various channels for strengthening Employee functions allow colleagues to learn happily, grow and thrive, and let colleagues who are aspiring to perform enjoy resources and enjoy working.

1) Education and training

Talent is the most important resource of the company. Establishing a high-quality talent development environment and talent cultivation is the foundation and key to the company's sustainable operation. The Dow Jones Sustainability Index (DJSI) also defines Human Capital Development as an important evaluation item in the social aspect. GP connects different external units and has a variety of education and training resources, so that employees can continue to learn and grow while working, and adapt to the rapid changes in industrial technology. In the part of talent cultivation, GP is deployed in advance, and connects to the nearby local college resources, such as: National Central University, Chung Yuan University, Yuan Ze University, Taipei University of Science and Technology, Jian-xing University of Science and Technology, etc., interacts with the school window, and provides professional Job vacancies for consulting services and internships to cultivate talents needed by the industry as early as possible.

According to the needs of colleagues and in compliance with relevant regulations, GP organizes various educational trainings such as employee education and training, professional technical training, quality control training, employee growth-related training, and labor safety and health lectures to provide employees with complete professional skills development and self-growth. In 2022, we will irregularly subsidize relevant colleagues for advanced studies, or obtain professional certificates at home and abroad, and continue to carry out talent development and supervisor training, laying the foundation for future business expansion.

The education and training category includes internal training and external training, and the courses are divided according to the professional fields of job function attributes.

For new partners who have just joined the big family, GP provides training for newcomers, covering company profile, product profile of different equipment models, company environment introduction, welfare system, work rules, safety, and hygiene, etc.

The company attaches great importance to R&D and innovation, and accumulates patented technologies. The R&D units are often connected with external circles, such as: Industrial Technology Research Institute, Metal Research Center, etc., so there are often professional education and training and the latest technology education and training.

Since GP's front-line colleagues often assist customers in assembling machinery and equipment, regarding on-site operations at heights higher than two meters, confined spaces, anoxic environments (such as nitrogen-free oxidation ovens), volatilization of organic solvents, etc., or colleagues install machines for customers During test drive business trips to different countries and regions, special attention must be paid to personal safety. The company also provides various explanations to guide colleagues to establish a safety culture.

Online Education and Training for Sustainable Development

For the education and training of future trend of sustainable development, considering the need for flexible arrangements during the epidemic prevention period, GP also arranges for colleagues from different departments to participate in professional training.

Table 3- 10: Average Hours of Education and Training for Taiwanese Employees

year	2022		
gender	male	female	total
Total hours of training	12,501	1,470	13,971
Total number of employees (Note)	233	28	261
Every employee is trained average hours	53.65	52.5	53.53

Note: Training hours include internal newcomer training, special training, online training, and external training seminars.

Source: Group Up Industrial

Table 3-11: Average hours of education and training for employees (by department)

Department	Mechanical R&D Motor R&D software development	Business accounting audit CEO office	Factory Department _ Management the guard purchase	Manufacturing Quality control field technician foreign employees	Total
undergo training total hours	3,075	2,580	1,060	7,256	13,971
Total number of employees	53	43	21	144	261
per employee undergo training average hours	58.02	60	50.48	50.39	53.53

Source: Group Up Industrial

2) Performance appraisal evaluation

The company formulates employee performance evaluation methods as the basis for employees to be promoted and raised in an open and fair manner. If they are formally employed by GP Industrial, full-time employees in Taiwan must be subject to an annual performance appraisal, and the appraisal results will be sent to the human resources department for filing.

The assessment items are different for supervisors and non-supervisors, and each has its own scoring items. The supervisor-level assessment items mainly cover the achievement rate of departmental strategic goals and behavior/attitude. The non-supervisor-level evaluation content includes professional ability, team spirit, work efficiency, work accuracy, work knowledge and ability, work attitude, interpersonal relationship, initiative and development, attendance, reward and punishment records, and status evaluation after the previous evaluation. The assessment mechanism also distinguishes supervisory and non-supervisor levels, and is carried out by department and at different stages. For newcomers, GP's middle and high-level executives will use the daily work report to understand the familiarity and understanding of the new colleagues' entry into the work situation, and perform an assessment after the three-month service period of the colleagues expires.

Through transparent performance evaluation, assist the department to establish a relationship of mutual trust. For the medium and long-term career growth of employees, regular feedback from supervisors can also be obtained, so that employees' personality traits and advantages can continue to be brought into play, and the parts to be improved can be adjusted as soon as possible.

Table 3-12: Percentage of GP employees accepting regular performance (by gender)

year	2022 years		
gender	male	female	total
all employees receiving regular performance and career development reviews	338	47	385
Total number of employees	338	47	385
Proportion	100%	100%	100%

Source: Group Up Industrial

Remarks: methodology for the number of employees

At present, there are three versions of the total headcount of the company. Due to different definitions and calculation methods, the explanations are as follows:

- 233 males and 28 females, a total of 261, refers to the number of employees who are still working on December 31, 2022.
- The total headcount of the group based on page 73 of the company's annual report is 385: refers to the total number of employees of GP Group (Taiwan GP, Suzhou GP, and GP Trading) as of December 31, 2022.

3.4 Human rights

Human rights issues are an important part of corporate governance that cannot be ignored. The company proposes relevant measures for the issues of concern to the three stakeholders, such as employees, suppliers, and customers, and makes corporate responsibility practices more perfect through relevant issue response plans.

1) Employees

The company is committed to creating a "gender-equal" working environment that does not differ between men and women. The third floor of the factory has a baby-raising and breastfeeding maternity space, which echoes the implementation measures for the protection of female workers' maternal health stipulated by the government, and protects women's privacy and child-rearing needs. In addition, the "Appeal and Punishment Measures for Sexual Harassment Prevention and Control Measures in the Workplace" and provide channels for complaints to protect the rights and interests of employees, and provide maternity (examination) leave, paternity leave, and parental leave in accordance with the law.

In terms of talent recruitment, the company employs manpower on an equal footing, employing talents on a merit basis, and does not discriminate against factors such as race, class, language, ideology, religion, party affiliation, place of origin, gender, marriage, appearance, sexual orientation, or age. There are no discriminatory recruitment announcements on the talent recruitment website, all information is open and transparent, and talents are selected based on the principle of ability orientation.

The working hours of the company's colleagues comply with the provisions of the Labor Standards Law. They are not allowed to work more than 8 hours a day, and there is no incident of forced working hours. When colleagues work overtime, a legal reporting system for overtime pay is provided. In addition, the company gives each employee the equal freedom to form clubs, and encourages colleagues to use their spare time to participate in health and leisure activities, such as: employees form a health club on their own initiative, and use the company's leisure classrooms to exercise together during a fixed number of days after work to promote in addition to being healthy, you can also relax your body and mind, and further promote work-life balance.

2) Suppliers

According to the "GP Industrial Co., Ltd. Supplier Management Operation" and "GP Industrial Stock Co., Ltd. Supplier Management Procedures" to draw up a supplier audit plan, the audit objects are those who are new suppliers of the company, the top 20 in the previous year's transaction volume with the company, and those who have failed to meet the standards for three consecutive years after supplier evaluation or others who consider it necessary to conduct audits. The audit items refer to the "RBA Responsible Business Alliance Code of Conduct Version 7.0". In addition to the written self-assessment preliminary review, the opinions of the organizers are further collected to evaluate whether there is a need for on-site audit verification.

Its purpose is to review suppliers' practice of corporate social responsibility, adopt a step-by-step, phased management approach, and through systematic publicity and implementation of the plan, make supplier selection more efficient and strengthen the sustainable supply chain.

3) Customers

The company's external publicity documents, press releases, statements, etc., have no discriminatory vocabulary in terms of wording and diction. Treating every customer is upholding the principle of treating customers fairly, publishing open and transparent information on the company website, and making it available and utilized by customers through various channels. In addition, we adhere to the principle of respecting customers, and when dealing with customer problems, a dedicated team will reply in a timely manner, so that the rights of customers are fully protected.

3.5 Occupational Safety and Health

GP provides a safe and comfortable working environment for employees, and provides safety protection equipment required for employees' safety and health; at the same time, it formulates regulations on safe work rules to jointly prevent various accidents. Supervisors and management units also regularly walk management Check the working environment.

The company conducts factory safety and health work in accordance with the relevant laws and regulations of the "Occupational Safety and Health Law", "Occupational Safety and Health Management Measures" and "Occupational Safety and Health Education and Training Rules", prevents occupational accidents, and protects the safety and health of employees. For the safety and health education and disaster prevention training, health checks and other measures necessary for employees to engage in work, GP formulates safety and health work rules that suit the needs in accordance with the relevant regulations of CNS45001 and the spirit of the ISO45001 occupational safety management system.

The company complies with the occupational safety and health laws and regulations. The factory affairs department has a class-A occupational safety business supervisor and a class-B occupational safety and health administrator to properly allocate manpower and receive regular on-the-job education and training every 2 years. Due to the seriousness of the global COVID-19 epidemic in 2020~2022, the company continues to issue management measures and specific actions, enter the factory every day to measure the forehead temperature of colleagues, monitor the healthy working environment in the factory, and avoid indoor crowds.

1) Management policy

Only healthy and happy employees can bring about sustainable growth. In order to ensure the safety and health of employees of GP Industrial, the company or external units provide relevant safety and health education and training. Carry out on-the-job education and training to ensure the qualifications of entering the factory to serve customers.

Table 3-13: General safety and health education and training courses and hours

course project
1. Outline of laws and regulations related to occupational safety and health
2. Occupational safety and health concept and safety and health work rules
3. Automatic inspection before, during and after operation
4. Standard Operating Procedures
5. Emergency Response Handling
6. Fire and first aid knowledge and drills
7. Other safety and health knowledge related to labor operations

Specifically, in addition to receiving general safety and health education and training, construction workers and machinery operators must receive at least three hours of professional safety and health education and training. Operators of dangerous machinery or equipment (cranes, etc.) and management personnel of hazardous substances operations or other special operations personnel must be trained by government-approved training institutions.

Fire Safety

At the Yangmei headquarters, every year, personnel are arranged to conduct drills on fire safety issues, and the chief of Taoyuan City Fire Department was invited to the factory to educate and train all employees. Through oral or video publicity, the personnel's safety awareness of fire alarms is strengthened, and they can correctly Use fire extinguishing facilities and give emergency treatment to wounded soldiers to ensure the safety of the plant.

Looking at the important indicators of factory safety throughout the year, the injury rate (IR) and the frequency of disability injuries (FR) as defined by the Ministry of Labor, the occupational disease rate (ODR), and the number of days lost (LDR) (the severity rate of disability injuries of the Ministry of Labor (SR) are all zero. During the commuting time of colleagues, there are occasional accidental collisions. All official vehicles are insured. The factory manager also strengthens the promotion of good driving habits during weekly meetings and pays attention to the direction of oncoming traffic. See the methodology below:

- Disabling injury frequency = (total number of people injured and lost × 106) ÷ total working hours = (0*106)/ (260 people*8 hours*12 months) =0

- Total days lost due to incapacity injuries = 0
- Disabling injury severity calculation = 0
- Total damage index= $\sqrt{(\text{disabling damage frequency} \times \text{Redialing damage severity rate SR}) \div 1000} = 0$

2) Staff dormitory management

Continue to arrange for foreign colleagues to be vaccinated to enhance the resistance of the immune system. Irregularly caring for the daily life safety inspections of foreign employees, cooperating with the Taoyuan City Government Labor Bureau and Health Bureau policy promotion, strengthening the environmental hygiene and safety management of caring for employee dormitories, and the front-line supervisors personally caring for foreign employees living in Yangmei to ensure physical and mental health, And spraying drugs to disinfect, implement the current management of the two staff dormitories, and 5S cleaning work.

In addition to Filipino employees, Thai and Vietnamese employees have also been recruited, and different dormitories have been arranged for employees to have a good accommodation and safe environment, where they can live comfortably, work happily, and maintain good interaction with neighbors in the community.

3.6 Labor relations

GP complies with relevant labor laws and respects basic labor human rights, protects the legitimate rights, and interests of employees, and employs non-discriminatory treatment in employment policies. The publicity of company policies and the understanding of employees' opinions are carried out in an open two-way communication method, and through monthly meetings Employees are aware of changes in the company's operations.

In order to protect labor rights and interests, coordinate labor-management relations, and strive to strengthen labor-management harmony and promote two-way communication and coordination, a labor suggestion box is set up to accept suggestions from employees and expand communication channels to solve problems. In addition, an employee complaint system has also been established to deal with complaints from employees who are dissatisfied with punishment, improper management, suggestions and violations of relevant labor laws and regulations. As of the end of 2022, there are no major outstanding labor disputes.

1) Management policy

The company strictly abides by the principle of protecting employees. If the company's business development has a new establishment or relocation of business bases, the employee's position must be adjusted or transferred to the mainland, and the employee will be provided with sufficient time for business handover and work preparation for the new environment. And the senior staff will lead the new staff to quickly enter the service field. Regarding the management of labor contracts, it also follows the provisions of Articles 11 and 16 of the Labor Standards Act.

Table 3-14: Minimum notice period of labor contract (Related regulations of the Labor Standards Law)

Article 11	Unless one of the following circumstances occurs, the employer shall not notify the worker to terminate the labor contract:
	1. When the business is closed or transferred;
	2. Loss or business contraction;
	3. When the work is suspended for more than one month due to force

	majeure;
	4. When the nature of the business changes, it is necessary to reduce the labor force, and there is no suitable job for placement;
	5. When the laborer is truly incompetent for the job he undertakes.
Article 16	When the employer terminates the labor contract, the notice period shall be in accordance with the provisions of the following items:
	1. For those who continue to work for more than three months but less than one year, a notice shall be given ten days in advance;
	2. For those who have continued to work for more than one year but less than three years, a notice shall be given 20 days in advance;
	3. For those who have continued to work for more than three years, a notice shall be given 30 days in advance.

2) Labor-management meeting

GP attaches great importance to labor rights and interests. In order to coordinate labor-management relations and improve work efficiency, labor-management meetings are held in accordance with the law. Representatives of both labor and management negotiate various welfare systems and other matters. At present, the employees of the company have not established a trade union, and the wages are negotiated by both the employer and the employee, but not lower than the legal basic wages. If employees continue to work for a certain period, the company will give special leave in proportion to their seniority according to regulations. With the consent of the employees, the company will work on Saturdays and holidays, and the wages will be doubled.

Table 3-1 5: Scope of discussion of the labor-management meeting

Reporting matters	Labor dynamics such as the number of workers, labor changes, turnover rate, etc.
	Business production plan, business overview and market conditions and other production information
	Labor activities, welfare programs and improvement of working environment
Discussion items	Coordinating labor-management relations and promoting labor cooperation
	Labor conditions, labor welfare planning, improving work efficiency
	Method of selection and dismissal of labor-management conference representatives
	Labor-management conference operation

3) Labor Code of Conduct

The key to GP's market success lies in satisfied customers and motivated employees. Every employee of GP must abide by the code of conduct, abide by professional ethics, maintain fairness, and abide by all regulations. Our partners, customers, regulators, and the general public can rely on the high competence and expertise of our employees, as well as our high awareness of social norms and ethical behavior.

Current global electronics customers attach great importance to the spirit of Responsible Business Alliance (RBA). Our company also responds to customers' audit needs and maintains good interaction with customers. In response to the global trend of emphasizing human rights, the company does not employ persons under the age of 15 to work.

The obligation of the laborers to cooperate must also abide by the safety and health work rules, and accept the necessary safety and health education and training provided by GP for working and preventing disasters. In addition, workers must also undergo necessary physical examinations and health checks to ensure safe work. Entering the customer's factory area to provide installation and test run services must also comply with the relevant regulations of the factory, and wear engineering safety helmets, safety belts, insulating gloves, protective gear, or dust-free clothes and shoes.

In the process of work, GP colleagues can obtain mechanical equipment specifications, drawings, business secrets, etc. due to their direct technical and business positions, and they are obliged to keep confidential. For example: For patented technology, cost analysis, product design drawing, advanced manufacturing process, production scheduling, customer list, etc., legal norms such as trade secret law, company law, fair trade law, civil law, etc. should be abided by, and the method of honesty and credit should be followed for that.

4. Social Welfare and Environmental Sustainability

4.1 Social investment

1) Public welfare activities

Group Up Industrial is aware of creating social value and achieving win-win results with stakeholders. It grows steadily step by step, and always maintains a serious attitude. In line with the concept of "taking from society and using it for society", it actively invests corporate resources in Various public welfare activities. Maintaining social welfare is the principle and mission of corporate social responsibility practice.

Through various forms of public welfare professional services, we contribute to creating people's happiness, promote community development, and strive to become good neighbors in the community. We hope that through various public welfare activities, voluntary services, and long-term environmental education, we will invest in the operation of different external associations, play strategic social responsibilities, and enhance corporate brand value.

2) Social investment projects

Table 4-1: 2022 Year Expenditure Items

Object	Unit: NT\$
Social welfare donation	112,000
Association membership fees	317,060
Total donation	429,060

Source: Group Up Industrial

Corporate citizenship and philanthropy, have always been important items in international sustainability evaluations. GP currently counts the company's investment in sports, social welfare, and environmental projects.

In the future, it will also understand how to measure the actual output of social welfare, and expand social influence through the cooperation of corporate volunteers. Caring for the community and neighbors is also an indispensable part of GP in implementing the sustainable operation of the enterprise. The picture below shows that the company arranged for colleagues to give Mid-Autumn Festival gift money to Yude Children's Home on August 31, 2022 to strengthen a great community relationship.

Figure 4-1: Gift money from colleagues to Yude Children's Home



Source: GP Facebook

3) Links to the nonprofit sector

GP is also a member of several public associations. Since March 2022, colleagues have participated in different committees of the Taiwan Circuit Board Association (TPCA) for a long time, such as: Environmental Safety Committee, Marketing Committee, Specification Committee, International Affairs Committee, etc., in addition to commitment Attend various conferences and visits of the association, and actually participate in peer exchanges, support various public welfare and exhibition activities of the association, and also inject the concept of communication with external units into the company.

And GP is a donating unit in the Circuit Board Environmental Welfare Foundation (TPCF), and Mr. Yu, chief executive of sustainability, personally donated to support TPCF in promoting various environmental education and promotion work, bringing the concept of environmental sustainability from the campus, and establishing the knowledge of environmental conservation encourages students to practice it in their daily lives. Relevant public welfare information is simultaneously disclosed in the 2021YearTPCF circuit board environmental public welfare report, integrating sustainable inheritance into the perspective of net zero carbon reduction, and working with the next generation to practice ESG values.

In 2022, GP will also actively participate in the field of the industry. As a member of Taiwan Electronic Equipment Association (TEEIA), it will make good use of its core

expertise to plan, develop, and design for customers, and jointly form a smart manufacturing cross-domain service team. GP also operates in different sub-committees to promote the common good of the industry and look forward to the future. In the International Semiconductor Industry Association (SEMI), GP also participated in discussions on advanced packaging processes and Japan's latest semiconductor baking equipment technology. It absorbs experience through physical or online meetings from time to time, and hopes to contribute to the industry. In line with the latest trends in the equipment market.

4) Connection with local communities

Maintaining neighborhood relations is an important issue for GP in Yangmei. In addition to caring for neighbors, the company also strives to improve the demands of GP among neighbors.

In the year of 2022, one of the neighbors OOO reported to the company that the noise of the containers packed on the machine at night has affected the quality of sleep. After receiving the report, the senior executives should try their best to coordinate the production department in the factory, and should complete the shipment within daytime working hours, to reduce the discomfort caused by the short-term noise impact on the neighbors.

In addition, we also received reports from neighbors in the staff dormitory that the neighbors could not take a good rest due to the loud volume when the dormitory colleagues rested and listened to music after returning to the dormitory. After the factory manager learned about it, he strengthened publicity during the weekly morning meeting. Foreign colleagues should maintain a good work and rest. When using related electronic products, they should be careful not to affect others. The main core is to protect the neighborhood relationship together.

4.2 Environmental Sustainability Management

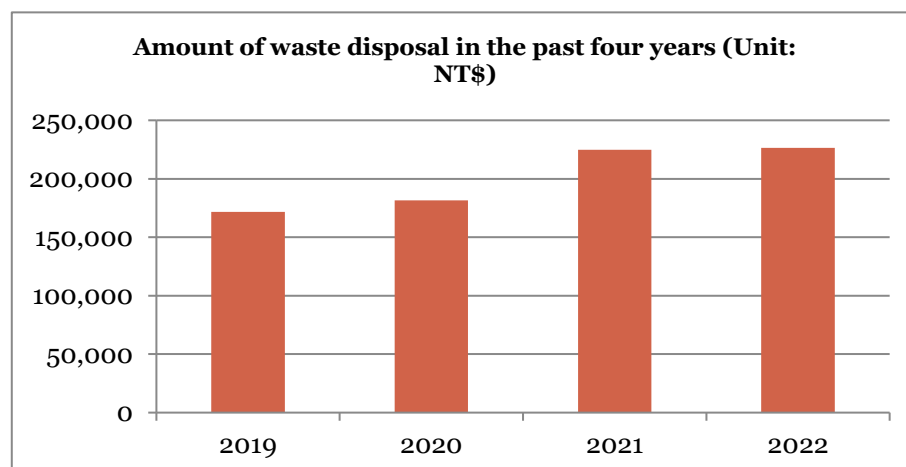
As a global supply chain, GP is engaged in the assembly and testing of mechanical automation equipment for circuit boards, optoelectronics, and semiconductor factories. During the operation process, electricity and water are mainly used, and no major environmental pollutants such as air, water, and harmful substances are produced. Daily operations and production the general and industrial wastes generated during the process are properly disposed of in accordance with local laws and regulations, with the guiding principle of not causing environmental hazards, and further assume more environmental responsibilities in environmental protection matters.

Waste disposal

In addition to setting resource recycling bins on different floors in the factory area, the company continues to publicize the importance of resource classification and recycling to colleagues. It also collects surplus materials such as aluminum, iron, waste paper, wire, polystyrene, etc. Then entrust a professional manufacturer to recycle. In 2022Year, we will continue to carry out cross-industry cooperation with Zhenglong Paper to recycle the company's old and expired paper documents, so that materials with reuse value will continue to be invested in the circular economy.

The total weight of waste disposal in this year includes 44,355 kg of waste paper, 16,180 kg of scrap iron, a total of 60,535 kg, and the amount of waste disposal reached 226,297 yuan, which is the highest amount in recent years. Materials with reuse value are continuously put into circulation. The effectiveness of the economy, but also the environmental protection and the promotion of resource efficiency corporate responsibility.

Table 4-2: Disclosure of waste-related data



Source: Group Up Industrial

Based on the concept of sustainable development and climate strategy (Climate Strategy), in the process of product design, development and manufacturing, we cooperate with government legal persons, suppliers, customers, industry-university institutions and other partners to innovate and develop, and are committed to improving the efficiency of resource use. GP Industrial provides various equipment to help customers improve PCB production speed, yield rate and quality, thereby reducing unnecessary waste of raw materials and energy in the manufacturing process, and contributing to the sustainability of the environment.

Carbon emission management

According to the definition of the National Greenhouse Gas Platform of the Environmental Protection Agency of the Executive Yuan, Carbon Footprint can be defined as the direct and indirect carbon dioxide emissions generated during the entire life cycle of an industry's activities or products quantity. The government announced that the carbon emission coefficient of electricity in 2022 is 0.509 kg CO₂e/kWh, and the company uses this coefficient to estimate the relevant data in 2022.

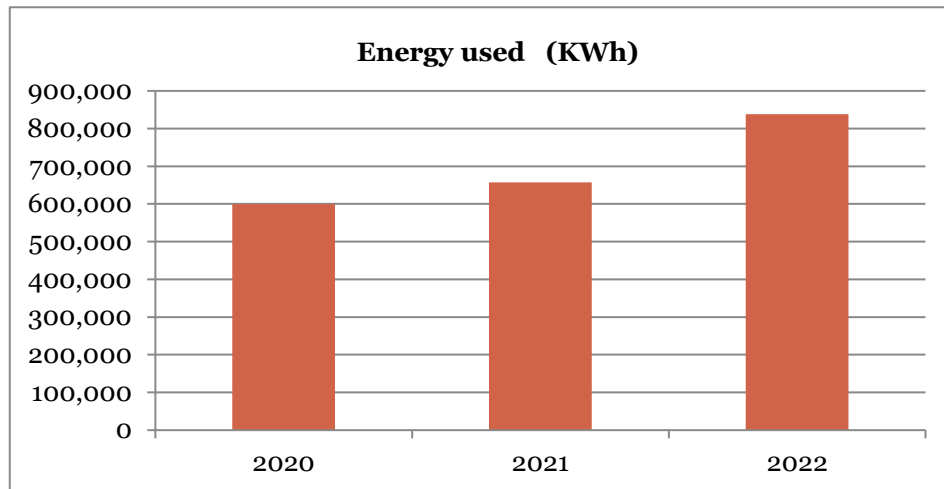
In response to the fact that the Executive Yuan has set Taiwan's greenhouse gas reduction target of 50% by 2050, and important customer groups have successively set energy-saving and carbon-reduction related targets, GP Industrial will respond to the relevant needs of the government and stakeholders, and conduct annual rolling reviews Year Target setting. In the process of manufacturing and daily operation, GP Industry strictly abides by various environmental protection laws and regulations in my country, and there will be no violations in 2022.

1) Energy use and energy saving

The energy consumption of GP Industrial focuses on the efficiency of energy use in factories. Energy efficiency is the basic key to combating climate change and reducing the overall environmental footprint of the organization. The company mainly focuses on machine assembly and testing operations and the power consumption required by the office area. The rest, such as emergency power supply equipment, accounts for a very small proportion.

Therefore, it is currently focusing on the statistics of power consumption in factories and office areas. The detailed electricity consumption is shown in the table below. In response to the successful completion and opening of the fourth-floor expansion project in 2022, the electricity consumption has increased by 180,700 kWh (27.48% increase) compared with the previous year.

Table 4-3: Power usage (degrees)



Source: Group Up Industrial

2) Greenhouse gas emission management

In the face of global climate change, coupled with the increasing emphasis on net-zero carbon reduction in various countries, companies must first understand the greenhouse gas emissions (GHG) in their own operations. Only every listed OTC company pays attention to its own carbon emissions in this situation, everyone can maintain the goal of not exceeding 1.5°C in global temperature rise and avoid irreversible environmental impacts and impacts brought about by climate change.

Due to the characteristics of the electronic equipment industry, GP Industry is subdivided into four categories in Category 1 based on the fuel-used kilometers of official vehicles, Category 2 in purchased electricity, and Category 3. Among them, business travel is the main calculation indicator. After adding in total, the total carbon emission in 2022Year is 510 metric tons, and the carbon emission coefficient is 0.509 kg CO₂e/degree. Compared with 2021Year, the total carbon emission in the previous year was 417 metric tons, and the carbon emission coefficient was 0.502 kg CO₂e/degree.

Therefore, the total amount of carbon emissions has increased compared with the previous year. Further analysis of the source of carbon emissions includes the following three items:

- Total mileage of official vehicles: 76.94 metric tons (scope 1)
- Carbon emissions of electricity and water used in the whole Yangmei plant: 398.766 metric tons (scope 2)
- Business travel: 34.73 metric tons (scope 3)

According to the average CO₂ emission value announced on the official website of the Environmental Protection Agency, the emission of 2,360 grams of carbon dioxide per

liter of 95 unleaded gasoline is used to estimate the greenhouse gas emissions of GP Industry. The total mileage of official vehicles in 2022 is 260,828 kilometers. A rough estimate One liter of 95 unleaded gasoline can travel about 8 kilometers, the total mileage consumes about 32,603 liters of 95 unleaded gasoline, and the total amount of carbon dioxide emitted is 76.94 metric tons.

ESG team will review energy efficiency year by year, and senior executives will take the lead in replacing their vehicles with gasoline-electric hybrid vehicles, which will have better energy efficiency levels and moderately improve air quality.

The total carbon emissions in 2022 will reach 510 metric tons. This is since the factory absorbs many orders and employees travel frequently abroad. As the turnover increases, the carbon emission figures also increase. Although the figures are increasing, the company's earnings per share (EPS) is used as the denominator to calculate the relationship between turnover and carbon emissions. From the statistical table below, it can be observed that although the company's turnover has increased, carbon emissions are effectively controlled. Continue to implement carbon reduction-related measures and reap relative effects.

Table 4-4: Carbon emissions included in turnover

Year	2020	2021	2022
Total carbon emissions (metric tons)	340	417	510
EPS	5.65	6.12	11.4
Calculated carbon emissions	60.17	68.13	44.73

Source: Group Up Industrial

In addition, the energy consumption outside the organization is calculated based on the staff dormitories provided. There are a total of four staff dormitories, with a total electricity consumption of 93,527 kWh and a total carbon emission of 47.13 metric tons; a total water consumption of 5,049 kWh and a total carbon emission of 0.76 mt.

In the future, GP will continue to count the energy consumption within the scope of operation. It will first understand the greenhouse gas inventory items in scope 1, scope 2, and scope 3, track the changes in its own greenhouse gas emissions, and disclose them publicly in the report. In order to implement the corporate citizenship responsibility of energy conservation and carbon reduction, and cooperate with customers in strategic activities, we will also actively participate in various online or physical education and training courses of the government, industrial technology research institutes, or non-governmental organizations.

Scope 1 emissions:

Table 4-5: Scope1 overs emissions from sources that an organization owns or controls directly

Year	Scope 1 emissions (Metric tons CO2e)	Emission intensity (Kg CO2e/million NTD)
2020	20.27	0.02
2021	67.12	0.07
2022	76.94	0.08

Source: Group Up Industrial

Scope 2 emissions

Table 4-6: Scope 2 are emissions that a company causes indirectly when the energy it purchases and uses is produced.

Year	Scope 2 emissions (Metric tons CO2e)	Emission intensity (Kg CO2e/million NTD)
2020	311.609	0.31
2021	344.169	0.34
2022	398. 766	0.39

Source: Group Up Industrial

Scope 3: Other indirect emissions

Table 4-7: Others (15 categories)

(Category 3) Indirect GHG emissions from transport	Upstream transportation and distribution
	Downstream transportation and distribution
	Business travel
	Employee commuting
(Category 4) Indirect GHG emissions from the use of products provided by other organizations	Purchased goods and services
	Capital goods
	Operational waste
	Fuel and energy
	Leased facilities
	Processing of sold product

(Category 5) Indirect derived from the use of the organization's products greenhouse gas emissions	Use of sold products
	End of life treatment
	Leased facilities
	Franchises
	Investments
(Category 6) Indirect GHG emissions from other sources	Other

Table 4-8: Scope 3 Carbon Emissions of Business Travel

Year	Scope 3 emissions (Metric tons CO ₂ e)	Emission intensity (Kg CO ₂ e/million NTD)
2020	8.22	0.008
2021	5.88	0.006
2022	34.73	0.034

Source: Group Up Industrial

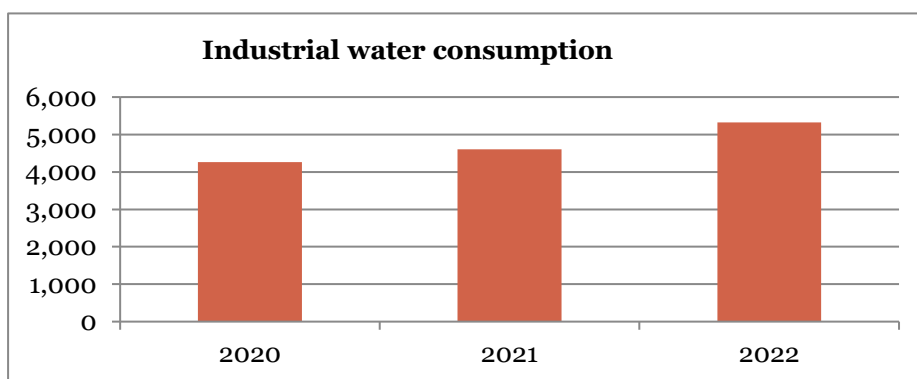
Note: in the year of 2023, the company will receive a sponsorship from the government, Ministry of Economic Affairs, to engage in the so-called 1+N project to further complete all the carbon emission management, including data collection and calculation. Some of the statistics may be updated if necessary.

Water resource utilization

In response to global extreme climate change, coupled with Taiwan's special water-scarce geographical environment and climate, it is very important for enterprises to properly manage the use of water resources. They must always pay attention to the efficiency of water use and whether they violate relevant environmental protection laws and regulations.

The company's total water consumption in 2022 is as follows; it will continue to follow various water-saving measures such as the Taoyuan City Government and the North District Water Resources Bureau of the Water Resources Department of the Ministry of Economic Affairs, and track the changes in monthly water consumption; For faucets, the management department will further plan to adopt more water-saving faucet devices, so that the company can continue to save water resources. In response to the successful completion and opening of 4th floor expansion project in 2022, the water consumption has increased by 721 degrees (15.66% increase) compared with the previous year.

Table 4-9: Industrial Water Consumption (degrees)



Source: Group Up Industrial

4) Biodiversity

GP Industries responds to the spirit of the Nature-Related Financial Disclosure (TNFD) guidelines, further understands, and treats the natural and cultural environment where the factory is located, and uses Taoyuan City as a starting point to convey the concept of environmental protection to the next generation.

In 2022, the GP ESG Group and Circuit Board Environmental Public Welfare Foundation jointly organized a marine environmental education course at Baosheng Elementary School in Guanyin District, Taoyuan City. Through interesting teaching of painting, students will learn about marine ecology, including the local Guanxin algae reef ecology. The protected area has 345 species, such as: crustaceans, shellfish, polychaetas, water birds, etc., all of which live here due to the porous nature of the algae reefs, which makes the precious resources of the algae reefs more appropriate to maintain. Through cooperation with schools, we communicate with students the concepts of resource restoration and ecological conservation to achieve the goal of sustainable ocean development.

In November 2022, Deputy General Manager Yu led the ESG team to go out again, and arrived at Shanghu Elementary School in Yangmei District, Taoyuan City to hold an environmental education lecture. The theme of the popular game Pokémon was combined with various insects to guide the students to understand one by one. Through the small the game introduces the insect species in Yangmei District, Taoyuan, such as beetles, butterflies, moths, dragonflies, etc. In addition to letting students know about insects, it also encourages students to get close to nature and make environmental resources sustainable.

GP is aware of the diversity of plants, and has also planted related species in the factory area, such as: eggplant, camphor tree, big-leaved mountain olive, golden dew flower, pines and cypresses, camellia, Podocarpus, osmanthus, etc., to do a good job in greening and beautifying. The banyan trees around the factory are also the plants that GP cares about.

In 2022, the three banyan trees extending to the parking lot in the factory will be infected with brown root disease in turn. It becomes fragile, affecting the root system to

absorb soil nutrients, and it is easy to cause collapse due to the decrease of supporting force, which is a risk that cannot be ignored. Therefore, horticultural manufacturers are invited to administer pesticides, evaluate the disease condition of trees, etc., treat the trees and keep track of the situation, hoping to maintain a healthy ecological circle.

Figure 4-2: Go to the local elementary school to hold ecological lectures



Source: Group Up Industrial

Appendix: GRI standard and index

Statement of use	Group Up Industrial Co. Ltd. has reported in accordance with the GRI Standards for the period 2022.01.01~2022.12.31.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A

GRI 2: General Disclosures 2021

GRI STANDARD	DISCLOSURE	CHAPTER	PAGE	OMISSION/REMARK
2-1	Organizational details	1.1 Company operation	p.9	
2-2	Entities included in the organization's sustainability reporting	1.1 Company operation	p.9	
2-3	Reporting period, frequency, and contact point	Reporting Information	p.3	
2-4	Restatements of information	Reporting Information	p.3	
2-5	External assurance	Reporting Information	p.3	
2-6	Activities, value chain and other business relationships	1.1 Company operation	p.9	
2-7	Employees	3.1 Employee care	p.53	
2-8	Workers who are not employees	1.1 Company operation	p.9	
2-9	Governance structure and composition	1.1 Company operation	p.16	
2-10	Nomination and selection of the highest governance body	1.1 Company operation	p.16	
2-11	Chair of the highest governance body	1.1 Company operation	p.16	
2-12	Role of the highest	1.1 Company	p.16	

	governance body in overseeing the management of impacts	operation		
2-13	Delegation of responsibility for managing impacts	1.1 Company operation	p.22	
2-14	Role of the highest governance body in sustainability reporting	1.2 Materiality	p.33	
2-15	Conflicts of interest	1.1 Company operation	p.20	
2-16	Communication of critical concerns	2.1 Customer Service	p.32	
2-17	Collective knowledge of the highest governance body	1.1 Company operation	p.23	
2-18	Evaluation of the performance of the highest governance body	1.1 Company operation	p.29	
2-19	Remuneration policies	3.2 Salary and benefits	p.60	
2-20	Process to determine remuneration	3.2 Salary and benefits	p.60	
2-21	Annual total compensation ratio	3.2 Salary and benefits	p.60	
2-22	Statement on sustainable development strategy	1.2 Materiality	p.33	
2-23	Policy commitments			
2-24	Embedding policy commitments			
2-25	Processes to remediate negative impacts	3.6 Labor relations	p.73	
2-26	Mechanisms for seeking advice and raising concerns	3.6 Labor relations	p.73	

2-27	Compliance with laws and regulations	1.1 Company operation	p.9	No violations in 2022.
2-28	Membership associations	1.1 Company operation	p.9	
2-29	Approach to stakeholder engagement	1.2 Materiality	p.33	
2-30	Collective bargaining agreements	3.6 Labor relations	p.73	

GRI 3: Material Topics 2021

GRI STANDARD	DISCLOSURE	CHAPTER	PAGE	OMISSION/REMARK
3-1	Process to determine material topics	1.2 Materiality	p.33~34	
3-2	List of material topics	1.2 Materiality	p.33~34	
3-3	Management of material topics	1.2 Materiality	p.33	

GRI200: Economic

GRI 201: Economic Performance 2016				
GRI STANDARD	DISCLOSURE	CHAPTER	PAGE	OMISSION/REMARK
201-1	Direct economic value generated and distributed	1.1 Company operation	p.12	
201-2	Financial implications and other risks and opportunities due to climate change			
201-3	Defined benefit plan obligations and other retirement plans			
201-4	Financial assistance received from government			

GRI 202: Market Presence 2016				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	3.2 Salary and benefits	p.60	
202-2	Proportion of senior management hired from the local community	3.1 Employee care	p.53	
GRI 203: Indirect Economic Impacts 2016				
203-1	Infrastructure investments and services supported			
203-2	Significant indirect economic impacts			
GRI 204: Procurement Practices 2016				
204-1	Proportion of spending on local suppliers	1.3 supply chain management	p.37	
GRI 205: Anti-corruption 2016				
205-1	Operations assessed for risks related to corruption	1.1 Company operation	p.27	
205-2	Communication and training about anti-corruption policies and procedures	1.1 Company operation	p.27	
205-3	Confirmed incidents of corruption and actions taken	1.1 Company operation	p.27	No corruption incidents.
GRI 206: Anti-competitive Behavior 2016				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices.	1.1 Company operaton	p.9	None of these cases.

GRI 207: Tax 2019				
207-1	Approach to tax	1.1 Company operation	p.30	
207-2	Tax governance, control, and risk management	1.1 Company operation	p.30	
207-3	Stakeholder engagement and management of concerns related to tax	1.1 Company operation	p.30	
207-4	Country-by-country reporting	1.1 Company operation	p.30	Country-related information is submitted to tax-related authorities every year.

GRI300: Environment

GRI 301: Materials 2016				
301-1	Materials used by weight or volume			
301-2	Recycled input materials used			
301-3	Reclaimed products and their packaging materials			
GRI 302: Energy 2016				
302-1	Energy consumption within the organization	4.2 Environmental sustainability	p.80	
302-2	Energy consumption outside of the organization	4.2 Environmental sustainability	p.80	
302-3	Energy intensity	4.2 Environmental sustainability	p.80	
302-4	Reduction of energy consumption	4.2 Environmental sustainability	p.80	
302-5	Reductions in energy requirements of products and services	4.2 Environmental sustainability	p.80	

GRI 303: Water and Effluents 2018				
303-1	Interactions with water as a shared resource	4.2 Environmental sustainability	p.86	
303-2	Management of water discharge-related impacts	4.2 Environmental sustainability	p.86	
303-3	Water withdrawal	4.2 Environmental sustainability	p.86	
303-4	Water discharge	4.2 Environmental sustainability	p.86	
303-5	Water consumption	4.2 Environmental sustainability	p.86	
GRI 304: Biodiversity 2016				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	4.2 Environmental sustainability	p.87	
304-2	Significant impacts of activities, products, and services on biodiversity	4.2 Environmental sustainability	p.87	
GRI 305: Emissions 2016				
305-1	305-1 Direct (Scope 1) GHG emissions	4.2 Environmental sustainability	p.84	
305-2	305-2 Energy indirect (Scope 2) GHG emissions	4.2 Environmental sustainability	p.84	
305-3	Other indirect (Scope 3) GHG emissions	4.2 Environmental sustainability	p.84~85	
305-4	GHG emissions intensity	4.2 Environmental sustainability	p.84~85	
305-5	Reduction of GHG emissions	4.2 Environmental sustainability	p.84	

GRI 306: Waste 2020				
306-1	Waste generation and significant waste-related impacts	4.2 Environmental sustainability	p.80	
306-2	Management of significant waste-related impacts	4.2 Environmental sustainability	p.80	
306-3	Waste generated	4.2 Environmental sustainability	p.80	
306-4	Waste diverted from disposal	4.2 Environmental sustainability	p.80	
306-5	Waste directed to disposal	4.2 Environmental sustainability	p.80	
GRI 308: Supplier Environmental Assessment 2016				
308-1	New suppliers that were screened using environmental criteria	1.3 Supply chain management	p.37	
308-2	Negative environmental impacts in the supply chain and actions taken	1.3 Supply chain management	p.37	

GRI400: Social

GRI 401: Employment 2016				
401-1	New employee hires and employee turnover	3.1 Employee care	p.53	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.2 Salary and benefits	p.60	
401-3	Parental leave	3.2 Salary and benefits	p.60	
GRI 402: Labor/Management Relations 2016				

402-1	Minimum notice periods regarding operational changes	3.6 Labor relations	p.73	
GRI 403: Occupational Health and Safety 2018				
403-1	Occupational health and safety management system	3.5 Occupational Safety and Health	p.71	
403-2	Hazard identification, risk assessment, and incident investigation	3.5 Occupational Safety and Health	p.71	
403-3	Occupational health services	3.1 Employee care	p.53	
403-4	Worker participation, consultation, and communication on occupational health and safety	3.5 Occupational Safety and Health	p.71	
403-5	Worker training on occupational health and safety	3.5 Occupational Safety and Health	p.71	
403-6	Promotion of worker health	3.1 Employee care	p.53	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.5 Occupational Safety and Health	p.71	
403-8	Workers covered by an occupational health and safety management system	3.5 Occupational Safety and Health	p.71	
403-9	Work-related injuries	3.1 Employee care	p.71	
403-10	Work-related ill health	3.1 Employee care	p.71	

GRI 404: Training and Education 2016				
404-1	Average hours of training per year per employee	3.3 Talent development	p.64	
404-2	Programs for upgrading employee skills and transition assistance programs	3.3 Talent development	p.64	
404-3	Percentage of employees receiving regular performance and career development reviews	3.3 Talent development	p.64	
GRI 405: Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	1.1 Company operation	p.17~18	
405-2	Ratio of basic salary and remuneration of women to men	3.2 Compensation and benefits	p.43	
GRI 406: Non-discrimination 2016				
406-1	Incidents of discrimination and corrective actions taken			None of these incidents happened in the year of 2022.
GRI 407: Freedom of Association and Collective Bargaining 2016				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	3.6 Labor relations	p.73	
GRI 408: Child Labor 2016				
408-1	Operations and suppliers at significant risk for incidents of child labor	3.4. Human rights	p.69	The company does not employ underage child labor

GRI 409: Forced or Compulsory Labor 2016				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	3.4 Human rights	p.69	The company has no occurrence of such risk events
GRI 410: Security Practices 2016				
410-1	Security personnel trained in human rights policies or procedures			
GRI 411: Rights of Indigenous Peoples 2016				
411-1	Incidents of violations involving rights of indigenous peoples			The company has no incidents involving violations of the rights of indigenous peoples
GRI 413: Local Communities 2016				
413-1	Operations with local community engagement, impact assessments, and development programs	4.1 Social investment	p.77	
413-2	Operations with significant actual and potential negative impacts on local communities	4.1 Social investment	p.77	
GRI 414: Supplier Social Assessment 2016				
414-1	New suppliers that were screened using social criteria	3.4 human rights	p.69	
414-2	Negative social impacts in the supply chain and actions taken			No negative impacts in the supply chain occur
GRI 415: Public Policy 2016				

415-1	Political contributions			
GRI 416: Customer Health and Safety 2016				
416-1	Assessment of the health and safety impacts of product and service categories	2.1 customer service	p.41	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services			No incidents of non-compliance occurred
GRI 417: Marketing and Labeling 2016				
417-1	Requirements for product and service information and labeling	2.1 Customer service	p.41	
417-2	Incidents of non-compliance concerning product and service information and labeling			No incidents of non-compliance occurred
417-3	Incidents of non-compliance concerning marketing communications			No incidents of non-compliance occurred
GRI 418: Customer Privacy 2016				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data			No incidents of non-compliance occurred

Appendix: United Nations Global Compact

Item	TEN PRINCIPLES	Chapter	Page
Human rights	Businesses should support and respect the protection of internationally proclaimed human rights	Chapter 3	p.69
	make sure that they are not complicit in human rights abuses.	Chapter 3	p.69
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Chapter 3	p.73
	the elimination of all forms of forced and compulsory labor	Chapter 3	p.73
	the effective abolition of child labor	Chapter 3	p.73
	the elimination of discrimination in respect of employment and occupation.	Chapter 3	p.73
Environment	Businesses should support a precautionary approach to environmental challenges	Chapter 4	p.80
	undertake initiatives to promote greater environmental responsibility	Chapter 4	p.80
Anti-corruption	Businesses should work against corruption in all its forms, including extortion and bribery.	Chapter 1	p.27

Source: <https://www.unglobalcompact.org/what-is-gc/mission/principles>

Appendix: List of Abbreviations and Nouns

Abbreviations	Term	中文
ABF	Ajinomoto Build-up Film	高階 IC 載板增層材料
BCP	Business Continuity Plan	企業持續營運計畫
CDP	Carbon Disclosure Project	碳資訊揭露專案
CDSB	Climate Disclosure Standards Board	氣候揭露標準委員會
CECP	Chief Executives for Corporate Purpose	美國執行長企業目標聯盟
COVID-19	Coronavirus disease 2019	嚴重特殊傳染性肺炎
CSR	Corporate Social Responsibility	企業社會責任
DJSI	Dow Jones Sustainability Index	道瓊永續指數
ESG	Environment, Social, Governance	環境、社會、公司治理
GHG	Greenhouse Gas	溫室氣體
GRI	Global Reporting Initiative	全球永續報告協會
NDA	Non-Disclosure Agreement	保密協定
PCB	Printed-Circuit Board	印刷電路板
PCBECI	Printed Circuit Board Equipment Communication Interfaces	印刷電路板設備通訊協定
RBA	Responsible Business Alliance	責任商業聯盟
SASB	Sustainability Accounting Standards Board	永續會計準則委員會
SCM	Supply Chain Management	供應鏈管理
SDGs	Sustainable Development Goals	聯合國永續發展目標
SEMI	Semiconductor Association	國際半導體產業協會
TCFD	Task Force on Climate-related Financial Disclosures	氣候相關財務揭露建議
TEEIA	Taiwan Electronic Equipment Industry Association	台灣電子設備協會
TNFD	Taskforce on Nature-related Financial Disclosures	自然相關財務揭露建議
TPCA	Taiwan Printed Circuit Association	台灣電路板協會
TPCF	TPCA Environment Foundation	財團法人電路板環境公益基金會

Appendix : Sustainability Accounting Standards Board (SASB)

Category	Index	Chapter	Page
Environment	GHG Emissions	Chapter 4.2	p.81~82
	Energy Management	Chapter 4.2	p.80
	Water & Wastewater Management	Chapter 4.2	p.86
	Waste & Hazardous Materials Management	Chapter 4.2	p.80
Social Capital	Customer Privacy	Chapter 2.1	p.41
	Data Security	Chapter 1.1	p.30~32
Human Capital	Labor Practices	Chapter 3.6	P.73
	Employee Health & Safety	Chapter 3.5	p.71
	Employee Engagement, Diversity Inclusion	Chapter 3.1	p.53
Business Model and Innovation	Product Design & Lifecycle Management	Chapter 2.2	P.47
	Supply Chain Management	Chapter 1.3	p.37
	Materials Sourcing & Efficiency	Chapter 1.3	P.37
Leadership and Governance	Competitive Behavior		
	Systemic Risk Management	Chapter 1.1	p.28

Industry - Technology and Communications, source://www.sasb.org